anarchy and through anarchy the enemies of freedom will triumph.

This means that our system must work. We cannot hold ourselves forth as the hope of the world unless our own house is in order. The most important objective of our foreign policy is to maintain freedom as a way of life and a crucial element in achieving our goals is our own economic strength and our own prosperity.

A ROSY PICTURE

By selecting certain facts—and turning our backs upon others—it is possible to paint a rosy picture of America. I am afraid that some have succumbed to that temptation. Personal income has set new records. The average worker took home $85.53 a week last July, 3 percent higher than a year ago. Employment in August was at an alltime high and the unemployment rate dropped from nearly 7 percent of the labor force to 5.8 percent.

But this is not the whole picture. Despite the high rate of employment, 3.9 million people remained jobless and many of our finest plants are producing at rates well below capacity. In your own industry, steel production is at less than 60 percent of its potential.

These facts need not give cause for despair. We are not in a depression nor are we close to one. But these facts do present us with a challenge. Can we—a nation which prides itself upon our humanitarian philosophy and our economic efficiency—continue to permit this waste of human and physical resources?

A CLEAR ANSWER

President Kennedy has given the answer loud and clear. He has affirmed unemployment as the major domestic challenge of the sixties. And he has pointed out that this administration has no intention of learning to live with unemployment. We will not be content until this enemy is licked and American workers can live in the security to which they are entitled by their brains, their brawn, and their willingness to work.

The first need when this administration took office was to come to the relief of those who were suffering from the long months of dreary joblessness.

The President put into action the food stamp plan. Unemployment compensation was extended to those who had exhausted their benefits. The Area Redevelopment Act became a cornerstone of policies to cushion the impact of automation. The U.S. Employment Service was strengthened. The minimum wage was increased and its coverage extended for the first time in 22 years. A great new Housing Act was passed.

The President established the Committee on Equal Employment Opportunity—and as Chairman of that Committee, I want to congratulate your leadership upon its unswerving devotion to the principles of that Executive order. These measures, however, represented only the beginning. Longer term programs must be put underway.

One of the most vital is the Manpower Development and Training Act. Already, 70 projects in 11 States have been approved. In a very short time, more than 8,000 people will be trained for 51 different jobs and this will soon grow into the hundreds of thousands.

Earlier this month, Congress passed the President's $900 million public works program. It also passed the tax credit bill, while the administration has developed new tax depreciation schedules.

Still before Congress is new employment insurance legislation; the youth employment opportunities bill; the college aid bill and the most significant trade measure since the early days of the New Deal.

I cannot predict the outcome of all of these measures. We live under government by consent—and we intend to keep it that way. But I can tell you that this administration will not rest until it has secured adequate measures to combat unemployment.

NOT A LONG JUMP

I started my remarks today by reminiscing on the streets of Ankara and the bazaars of Istanbul. This may seem like a long jump to a convention in Miami. But the jump is not as far as it seems.

Often during my visit to the Middle East, I was reminded of a statement by one of your great leaders—one of the greatest names in the American labor movement—Phil Murray. He said, in naming labor's objectives, that what the workingman wants is a rug on the floor, a picture on the wall, and music in the home. This is a modest statement of what we have achieved. But for millions of people it is literally what they aspire to. And their aspirations are tied—very directly—to the leadership that we can give the free world.

Leadership comes only from those who are strong—strong morally and strong physically.

TRIPARTITE DIVISION

We live in a world which is divided roughly into three parts. One-third is under Communist domination; one-third is committed to the institutions of freedom; one-third is groping its way toward the institutions of the 20th century.

These people of the latter third are hoping that they can achieve what we already have. We cannot afford to let them down. Our Nation, in its prime, must not falter or fail.

We shall not succeed, however, if we maintain an artificial division between our foreign and domestic policies. We must realize that our foreign policy is not a separate thing—to be held in the hands of a few skilled specialists and to be divorced from the total overall policies of our Nation.

The extent to which we ourselves are making full use of our productive resources has a direct bearing upon the example we offer the rest of the world. The extent to which we achieve physical stability is an immediate factor in our capacity to help others less fortunate to help themselves. Our capacity to govern ourselves through mutual agreement is the measure of our capacity to attract others to the institutions of freedom.

And in the last analysis, we must all remember that in everything we do—including labor-management relations—the public interest has become everyone's silent partner and the public interest calls upon us for the very highest form of responsibility.

TRENDS AT WORK

There are six trends at work in our land which calls for national unity of purpose as we have never had such national unity before. These trends are:

1. Our rate of economic growth has been inadequate to ward off long-term unemployment.

2. Since the end of the war we have experienced four recessions—and many of the jobs lost during those recessions have been lost for good.

3. Profound changes in our technology are leading ultimately to greater capacity and more abundance—but for the time being they are making obsolete the skills that formerly meant steady work for millions of American workers.

4. The geographical base of American industry is shifting—and thereby causing dislocations in our labor force.

5. The exhaustion of resources has economically isolated some towns and communities that once were prosperous and flourishing.

6. Our success in aiding foreign economies to recover after World War II has increased competition for world markets. We do not seek to eliminate competition but we do seek to meet it intelligently.

Never before in our economic history have the stakes been so great and the need for national unity so paramount. And it is to face the trends that I have cited already that this administration has presented its programs.

There is no one answer and no one solution. We must, as a nation, march forward in overall unity tackling our problems as a whole.

I would like to leave you today with a thought expressed by the man who was originally supposed to occupy this platform—Arthur Goldberg.

He said, "We all, in the end, have only one interest at heart, that this great and mighty Nation of ours continue in strength and vitality as the champion of human freedom."

I thank you.

SENATE

MONDAY, SEPTEMBER 24, 1962

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

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

Eternal God and Father of us all: Amid the maddening maze of things that fill our toiling days with fret and fever, we would tarry for this hallowed moment at another week's beginning in this sheltered pavilion of prayer. We bow before Thee in the creative faith that the very justice and social welfare which the public servants are here to preserve, promote, and protect are rooted and grounded in Thy sovereignty. Even as with the righteous sword of our national might lifted against the debasing idolatry of the police state, we know in our hearts that more vital than earthly armament, if we are to be the instruments of Thy purpose, is the putting on of the whole armor of God. Only as we fight in that shining mail can we be among the peacemakers who are called the children of God. In paths beyond our human eye to discover, lead us to the concord which will heal the divisions which shorten the arm of our national strength—a unity which is the fruit of righteousness—as we bring every thought and effort into captivity to the High and Holy One of whom it is declared, "And the government shall be upon His shoulders."

In His name we ask it. Amen.

THE JOURNAL

On request of Mr. MANSFIELD, and by unanimous consent, the reading of the Journal of the proceedings of Friday, September 21, 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.

AUTHENTICATED U.S. GOVERNMENT INFORMATION GPO

EXECUTIVE MESSAGES REFERRED

As in executive session,

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

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

CALL OF THE LEGISLATIVE CALENDAR DISPENSED WITH

On request of Mr. MANSFIELD, and by unanimous consent, the call of the legislative calendar was dispensed with.

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 Committee on Post Office and Civil Service was authorized to meet during the session of the Senate today.

AUTHORIZATION FOR THE COMMITTEE ON LABOR AND PUBLIC WELFARE TO MEET DURING THE SESSION OF THE SENATE TOMORROW

Mr. MANSFIELD. Madam President, I ask unanimous consent that the Committee on Labor and Public Welfare be authorized to meet during the session of the Senate tomorrow from 10 a.m. to 12 o'clock noon.

The PRESIDENT pro tempore. Is there objection? The Chair hears none and it is so ordered.

FARMER COUNTY COMMITTEE OF THE ASCS

Mr. MANSFIELD. Mr. President, the recent discussions pertaining to new farm legislation prompt me to discuss for a few minutes one of America's great democratic institutions—the farmer committee system of administering farm programs.

In recent months there has been increasing criticism of the ASC farmer committees, as a result of developments in a few locations of the country. This has prompted efforts to discredit this democratic administration of Federal programs. I have always felt that the county committees were extremely important instruments in the administration and implementation of the farm programs.

I would call your attention to the fact that—in addition to the 50 State committees—there are more than 3,000 county committees composed of 9,160 elected committeemen—and more than 27,000 community committees, also elected. Altogether, there are about 90,000 county and community committeemen.

Now, it is obviously unfair to criticize—for a handful of transgressions—these thousands of conscientious citizens and farmers who have done so much to achieve efficient operation at the local level of farm program administration. These men are entitled to much of the credit for the success of the feed grain and wheat programs of the past 2 years—with their savings to taxpayers. They are entitled to much of the credit for the $1.1 billion rise in farm income last year.

But the remarkable thing is that—while carrying on these increased assignments—they have achieved definite efficiencies in the county offices. In the county offices the workload increased more than 80 percent, but the use of manpower went up only 28 percent. The total employment in county offices during the 1962 fiscal year was actually less than back in 1958 when the soil bank activity was at its peak. It should also be noted that full-time Federal employment in the activities carried out by the Agricultural Stabilization and Conservation Service was reduced by 738 employees between January 1961 and January 1962.

I think we should all recognize that the criticism of ASC committees that we have heard in recent months has come mostly from the traditional enemies of the farm program and the farmer committee system. This suggests that these groups are using the recent difficulties as an excuse in their efforts to destroy the committees and weaken program administration.

I want to commend the Secretary of Agriculture for his untiring efforts to improve the farm programs that are of such vital importance to all of our citizens. Early in 1961 he announced his intention to review the operation of the farmer ccmmitteeman system of administration with the intent of strengthening that system. More recently he appointed a small committee of outstanding citizens from outside the Department, including the two past Secretaries of Agriculture, Wickard and Brannan, to conduct this review and make recommendations to him. The results of this committee's deliberations will be of interest to many responsible people interested in sound program administration in the rural area. I anticipate that this reexamination by the Secretary may result in some modification of detailed procedures, but I am equally confident that the Department will continue to rely heavily on these elected committeemen to administer programs at the county level. It is recalled that some effort was made by Secretary Freeman's immediate predecessor to relegate these county committeemen to an advisory status. I am sure that the present administration in the Department of Agriculture will not repeat this mistake.

In spite of some of the scattered criticism of our farm program administration in recent months, and isolated difficulties in our own State, my colleague, the Senator from Montana [Mr. METCALF] and I have great confidence in the elected ASC county committees, the community committees working with them, and their employees at the county office level.

THE NORTHERN CHEYENNES MOVE AHEAD UNDER SELF-HELP PROGRAMS

Mr. MANSFIELD. Mr. President, when the Area Redevelopment Act was signed into law one of its specific purposes was to provide assistance, technical and financial, to organized Indian reservation groups throughout the country. While these areas have a great deal of human and natural resources they have never been fully realized for one reason or another. The Area Redevelopment Act has proven to be an incentive in moving along the various programs of self-help and improvement that have been discussed on these reservations for so many years.

Montana has seven Indian reservations, where conditions exist from one extreme to another. Each reservation has qualified for assistance under ARA and has been so designated. The overall economic development plans for several of these reservations have been approved.

The one reservation area in Montana which has pleased me the most in its progress under these economic aid programs has been the Northern Cheyenne Indians. These Indian people live in southeastern Montana. There are few visible resources in the land area. But these people are proud people; they have complained less and have asked for less than the vast majority of ethnic groups who exist under limited circumstances.

The Northern Cheyennes have been aware for some time that if they were to prosper and survive as an Indian group they have to develop their resources, devise some means of economic livelihood and protect their own interest. In recent years the pattern on many of our Indian reservations throughout the Nation has been a gradual sale of Indian-owned lands. Today these reservations are a checkerboard of trust, patent-in-fee, and non-Indian lands. Thus, they were gradually losing control of their reservation lands.

The Northern Cheyenne Indians have not permitted this. In recent years the Northern Cheyenne Tribal Council, under the able guidance of its president, John Woodenlegs, has purchased all land advertised for sale whenever possible with the limited funds that were available. Many advocates of early termination of Federal control over the reservations have promoted the dissipation of reservation units into the hands of outsiders. This the Northern Cheyenne people have not done. The area of the Northern Cheyenne Reservation is still quite intact. Just recently many years of hard work were realized when the Bureau of Indian Affairs approved two revolving credit loans to the Northern Cheyennes. Last year the Congress appropriated funds to help replenish the revolving credit fund. My colleague, Senator LEE METCALF, a number of our associates and I have urged for many years that this fund be put back into operation so that needy Indian tribes would have an adequate loan program available to them for tribal development.

The Northern Cheyenne Tribe has been approved for a $500,000 loan with

which they will undertake an extensive land-purchase program as a means of getting greater use of Indian lands now and in the future. They also have received favorable consideration for a $950,000 loan for a tribal livestock enterprise. The livestock program will not be actively underway until next spring. This livestock enterprise will provide employment, a new source of income, and ultimately it will be instrumental in further use of irrigable lands on the reservation as a source of feed for the livestock.

The loan assistance comes directly from the Bureau of Indian Affairs. The Northern Cheyenne Tribe has also submitted an overall economic development plan to the Area Redevelopment Administration. The OEDP has been approved and the Northern Cheyennes are now proceeding to study and implement individual project proposals.

The greatest potential on the Northern Cheyenne Reservation undoubtedly lies in the development of enterprises appealing to the tourists. The Northern Cheyennes are also renewing an interest in arts and crafts, an area well suited to these people and one that holds some promise. This past year there has been a noticeable increase of traffic on the U.S. highway which crosses the reservation. Recent visits to the Northern Cheyenne Reservation by interested persons indicates a considerable potential.

What I have said thus far has been most encouraging, but the Northern Cheyennes have a long way to go, there are a multitude of problems. These people and their leaders have indicated a willingness to try and do something to help themselves. I believe that if they receive the necessary assistance and guidance from the Bureau of Indian Affairs, the Department of Interior, and the Area Redevelopment Administration, the Northern Cheyenne Indians will move forward.

At this point I wish to make note of the recent untimely death of LaVerne Madigan of the Association on American Indian Affairs. LaVerne Madigan had been of great service to the Indian tribes of Montana, particularly the Northern Cheyennes. People of this caliber can be of great service to the Indian people.

Mr. President, I ask unanimous consent to have printed in the RECORD at this point an article entitled "September Is the Moon of Many Sorrows," published in the Billings Gazette of September 17, 1962.

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

SEPTEMBER IS THE MOON OF MANY SORROWS

(By Chuck Rightmire)

Dull Knife; Little Wolf; Indian names seldom heard. Yet they should rank with Brigham Young and Chief Joseph in legends of men who led, or tried to lead, their people to a home of safety in a land of milk and honey.

These were the chiefs who led homesick Cheyennes from the flatlands of Oklahoma to the Yellowstone Valley, the rich land of their home.

Many did not make it.

MOONLIT NIGHT

The exodus began on a moonlit September night near Fort Reno in the Indian Territory of Oklahoma.

But the story began on the banks of the Little Big Horn June 25, 1876, when a brevet brigadier general, Col. George Armstrong Custer, led his troops in a headlong charge into a camp of Sioux and Cheyennes and didn't ride out.

The U.S. Army took its vengeance.

Among victims was the hunting camp of Dull Knife and Little Wolf, chiefs not in the Custer fight, although some of their warriors were.

The Army forced the Cheyennes to flee and destroyed winter gear left on the banks of the Powder River.

Without winter supplies the Cheyennes were forced to surrender at the agency of their old ally, Red Cloud, now the Pine Ridge Agency in southwestern South Dakota.

The Army said they would have to join Southern Cheyennes in Oklahoma Indian Territory. The Cheyennes refused until their rations were cut.

Then Little Wolf and Dull Knife led the way south, secure in the promise they could return if they didn't like Oklahoma.

Like other Government promises, this was not honored.

Rations were no better in Oklahoma. The Northern Cheyennes died from malaria and other lowland diseases—and homesickness.

"A great many have been sick; some have died," Little Wolf told a congressional investigation committee. "I have been sick a great deal of the time since I have been down here—homesick and heartsick and sick in every way. I have been thinking of my native country and the good home I had up there where I was never hungry, but when I wanted anything to eat I could go out and hunt buffalo.

"It makes me feel sick when I think about that and I cannot help thinking about that."

Starving on agency rations, the Cheyennes left Fort Reno to seek food. The agent ordered them to return and sent soldiers and cannon to enforce his order.

Like shadows the Cheyennes ghosted from their camp one by one that night while the guards stared blissfully through the moonlight.

Little Wolf, youngest of the two chiefs and at 57 still one of the fastest runners of the tribe, had the prime responsibility. Dull Knife, the "old man chief," had many followers. This was to cause trouble.

BEAUTIFUL PEOPLE

With them went their wives, Dull Knife's family "The Beautiful People"; Little Wolf's two sons and his daughter, and the cream of the Cheyennes including some southern members.

The U.S. Army harried them north. More than 13,000 troops poured into the area the Cheyennes would traverse.

Little Wolf controlled his warriors, except for foraging. Only in Kansas, near where a village of Cheyennes had been wiped out several years before, did he loose his braves. White blood flowed.

Five times the soldiers found them; one was a running fight, the others pitched battles. Each time, Little Wolf fought a defensive fight and slipped away.

The last fight was almost the end.

Troops under a Colonel Lewis, who vowed "to stop the Cheyennes or die trying" pushed the warriors into their last fortress, rifle pits under a bluff near the Arkansas River.

Behind the men, the women and children hid in a gully. All were ready to die.

A Cheyenne marksman wounded the colonel. The troops drew off and, as the Indians rode and walked north again, the colonel fulfilled his vow.

Some days they made as many as 70 miles, small groups walking and riding, dispersed but close enough that they could draw together for defense.

As October began they crossed the Platte River.

Legend has it that the chiefs decided the weaker members could not reach the Yellowstone. Dull Knife supposedly took them and attempted to reach Pine Ridge.

Legend has it that as Dull Knife drew away, Little Wolf and the remainder of the band showed themselves on a hill and decoyed the soldiers.

ROUTE SPLIT

But others say the two chiefs split over the route, Dull Knife wanting to join Red Cloud and Little Wolf wanting to continue to the Yellowstone.

No matter the reason, the band split. Little Wolf led his group into the sandhills of Nebraska and Wyoming where they wintered in secluded valleys, living on wild cattle and game.

The aged Dull Knife led his band along willow-shrouded banks of the White River in northwest Nebraska. He sent messengers to ask Red Cloud for succor.

The Sioux chief had been ordered by the agent to report the Cheyennes. He did.

In the midst of a snowstorm, the troops found Dull Knife.

"Surrender or fight," they said.

Dull Knife surrendered but asserted the Cheyennes would die fighting before returning south.

The Dull Knife Cheyennes were held at Fort Robinson. Arms and horses were taken from them, except for weapons the women hid under their skirts.

"You will stay here until the Government decides what to do with you," they were told.

Dull Knife answered, "We are back on our ground and have stopped fighting. We have found the place we started to come to."

For several months the Cheyennes roamed freely around the fort. Then one of them went to the Pine Ridge to see his wife and did not return for 3 days.

SEALED IN BARRACKS

The Cheyennes were sealed in barracks.

As the new year began, Capt. Henry Walton Wessell, Jr., post commander, told the Cheyennes they would have to go south.

They refused.

Captain Wessell cut off rations, fuel, and finally water. Several leaders were taken from the barracks in chains.

On January 9, 1879, the Cheyennes dressed carefully in their best and packed their belongings. Hidden weapons, pitifully few, came out of hiding places.

Guards went down in the first blast.

Cheyennes streamed from the windows.

Like shadows they poured across the moonlit snow between fort and river.

Soldiers raced after them and shadows became dark mounds in the snow. For 10 days the troops chased and killed Indians—men, women, and children.

Of the 150 Indians at the fort, 50 died, 65 were recaptured, most wounded, and the remainder disappeared, some perhaps to reach the Yellowstone.

Dull Knife lost a son and daughter, but with the remnants of his family he fled to Red Cloud. The Sioux sheltered them.

Eventually Dull Knife moved to the Tongue River Reservation where he died in 1883 and was buried above the Rosebud Valley.

Little Wolf desperately kept his warriors under control when they heard of the massacre.

In February, protected by a thin screen of warriors and foragers, he moved his band north, up the valley of the Little Missouri and through the badlands to about 50 miles west of the mouth of the Yellowstone.

LITTLE WOLF WAITS

He knew the constantly searching soldiers would find them.

He moved to a high, protected fortress in the badlands where the soldiers could not attack without tremendous losses.

There he waited.

General Miles' scouts found them. A trusted Army lieutenant, W. P. "White Hat" Clark talked the Cheyennes into surrendering.

The band moved to Fort Keogh.

The Government decided peace with the Cheyennes was worth a reservation and an area near the Tongue River in Montana was set aside.

But the man primarily responsible was never to live in honor on the reservation.

As the months passed at Fort Keogh, Little Wolf succumbed to boredom and whisky.

Under its influence he shot and killed another Cheyenne.

For 25 years, until his death in 1904 and his burial above the Rosebud, he wandered the desolate lands of southern Montana and northern Wyoming, alone or with his family—an exile for committing the worst of Cheyenne crimes.

EXECUTIVE COMMUNICATIONS, ETC.

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

REPORT ON CERTAIN CONSTRUCTION AT MARSHALL SPACE FLIGHT CENTER, HUNTSVILLE, ALA.

A letter from the Administrator, National Aeronautics and Space Administration, Washington, D.C., reporting, pursuant to law, on the construction of certain facilities relating to the Saturn vehicle; to the Committee on Aeronautical and Space Sciences.

REPORT ON CERTAIN GRANTS BY NATIONAL AERONAUTICS AND SPACE ADMINISTRATION FOR RESEARCH AND DEVELOPMENT

A letter from the Administrator, National Aeronautics and Space Administration, Washington, D.C., reporting, pursuant to law, on certain grants by that Administration, for research and development (with accompanying papers); to the Committee on Aeronautical and Space Sciences.

REPORT ON EXAMINATION OF PRICING OF GUIDANCE SUBSYSTEMS FOR BOMARC MISSILE UNDER CONTRACT WITH THE BOEING CO., SEATTLE, WASH.

A letter from the Comptroller General of the United States, transmitting, pursuant to law, a report on the examination of the pricing of guidance subsystems for the Bomarc missile under Department of the Air Force negotiated contract AF 33(600)-36319, with the Boeing Co., Seattle, Wash., dated September 1962 (with an accompanying report); to the Committee on Government Operations.

REPORT ON EXAMINATION OF ECONOMIC AND TECHNICAL ASSISTANCE PROGRAM FOR KOREA, INTERNATIONAL COOPERATION ADMINISTRATION, PART I

A letter from the Comptroller General of the United States, transmitting, pursuant to law, a report on the examination of economic and technical assistance program for Korea, International Cooperation Administration (succeeded by Agency for International Development), Department of State, fiscal years 1957-61, part I, dated September 1962 (with an accompanying report); to the Committee on Government Operations.

REPORT ON EXAMINATION OF ECONOMIC AND TECHNICAL ASSISTANCE PROGRAM FOR KOREA, INTERNATIONAL COOPERATION ADMINISTRATION, PART II

A letter from the Comptroller General of the United States, transmitting, pursuant to law, a report on the examination of economic and technical assistance program for Korea, International Cooperation Administration (succeeded by Agency for International Development), Department of State, fiscal years 1957-61, part II, dated September 1962 (with an accompanying report); to the Committee on Government Operations.

AUDIT OF DEVELOPMENT LOAN FUND

A letter from the Congressional Liaison, Agency for International Development, Department of State, Washington, D.C., transmitting, for the information of the Senate, a copy of that Agency's reply to the audit report of the Comptroller General of the United States, on an audit of the Development Loan Fund for fiscal year 1961 (with an accompanying paper); to the Committee on Government Operations.

URBAN MASS TRANSPORTATION ACT OF 1962—REPORT OF A COMMITTEE (S. REPT. NO. 2119)

Mr. PASTORE. Mr. President, from the Committee on Commerce, I report, without recommendation, the bill (S. 3615) to authorize the Housing and Home Finance Administrator to provide additional assistance for the development of comprehensive and coordinated mass transportation systems, both public and private, in metropolitan and other urban areas, and for other purposes, and I submit a report thereon.

The PRESIDENT pro tempore. The report will be received and printed, and the bill will be placed on the calendar.

ADJUSTMENT OF POSTAL RATES—REPORT OF A COMMITTEE—INDIVIDUAL VIEWS (S. REPT. NO. 2120)

Mr. JOHNSTON. Mr. President, from the Committee on Post Office and Civil Service, I report favorably, with an amendment, the bill (H.R. 7927) to adjust postal rates, and for other purposes, and I submit a report thereon. I ask that the report be printed, together with the individual views of the Senator from Oklahoma [Mr. MONRONEY] and the individual views of the Senator from Pennsylvania [Mr. CLARK].

The PRESIDENT pro tempore. The report will be received, and the bill will be placed on the calendar; and, without objection, the report will be printed, as requested by the Senator from South Carolina.

CANYONLANDS NATIONAL PARK, UTAH—REPORT OF A COMMITTEE—MINORITY VIEWS (S. REPT. NO. 2121)

Mr. ANDERSON. Mr. President, from the Committee on Interior and Insular Affairs, I report favorably, with amendments, the bill (S. 2387) to establish the Canyonlands National Park in the State of Utah, and for other purposes. I ask unanimous consent that the report be printed, together with the minority views of Senators ALLOTT, MILLER, PEARSON, and JORDAN of Idaho.

The PRESIDENT pro tempore. The report will be received, and the bill will be placed on the calendar; and, without objection, the report will be printed, as requested by the Senator from New Mexico.

BILLS INTRODUCED

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

By Mr. BENNETT:

S. 3744. A bill to authorize the establishment of the Canyonlands National Park and Recreation Area; to the Committee on Interior and Insular Affairs.

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

By Mr. HART (for himself, Mr. KEFAUVER, Mr. CARROLL, Mr. DODD, Mr. LONG of Missouri, Mr. WILEY, Mrs. NEUBERGER, Mr. MCNAMARA, Mr. MUSKIE, and Mr. BARTLETT):

S. 3745. A bill to amend the Clayton Act to prohibit restraints of trade carried into effect through the use of unfair and deceptive methods of packaging and labeling certain consumer commodities distributed in commerce, and for other purposes; to the Committee on the Judiciary.

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

CONCURRENT RESOLUTIONS

CREATION OF JOINT COMMITTEE TO STUDY THE ORGANIZATION AND OPERATION OF THE CONGRESS

Mr. CLARK (for himself, Mr. KUCHEL, Mr. ENGLE, Mr. COOPER, Mr. HUMPHREY, Mr. CASE, Mr. CARROLL, and Mrs. NEUBERGER) submitted a concurrent resolution (S. Con. Res. 93) to create a joint committee to study the organization and operation of the Congress and recommend improvements therein, which was referred to the Committee on Rules and Administration.

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

TO AMEND SECTION 133 OF LEGISLATIVE REORGANIZATION ACT OF 1946 RELATIVE TO PROCEDURE ON APPROPRIATION BILLS

Mr. CLARK submitted a concurrent resolution (S. Con. Res. 94) to amend section 133 of the Legislative Reorganization Act of 1946, relative to procedure on appropriation bills, which was referred to the Committee on Rules and Administration.

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

RESOLUTIONS

TO PRINT AS A SENATE DOCUMENT A MANUSCRIPT ENTITLED "RATIFICATIONS OF THE CONSTITUTION"

Mr. SALTONSTALL submitted a resolution (S. Res. 398) to print as a Senate document a manuscript entitled "Ratifications of the Constitution," as edited by Denys P. Myers, which was referred to the Committee on Rules and Administration.

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

TO PRINT AS A SENATE DOCUMENT A REVISED EDITION OF A SENATE DOCUMENT ENTITLED "NEW MEXICO—LAND OF ENCHANTMENT"

Mr. ANDERSON submitted a resolution (S. Res. 399); which was referred to the Committee on Rules and Administration, as follows:

Resolved, That there be printed as a Senate document a revised edition of Senate Document 91, 77th Congress, entitled "New Mexico—Land of Enchantment," and that there be printed five thousand copies of such document for the use of the Committee on Interior and Insular Affairs.

TO EXPRESS SENSE OF SENATE ON STANDING COMMITTEES REPORTING BY JULY 4 OF ANY YEAR ON EACH LEGISLATIVE PROPOSAL BY THE EXECUTIVE BRANCH OF GOVERNMENT

Mr. CLARK submitted a resolution (S. Res. 400) to express sense of Senate on standing committees reporting by July 4 of any year on each legislative proposal by the executive branch of Government, which was referred to the Committee on Rules and Administration.

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

TO AMEND RULE XXIV RELATIVE TO ELECTING MEMBERS OF STANDING COMMITTEES AND THE CHAIRMEN THEREOF

Mr. CLARK submitted a resolution (S. Res. 401) to amend rule XXIV relative to electing members of standing committees and the chairmen thereof, which was referred to the Committee on Rules and Administration.

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

TO AMEND RULE XXIV RELATIVE TO QUALIFICATIONS OF CHAIRMEN OF COMMITTEES

Mr. CLARK submitted a resolution (S. Res. 402) to amend rule XXIV relative to qualifications of chairmen of committees, which was referred to the Committee on Rules and Administration.

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

AMENDMENT OF RULE XXV OF STANDING RULES OF THE SENATE RELATING TO JURISDICTION OF CERTAIN COMMITTEES

Mr. CLARK submitted a resolution (S. Res. 403) to amend rule XXV of the Standing Rules of the Senate relating to the jurisdiction of certain committees, which was referred to the Committee on Rules and Administration.

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

THE 310,000-ACRE CANYON LANDS NATIONAL PARK AND RECREATION AREA

Mr. BENNETT. Mr. President, one of the most magnificent and varied scenic areas in the world is the canyon lands country along the Green and the Colorado Rivers in southeastern Utah. The majesty and magnificence of its superbly rugged scenery has inspired artists and poets to aesthetic heights. It is a national asset which surely deserves national recognition, development, and preservation so that all of the people of our land may enjoy its splendor.

I am, therefore, introducing, for appropriate reference, a bill which would authorize the creation of a 310,000-acre Canyon Lands National Park and Recreation Area. The bill follows the recommendations of the Special State Agency Committee appointed by Gov. George D. Clyde, the chairman of which is the respected conservationist and former regional U.S. forester, C.J. Olsen. Up to 102,000 acres of the area would be administered under traditional national park concepts, while at least 208,000 acres would be administered as a multiple-use National Recreation Area. Approximately 80,000 acres of the park area would be geographically contiguous on a map, although divided by the Colorado River, which passes between the Needles and the Standing Rocks areas.

The overwhelming majority of the people of Utah strongly support national recognition for the canyon lands area. Virtually everyone agrees with this objective and also on the great value which such recognition would have for the economy of Utah and for the people of America. The only question is how this objective shall be met.

HISTORY OF THE CANYON LANDS PROPOSAL

It has taken nearly a decade to make the necessary studies and lay the background for this proposal. It was my privilege to support appropriations for a National Park Service study of the Dead Horse Point area, which was completed on January 19, 1953. In the intervening years, the State of Utah evidenced a wish to launch a progressive State park program. I had the honor to successfully sponsor two bills that made a State park program possible in Utah. Under these bills, the State acquired lands to develop the Dead Horse Point State Park, which will ultimately be the most spectacular State park in the United States.

Another important step involving this area was taken in 1956. I had the honor to be a sponsor of S. 500, which was signed into law that year by President Eisenhower, which, in part, created a 1,429,000 acre Glen Canyon National Recreation Area. Of this amount, 1,337,000 acres are in Utah, approximately 73,000 acres of which are embraced in my bill. Thus, nearly one-fourth of the area is already under the jurisdiction of the National Park Service.

These steps were followed by Department of Interior studies in the Needles area from May 13 to May 21 in 1959, and a study of the Land of Standing Rocks between May 9 and May 13, 1960. I worked very closely with former Secretary of Interior Fred A. Seaton and former Assistant Secretary George Abbott in connection with these studies, and backed appropriations for them. The first result was a bill which I had drafted by the Department of Interior. I introduced the bill on March 7, 1961, to provide for the establishment of a 72,000 acre Needles National Recreation Area, all of which area is included in the bill now before the committee today. It was the first bill ever offered in Congress to give national recognition to the area. The Park Service thereafter completed its overall canyon lands study. At the request of the Utah State Park and Recreation Commission, I introduced a bill, S. 2616, to set aside three smaller areas comprising a national park complex in the canyon lands country, connecting them with access roads built by the Park Service. After visiting the area, I became convinced that this bill is inadequate. My colleagues in the congressional delegation also introduced bills in the late summer of 1961.

CANYON LANDS DELAY REGRETTABLE

I had hoped to offer the bill which I am introducing today as a substitute for the Moss bill, which has been approved by the Senate Interior Committee, or in place of the King or Peterson bills, had they passed the House. Although considerable progress has been made in the Senate, there has been a complete failure in the House. Evidently the 1-day hearing in the House was held solely as a political gesture with no intent to act on the bill. The Deseret News for May 28, 1962, states as follows:

Representative ASPINALL and Park Subcommittee Chairman Representative J. T. RUTHERFORD, Democrat, of Texas, went ahead with plans for Monday's hearings after Representative KING told them he faced political attack if he was unable to get House consideration for the park this year.

This same article also states that members of the House committee "were expected to plan a helicopter tour of the park area some time in June, according to Representative KING." Insofar as I can determine, this promised tour was never held. This is certainly understandable since the House Interior Committee is a hard-working, busy committee, but it is regrettable that the people of Utah were led to expect such a visit.

I ask unanimous consent that the Deseret News article appear in the RECORD at this point in my remarks.

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

HOUSE PONDERS CANYON LANDS

WASHINGTON.—Congressional deliberation on the proposed Canyon Lands National Park moved to the House Monday afternoon as the House Interior Committee opened hearings on a park authorization bill introduced

by Representative DAVID S. KING, Democrat, of Utah.

The committee planned to hear Representative KING, Representative M. BLAINE PETERSON, Democrat, of Utah, and Interior Department witnesses in a brief afternoon session.

Interior Secretary Stewart L. Udall was listed as a possible witness but the Secretary's schedule was still uncertain early Monday.

Members of the House committee were expected to plan a helicopter tour of the park area some time in June, according to Representative KING.

Monday's session was expected to be only an opening review of the park with more serious hearings to come if the Senate approves a park bill this session.

House Interior Committee Chairman WAYNE ASPINALL, Democrat, of Colorado, originally declined to schedule action on the park bill this year.

Representative ASPINALL and Park Subcommittee Chairman Representative J. T. RUTHERFORD, Democrat, of Texas, went ahead with plans for Monday's hearings after Representative KING told them he faced political attack if he was unable to get House consideration for the park this year.

Mr. BENNETT. Mr. President, a day later, on May 29, the Deseret News ran another article under the headline "Hopes Fade for Quick Park Action," with a subheading entitled "New Hearings Unlikely Before Congress Quits." If the Canyon Lands National Park bill is not passed this year, there is, therefore, little question as to the reason. Moreover, it also has been indicated that the Moss bill will not be considered by the Senate this year. As yet, it has not been reported to the Senate. I am, therefore, introducing my bill so it can be further studied after Congress adjourns, thus hopefully hastening action during the next session of Congress which convenes in January of 1963. It is most regrettable that a bill was not passed this year.

CONSTRUCTIVE ROLE

Throughout the entire deliberations on the Canyon Lands problem, I have played a positive, constructive role since I earnestly favor national recognition of this magnificent country. As a result of my activities, some of the gross mistakes in the other bills have been corrected and some obvious excesses have been forestalled, but others still remain.

First. For example, neither the Moss bill nor the King and Peterson bills made any provision for access roads. If they had been approved, the canyon lands country would have been nothing but an isolated wilderness area to which only hikers could go, and there would have been absolutely no economic benefits to the State of Utah. This was corrected in the Moss bill, but the King bill still makes no provision for access roads.

Second. The original King and Moss bills failed to protect Utah's school children, and would have 41,000 acres of land locked up indefinitely. The later Moss bill makes an effort to meet this problem, but fails, and the King bill makes no provision whatever.

Third. The King and Moss bills propose to take away and add to the northern edge of the park 22,000 acres which the State of Utah wishes to make part of the Dead Horse State Park. No effort has been made to correct this serious defect.

Fourth. The original King and Moss bills would have locked up and forbidden all activity under the mining and leasing laws. The second Moss bill attempts to remedy this problem, but largely fails, while the King bill is completely deficient.

Fifth. Secretary of Interior Stewart L. Udall set his sights on seizing a 1 million acre canyon lands park area, thus locking up one of the most mineral-rich sections in the United States. When I exposed this grab to the public, I was promptly attacked by my colleagues, who denied the charge. Subsequently, at the canyon land hearings, Secretary Udall admitted at least eight times that he wanted the million acre area.

Sixth. The initial Moss and King bills make no provision for hunting and would post "no hunting" signs on 332,000 acres. The Moss bill attempts to remedy this problem by adopting the procedures used in the Grand Teton National Park, but they are unworkable, and, therefore, unsatisfactory. The King bill is still completely deficient in this respect.

NATIONAL PARK STANDARDS

The provisions of the Moss bill dealing with mining, mineral, and leasing laws, undermine the National Park system in the eyes of leading national conservation organizations. The bill would apply these provisions to the entire 332,000 acre area, thus making it possible for any Secretary of Interior, who might be so inclined, to open up the entire area to mining. These organizations feel that this is a threat to the entire National Park concept. Under my bill up to 102,000 acres would be clearly set aside in advance and administered under traditional National Park standards, thus obviating the problems created by the Moss bill. Interestingly enough, Utah newspapers reported, the day after the Senate Interior Committee approved the Moss bill, that at least three of his Democratic colleagues on the committee reserved the right to oppose this feature of the Moss bill.

MINING AND MINERALS

Even though the Moss bill does purport to permit mining and mineral activity in the area, I have yet to find a single mining, potash or oil and gas miner or operator or lawyer in Utah who believes that it does. The Moss bill leaves these important activities entirely at the mercy of the Secretary of Interior, who could regulate them out of existence, while the King bill flatly bars such activities. It is obvious from his philosophy that the incumbent Secretary of Interior would do just that.

The inadequacy of the Moss bill is further highlighted by a recent solicitor's decision in the Department of Interior which held that the Secretary could withdraw from mining location approximately 35,800 acres of land in the Death Valley National Monument. This remarkable decision was rendered in the face of a statute which expressly provided:

The mining laws of the United States are extended to the area included within the Death Valley National Monument in California, or as it may hereafter be extended, subject, however, to the surface use of locations, entries, or patents under general regulations to be prescribed by the Secretary of Interior.

The Moss bill does not even come close to furnishing the alleged protection of the act of June 13, 1933, which I have quoted as it applies to the Death Valley National Monument.

Thus the bill manages at the same time to alienate both those who believe that the national park concept must be preserved and the mining and mineral industries. That is a remarkable achievement. My bill would protect the park principles and clearly specify that the mining and mineral laws must be observed in the national recreation area as distinguished from a national park or national monument.

BASIC PRINCIPLES OF THE BILL: FOLLOWS RECOMMENDATIONS OF UTAH STATE AGENCY COMMITTEE

The bill authorizes the creation of a 310,000-acre Canyon Lands National Park and Recreation Area, of which up to 102,000 acres would be administered under traditional national park standards, and at least 208,000 acres of which would be administered as a national recreation area with multiple use expressly permitted. The bill is intended to embody the recommendations made by the State agency committee established by Gov. George D. Clyde, of which C. J. Olson, former regional U.S. forester, was chairman.

SINGLE-USE AREAS TO BE SELECTED JOINTLY BY FEDERAL AND STATE OFFICIALS

Under the approach which the State agency committee and I have adopted, the areas to be devoted solely to national park use, in which virtually no other uses would be permitted, would be selected jointly by the Secretary of Interior, the Governor of Utah, and the affected county commission. Under the Moss bill the Secretary of Interior would have sole authority to make this determination. Under the King and Peterson bills the entire area would be devoted to national park use, with all other uses forbidden, except for limited grazing.

SINGLE USE AREAS SELECTED IN ADVANCE

Under my bill, the park areas would be selected and substantially known in advance, based upon the State Agency Committee study. Under the Moss bill the selection, if any, would be made after the bill is passed on a case-by-case basis. Under the Moss approach we would not know for sure how much of the area would be locked up until after the bill became law, although probably all of it would be.

Quite obviously someone must make the selection. It is my strong conviction that this selection should be made cooperatively by the Secretary, the Governor, and the affected county commission, and not made solely at the discretion of the Secretary of Interior. If the Moss procedure is followed, the Secretary of Interior will be under tremendous pressures to permit multiple-use activities throughout the entire area. Under my procedure, however, the single-use

areas would be clearly set aside, thus obviating the administrative problems created under the Moss bill.

MULTIPLE USE PROTECTED IN RECREATION AREAS

My bill expressly provides for multiple use for at least 208,000 acres of the area selected so mining and mineral leasing activities would be fully protected therein. Under the Moss bill there is no such assurance for any of the total area. The Moss bill gives no promise that there will be multiple use because the Secretary of Interior by regulation can effectively block any such activities. The King and Peterson bills clearly forbid multiple use.

ALL THE TOURISM ADVANTAGES WITHOUT A LOCKUP

Under my approach, we can have all the economic advantages of tourism without locking up all of the precious resources of the mineral-rich canyon lands area. Tourists want to see and enjoy the incomparable scenery; they don't measure the number of acres in making a decision to visit a national park. In any event, there would be as much acreage in the total park and recreation area under my draft bill as under the Moss, King, and Peterson bills. However, these bills would block mineral development without attracting any more tourists to compensate for this great loss than would my bill.

SAME PROBLEMS OF ADMINISTRATION UNDER ALL BILLS

Much has been made of purported problems of administration under my bill. It is said there must be "contiguity" and not separate park areas. This objection betrays an ignorance of the terrain involved. The three principle canyon land areas may be "contiguous" on a map but they are totally isolated from each other to a tourist on the ground. It will be necessary to build dead-end roads into each of the areas, utilizing existing roads to get from one to the other. To try to connect them directly would be of fantastic cost.

Moreover, my bill places the entire area under Park Service administration just as much as do the other three bills. There is, therefore, just as much "contiguity" with this bill as with the others. Presumably at least 80,000 acres of the park areas will be geographically contiguous, that is the Neddles and Ernie's country areas.

PROTECT THE UTAH SCHOOL FUND

The Moss, King, and Peterson bills fail to protect the Utah school fund. Consequently, hundreds of thousands and perhaps millions of dollars may be lost to our schools if my bill is not approved instead of theirs.

Under the Moss, King, and Peterson bills complete reliance would be placed upon effecting exchange agreements under existing law. However, there are already thousands of acres of State school section lands in national parks and monuments in Utah and in other Federal withdrawals which the State has been unable to exchange with the Bureau of Land Management. In total there are 600,000 acres in this category. There has been almost interminable delay on the part of the Bureau in deciding which lands it is willing to exchange for State lands. This is then followed in the great majority of cases by a seemingly endless argument over whether or not the lands are of "equal value."

This process is so slow, so unsure, and so tied up in bureaucratic red tape that the schools of our State would lose large, vitally needed sums if my bill is not approved. It has the approval of the State land board, the State school board, and the Governor's State agency committee.

SECTION-BY-SECTION EXPLANATION OF THE BILL

Section 1 contains the enacting clause and gives a description by metes and bounds of the proposed 310,000-acre area. It protects all valid existing rights. Under my bill the 22,000 acres which the State park commission wishes to acquire as an addition to the existing Dead Horse Point State Park, is deleted. The Moss, Peterson, and King bills make this acreage part of the park which, according to the Utah park officials, is a great mistake and severely hampers development of the State park.

The National Park Service proposes that 3½ sections going north and south encompassing about 1,000 acres in the southwest corner of the Canyon Lands should be deleted. I am willing to accept this recommendation.

Section 2(a) provides that the park areas should be jointly selected by the Secretary of Interior, the Governor, and the affected county commission, and sets forth the upper limits which may be devoted to park purposes in each of the seven areas involved.

Section 2(b) sets a 102,000-acre limit on the combined park areas and provides that these shall be administered under traditional national park standards.

Section 3 applies the same procedure to the selection of national recreation areas as to the park areas, with a provision that the recreation areas shall not be less than 208,000 acres in total.

Section 4 provides that the Secretary of Interior may appropriately transfer or acquire the lands needed, and establishes exchange procedures, particularly for privately held lands, if any, in the park and recreation areas.

Section 5(a) grants to the State of Utah the 41,901 acre Lisbon oil field area described by metes and bounds for an approximately equivalent acreage of State school sections and State-owned riverbed lands which are in the proposed park and recreation area. This section was prepared by the Utah State Land Board and approved by the State school board and the Governor's State agency committee. It could bring millions of dollars to the State school fund, and will compensate the State for the loss of mineral rights in State lands within the canyon lands area. The Moss, King, and Peterson bills do not protect the school fund. The Lisbon lands were applied for by the State before the area became "producible."

Section 6 permits the Secretary to proclaim creation of the park and recreation area and sets the upper limits on its size, of 310,000 acres.

Section 7(a) is designed particularly to protect the rights of those who hold grazing permits in the park portions of the area. But it also gives protection to those holding grazing permits in the recreation areas, above and beyond that given in section 11 as it deals with grazing.

Section 8(a) protects the valid rights acquired before creation of the park and recreation area by the patentees under the mining laws and permitees and lessees under the mineral leasing laws.

Section 8(b) coupled with section 11 establishes the multiple use concept in the recreation areas involved. These provisions make sure that future activities under the mining and mineral leasing laws shall be carried out in the recreation areas.

Section 9 provides for construction of access and connecting roads outside of the park and recreation areas. The first Moss bill failed to make provision for such access roads, to which I took strong exception. His second bill embodies my recommendations.

The King and Peterson bills still fail to provide for access roads, consigning the area to isolated wilderness status.

Under my bill all types of users may utilize the roads. Under the Moss bill the Park Service would no doubt bar all commercial use, just as it now does on park roads in the West and parkways in the East. This could create a Berlin Wall further to block commercial activity.

Section 10 clearly declares that State hunting and fishing laws shall apply in the entire area. The Moss bill adopts the procedure used in the Grand Teton National Park, thus placing hunting completely at the mercy of the Secretary of Interior. The Wyoming Game and Fish Commission describes this procedure as "most cumbersome," and points to the "autocratic and highhanded attitudes of the National Park Service" and says the State should have final say as to when and where hunting will be allowed. A similar statement has been made by the Utah State Fish and Game Department. My bill protects the State's right to govern hunting in the area, subject only to regulations jointly adopted by the Secretary and the Governor to protect public safety. We now permit hunting both in park-type areas in our National Forests, which have more visitors in Utah than our national parks, and in our State parks without any significant problems.

The King and Peterson bills bar all hunting.

Section 10(a) also provides that State boating laws would apply. The other bills do not do so.

Sections 12 and 13 provide for concurrent Federal-State jurisdiction with respect to the police power and tax power.

Section 14 provides that State water laws will be applicable. The other bills fail to do so.

Section 15 is a routine section dealing with administration.

Section 16 provides that no future extension or establishment of national parks or monuments in the State of

Utah can be made without positive action of Congress. A similar law applies in Wyoming. The so-called Antiquities Act has been so distorted in its application that the Secretary of Interior has acquired power to create unilaterally national monuments by Executive order and administer them as if they were national parks.

Since the Constitution confers control of public lands on Congress, and in order to protect the rights of our local people, the Secretary should not have this power. This is particularly true since the threat has been made that he might exercise this power in the canyon lands controversy.

I introduce the bill for appropriate reference.

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

The bill (S. 3744) to authorize the establishment of the Canyonlands National Park and Recreation Area, introduced by Mr. BENNETT, was received, read twice by its title, and referred to the Committee on Interior and Insular Affairs.

TRUTH-IN-PACKAGING BILL

Mr. HART. Mr. President, I on behalf of myself and Senators KEFAUVER, CARROLL, DODD, LONG of Missouri, WILEY, NEUBERGER, MCNAMARA, MUSKIE, and BARTLETT, introduce a truth-in-packaging bill. It represents my reaction to the exhaustive inquiry I conducted into packaging and labeling practices.

This bill is designed to restore rational buying to the market place and to remove to a considerable degree the gantlet of psychological traps, successive confusions and outright deceptions that today's consumer must run whenever he passes down a supermarket aisle.

Such practices operate as a blindfold to prevent consumers from getting the information they need and deserve from the packages of the products they buy.

We believe that enforced honesty and straightforwardness in the marketplace can save the careful housewife hundreds of dollars each year.

But this bill provides many benefits for the manufacturer, too. Above all, it will provide him with greater security in marketing packaged and labeled goods—a security derived from a clear understanding of how basic information should be presented on the package and from the comforting knowledge that all his competitors must abide by the same standards.

This is important because during our inquiry we found that many manufacturers were apologetic about packaging practices but felt compelled to use them because their competitors did.

The bill was a difficult one to write. We wanted to keep it fair and clear without seriously interfering with our society's intricate marketing system.

We began by listing packaging requirements that would be necessary for all consumer commodities, regardless of kind or class. There are three of them:

First. The net weight of a product should be displayed on the front panel of its package in a prominent and conspicuous manner, unadorned by qualifying abjectives. This would eliminate, for example, such absurdities as the giant half-quart.

Second. Packages should contain no pictures or illustrations that would deceive the consumer as to content. A can of succotash, for instance, should not carry a picture of a savory beef stew, even if that stew would be a logical end product for the can's contents. Likewise, chocolate chips should be as evident in the cookies as they are in the package illustration.

Third. Manufacturers should not be allowed to print cents-off deals, economy-size designations and other information implying a price advantage on their packages. Implying a bargain by these methods presupposes a control over retail price that the manufacturer usually does not have. Our hearings exposed many abuses arising from these practices. Too often, the "cents-off" deal passes absolutely no savings to the customer.

These three requirements will be applied to every consumer item covered in the bill. How will they be promulgated and enforced? By two agencies—the Food and Drug Administration and the Federal Trade Commission.

The FDA will continue to have authority over the commodities currently within its jurisdiction—foods, drugs, and cosmetics. The authority of the FTC will extend to all other consumer commodities.

These three provisions are the only ones that will apply across the board to all consumer items covered in the bill.

Of course, the bill proposes other regulations but the rest of them must be applied on a product-by-product basis. Obviously, many directives that would be sensible for soap packagers would look silly if enforced on fish canners or ice cream manufacturers.

So these regulations must be drawn up on what we call a product-line basis. At this point our procedures change.

Remember, the three across-the-board regulations were to be promulgated by two agencies, the FDA and the FTC. However, on the product line directives, the FTC will have sole authority, regardless of what commodity is involved.

What are some of the things the FTC may do? There are six items. The FTC may:

First. Establish weights and measures in which a commodity may be sold. For example, the FTC may find it reasonable for three competitors to sell their product by the pound instead of respective 13½-, 15¼-, and 17½-ounce packages. In one product line we found packages of 69 different weights, all under three pounds.

Second. Prevent the use of packages that may deceive the customer as to amount of content. This, for example, could bar the 6-inch cardboard tray holding the 4-inch candy bar.

Third. Determine what sized packages deserve designations such as "small," "medium," "large," or "super." Labels often disguise a package's relative size. In toothpaste, for example, one witness told us she could not buy a "small" tube. The sizes started with "large" and went up from there.

Fourth. Establish "serving" standards. How much filet of sole, for example, will "serve four"? One pound or four forksfull? The housewife deserves some degree of certainty on this.

Fifth. Establish standards describing the useful amount of product in a package in those cases where weight is not meaningful. A detergent package, for example, might describe units of strength as well as the weight.

Sixth. Require that adequate information regarding ingredients or composition be printed prominently on the package. The consumer should have a precise knowledge of what he is buying. Of course, proprietary trade formulas are expected.

I have tried here to describe some of the more prominent features of the bill. I will ask at the conclusion of my remarks that a detailed, section-by-section analysis be placed in the RECORD.

Now let me return for a moment to the necessity for this bill.

In the average supermarket today, there are aproximately 7,500 items as compared to 1,500 a decade ago. We heard that there may be 20,000 such products in the supermarket of the next decade. The sale of nondurable consumer commodities amounts to approximately $80 billion a year. For the average family, such expenditures represent one-third of the budget. Twenty billion dollars more are spent on the packaging of these commodities. We are dealing here with a large and significant sector of our economy.

How does a consumer decide between these 7,500 products when he spends his nickels, dimes, and quarters in the neighborhood supermarket?

Not too long ago the consumer received the basic information necessary for an informed purchase from the neighborhood grocer. Today, he must depend on the package and only the package. The package has become the salesman. It is necessary that this new package-salesman speak truthfully, accurately, informatively, and clearly. If it does not, the consumer cannot make a rational choice between competing products.

Just how important is this "rational choice" to the operation of our free competitive economy and our democratic institutions?

For effective operation our democratic system requires that the individual choose rationally. We accept this responsibility as a part of our legacy of freedom whether we are selecting a candidate for public office or selecting products in the marketplace.

Under our economic system, it is the consumer who decides what will be produced for the marketplace and in what quantity. The consumer votes with dollars and his collective decisions steer the economy. But only when the collective decisions are wise ones can we depend on the economy to take an intelligent course.

But this responsibility cannot be discharged unless the information necessary for an informed choice is readily available.

To the extent that the buyer cannot get easily from that package basic facts about the contents, the information channels from the marketplace to the source of production are clogged and there is distortion in the system.

Our hearings clearly indicated that this is precisely what is happening. It is occurring in part because of the prevalence of the following practices: Meaningless and confusing label information and illustrations; package sizes, shapes, and weights so odd as to make price comparisons almost an impossibility; misleading and deceptive promotions; lowering the weight or content of a package while masking this loss in product from the consumer; inconspicuous and misleading content designations; package designs and shapes that give a distorted impression of the amount of product within.

These packaging and labeling practices have serious antitrust consequences.

Our antitrust laws are designed to guarantee marketplace competition and all the consumer benefits that competition brings. But the draftsmen of the basic acts did not anticipate the revolutionary developments in marketing methods.

Consequently, the law still assumes that price is the major determining factor in competition. That is, it assumes that if two products or services are exactly the same in quality, then price is the only remaining factor in the sale.

We now have a clear indication that in many economic areas price competition has become a fiction; that many manufacturers prefer not to compete on the basis of price. Rather, they prefer to compete in areas of nonprice competition.

Packaging and labeling is a principal form of nonprice competition in the consumable commodity field. It can be an expensive form of competition favoring the larger corporation. It has tended to obscure price competition with practices that make it almost impossible for the consumer to make valid price comparisons.

The antitrust laws are 50 years old. Hopefully, this bill will help bring them up to date, at least in this one area. This single measure will not be as effective—or as desirable—as a general overhaul of the antitrust laws but I feel it will certainly help restore price competition as a meaningful and important factor.

These packaging and labeling practices also pose a threat of a different kind to this Nation. Some suggested that our hearings were useles because every American housewife knows that "serves eight" on a package really means "serves four"; that "large," "king size," and "super" really mean "small," "medium," and "large."

If such an attitude has in fact been engendered by the morality of the marketplace, then I submit we had better take a good, hard look at those practices that divide marketplace morality from the morality we expect in the home and the community.

History shows that commercial morality percolates into other segments of national life. It is important therefore that commercial practices conform to our traditional virtues of honesty and truthfulness.

Of course, the basic purpose of this bill is more direct. It is to relieve the consumer of the confusing and deceptive practices that make rational choices difficult.

Sometimes, as I said, these practices serve as a blindfold.

But at best they tend to allow only a distorted view of a product's true nature and value so that each article must be judged as if reflected in a carnival mirror.

Our economy is based on freedom of choice. Let us give the consumer a chance to make that choice a good one.

Mr. President, this bill will not be acted upon in this session; but by introducing it now, we invite study and discussion. This bill has been carefully thought out, but I shall continue to welcome fresh viewpoints and comments.

I ask unanimous consent, Mr. President, that the text of the bill and a section-by-section analysis of it be printed at this point in the RECORD; and I ask that the bill lie on the table until the close of business on Thursday, September 27, so that other Senators who may wish to do so may join in sponsoring it.

The PRESIDENT pro tempore. The bill will be received and appropriately referred; and, without objection, the bill and section-by-section analysis will be printed in the RECORD, and the bill will lie on the table, as requested by the Senator from Michigan.

The bill (S. 3745) to amend the Clayton Act to prohibit restraints of trade carried into effect through the use of unfair and deceptive methods of packaging and labeling certain consumer commodities distributed in commerce, and for other purposes; introduced by Mr. HART (for himself and other Senators), was received, read twice by its title, referred to the Committee on the Judiciary, and ordered to be printed in the RECORD, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) the Act entitled "An Act to supplement existing laws against unlawful restraints and monopolies, and for other purposes," approved October 15, 1914 (38 Stat. 730 et seq.); 15 U.S.C. 12 et seq.), commonly known as the Clayton Act, is amended by inserting therein, immediately after section 3 thereof, the following new section:

"SEC. 3A. (a) It shall be unlawful for any person engaged in the packaging or labeling of any consumer commodity (as defined by this section) for distribution in commerce, or for any person (other than a common carrier for hire, a contract carrier for hire, or a freight forwarder for hire) engaged in the distribution in commerce of any packaged or labeled consumer commodity, to distribute or to cause to be distributed in commerce any such commodity if such commodity is contained in a package, or if there is affixed to that commodity a label, which does not conform to regulations promulgated pursuant to this section.

"(b) As soon as practicable after the effective date of this section, regulations shall be promulgated to—

"(1) require the net content, net weight, or both, of consumer commodities to be stated upon the front panel of packages containing such commodities, and upon any labels affixed to such commodities;

"(2) establish minimum standards with respect to the location and prominence of statements of the net content, net weight, or both, of such commodities (including minimum standards as to the type size and face in which such statements shall be made) appearing upon packages containing any consumer commodity and upon labels affixed to any such commodity;

"(3) prohibit the addition to such statements of net content or net weight of any qualifying words or phrases;

"(4) prohibit the placement upon any package containing such commodity, or upon any label affixed thereto, of any printed matter stating or representing by implication that such commodity is offered for retail sale at a price lower than the ordinary and customary retail sale price, or that a retail sale price advantage is accorded to retail purchasers thereof by reason of the size of that package or the quantity of its contents;

"(5) contain such exceptions to the foregoing requirements as the promulgating authority may determine to be required by the nature, form, or quantity of particular consumer commodities, except that no exception may be made if that exception would deprive consumers of reasonable opportunity to make rational comparisons between or among competing products; and

"(6) prevent the placement, upon any package in which such commodity is distributed for retail sale, of any illustration or pictorial matter which may deceive retail purchasers in any respect as to the contents of that package.

"(c) (1) Regulations under subsection (b) shall be promulgated by—

"(A) the Secretary of Health, Education, and Welfare, with respect to any consumer commodity which is a food, drug, or a cosmetic, as each such term is defined by section 201 of the Federal Food, Drug, and Cosmetic Act (21 U.S.C. 321); and

"(B) the Federal Trade Commission with respect to any other consumer commodity.

"(2) Such regulations adopted by the Secretary and by the Commission shall be uniform in content and application to the greatest practicable extent, as determined by consultation between the Secretary and the Commission.

"(d) Whenever the Federal Trade Commission determines that additional regulations are necessary to establish or preserve fair competition between or among competing products by enabling consumers to make rational comparisons with respect to price and other qualities, or to prevent the deception of consumers as to such products, the Commission may promulgate under this subsection with respect to a consumer commodity of any class or kind regulations effective to—

"(1) establish reasonable weights or quantities, or fractions or multiples thereof, in which that commodity shall be distributed for retail sale;

"(2) prevent the distribution of that commodity for retail sale in packages of sizes, shapes, or dimensional proportions which may deceive retail purchasers as to the weight, quantity, or number of the contents thereof;

"(3) establish and define standards of designations of size (other than statements of net weight or net contents) which may be used to characterize quantitatively the contents of packages containing that commodity;

"(4) establish and define the weight, quantity, or number of any commodity which shall constitute a serving, if that commodity is distributed to retail purchasers in a package or with a label which bears a representation as to the number of servings provided by the quantity contained in that package or to which that label is affixed;

"(5) establish and define standards for the quantitative designation of the contents of packages containing any consumer commodity of a kind which cannot meaningfully be designated quantitatively in terms of weight or number; and

"(6) require that adequate information with respect to the ingredients and composition of any consumer commodity (other than information concerning proprietary trade formulas) be placed in a prominent position upon packages containing that commodity and upon labels affixed thereto.

"(e)(1) In the promulgation of regulations under subsection (d), persons who would be affected thereby, and other agencies of the Government having special competence with respect to the subject of those regulations, shall be consulted as to the scope, application, form, and effect thereof.

"(2) All regulations adopted under this section shall be promulgated in conformity with the provisions of the Administrative Procedure Act.

"(3) Any regulation promulgated under this section may be modified by the promulgating authority, upon the initiative of that authority, or upon application made by any person affected by that regulation, whenever such authority determines, after notice and hearing, that such modification is necessary to conform to any change occurring in the method of packaging, labeling, distributing, or marketing of any consumer commodity.

"(4) No regulation promulgated under this section shall prevent any person engaged at any time in the sale of any consumer commodity at retail to ultimate purchasers thereof from placing upon any such commodity, or upon any package containing that commodity, any marking which states the true and correct retail sale price at which such person at that time is offering that commodity for sale to such purchasers.

"(f) Upon written request made, by the officer or agency authorized or directed by this section to establish packaging or labeling regulations as to any consumer commodity of any class or kind, to any producer or distributor thereof, such producer or distributor shall transmit promptly to that officer or agency a true and correct sample of each package and label used or to be used by that producer or distributor for or in connection with the distribution in commerce of any particularly described consumer commodity of that class or kind. Any person who, with intent to evade compliance with the requirement of this subsection, fails to transmit any such sample to such authority promptly upon receipt of such request shall be fined not more than $1,000, or imprisoned not more than one year, or both.

"(g) (1) Any consumer commodity introduced or delivered for introduction into commerce in violation of any regulation promulgated by the Secretary of Health, Education, and Welfare under subsection (b) of this section while that regulation is in force and in effect shall be deemed to be misbranded within the meaning of chapter III of the Federal Food, Drug, and Cosmetic Act.

"(2) Authority to enforce compliance with regulations promulgated by the Federal Trade Commission under subsection (b) or subsection (d) of this section is hereby vested in the Federal Trade Commission, and such authority shall be exercised in the manner provided by section 11 of this Act. The remedy provided by section 16 of this Act shall be available to any person threatened with loss or damage by any violation of any such regulation while that regulation is in force and in effect.

"(h) Each officer or agency required or authorized by this section to promulgate regulations for the packaging or labeling of any consumer commodity shall transmit to the Congress in January of each year a report containing a full and complete descriptions of the activities of that officer or agency for the administration and enforcement of this section during the preceding calendar year.

"(i) A copy of each regulation promulgated under this section shall be transmitted promptly to the Director of the National Bureau of Standards, who shall (1) transmit copies thereof to all appropriate State officers and agencies, and (2) furnish to such State officers and agencies information and assistance to promote to the greatest practicable extent uniformity in State and Federal standards for the packaging and labeling of consumer commodities.

"(j) As used in this section—

"(1) the term 'consumer commodity', except as otherwise specifically provided by this paragraph, means any consumable or nondurable article or commodity of any kind or class customarily produced or distributed for sale through retail sales agencies or instrumentalities for personal or household use or consumption. Such term does not include (A) any meat, meat product, poultry, or poultry product, or any commodity subject to the Federal Insecticide, Fungicide, and Rodenticide Act, with respect to which the Secretary of Agriculture is authorized to prescribe packaging or labeling requirements; (B) any beverage subject to packaging or labeling requirements imposed under chapter 51 of the internal Revenue Code of 1954; or (C) any household appliance, equipment, furniture, furnishing, or other durable and nonconsumable article or commodity;

"(2) the term 'package' means any container or wrapping in which any consumer commodity is enclosed for use in the delivery or display of that commodity to retail purchasers thereof, but does not include shipping containers or wrappings used solely for the transportation of such commodity in bulk or in quantity to wholesale or retail distributors thereof;

"(3) the term 'label' means any written, printed, or graphic matter affixed to any consumer commodity; and

"(4) the term 'person' includes any firm, corporation, or association."

(b) The amendment made by this Act shall take effect on the first day of the sixth month beginning after the date of enactment of this Act.

The section-by-section analysis presented by Mr. HART is as follows:

ANALYSIS OF TRUTH IN PACKAGING BILL

INTRODUCTION

The bill amends the Clayton Act by adding a new section, (3a) (to take effect 6 months after enactment), for the purpose of prohibiting restraints of trade carried into effect through the use of unfair and decepitive methods of packaging and labeling certain consumer commodities as defined by this section.

SECTION 3a

Subsection (a) makes it unlawful for any person to package or label any consumer commodity (as defined by subsection (j)(1)) or to distribute in commerce any packaged or labeled commodities which do not conform to the regulations promulgated under this bill.

Subsection (b) directs that the following regulations be promulgated:

1. To require that net content, net weight statements, or both, be stated upon the front panel of packages and labels.

2. To establish minimum standards with respect to the location and prominence of net weight or content statements (including minimum standards relating to type size and face)

3. To prohibit the addition of any qualifying words or phrases to net content or weight statements.

4. To prohibit the printing on packages of information stating or implying that the product is being offered for sale at a price lower than the customary retail price or that a price advantage is being accorded to the purchaser because of the size or quantity of the package. (This does not apply to the ultimate retailer.)

5. To make provision for exceptions to the foregoing requirements when necessary because of the nature, form or quantity of the product.

6. To prevent placing illustrations or pictorial matter on packages which may deceive the purchaser as to the contents.

Subsection (c)(1) (a and b) require that the regulations under subsection (b) as set forth above shall be promulgated by the Secretary of Health, Education, and Welfare with respect to foods, drugs or cosmetics and by the Federal Trade Commissions with respect to all other commodities.

2. Provides that regulations promulgated by the FDA and FTC shall be as uniform in content and extent as possible.

Subsection (d) gives the FTC discretion to establish additional regulations on a product-by-product basis. Its authority under this subsection extends to all consumer commodities encompassed by the bill. This authority may be used when necessary to establish or preserve fair competition by enabling consumers to make rational comparisons between competing products and when necessary to prevent consumer deception. Such regulations may be promulgated only to:

1. Establish reasonable weights or quantities in which a product can be sold.

2. Prevent the sale of a commodity in a package whose size, shape or proportions may deceive purchasers as to the weight or the quantity of the product within the package.

3. Establish standards of size terminology such as "small," "medium," or "large."

4. Establish "serving" standards.

5. Establish standards to designate the quantitative contents of a package where net weight or number is not meaningful.

6. Require that adequate information about the content ingredients or composition be displayed prominently on the package or label with the exception of information concerning proprietary trade formulas.

Subsection (e):

1. Provides that in promulgating regulations under subsection (d) the FTC shall consult with persons who would be affected by their application and shall also consult with other Government agencies having special competence with respect to the subject matter. Consultation shall be directed to the scope, application, form and effect of the regulation. This subsection anticipates the "trade conference" concept presently being utilized by the FTC.

2. Provides that all regulations shall be promulgated in conformity with the Administrative Procedure Act.

3. Provides that any regulations may be modified on the initiative of the promulgating authority or by affected persons when changes in marketing methods and techniques make it necessary.

4. Provides that nothing in this bill shall be construed to prevent a person engaged in retail sales to ultimate purchasers from marking on any package or label the correct retail price at which the product is being offered for sale.

Subsection (f) authorizes the promulgating authority or the appropriate officer thereof to make a written request of any producer or distributor for a correct sample of any package or label he is presently using or intends to use. Failure to promptly forward the requested samples with intent to avoid compliance is punishable by a fine of

not more than $1,000, or not more than a year's imprisonment, or both.

Subsection (g):

1. Provides that if a commodity is put into commerce in violation of a regulation promulgated by the FDA, it shall be deemed "misbranded" within the meaning of the Food, Drug, and Cosmetics Act and subject to the penalties provided therein. This includes seizure, injunction, or criminal sanctions, depending on the circumstances involved and the discretion of the agency.

2. Provides that if a commodity is put into commerce in violation of a regulation promulgated by the FTC, the enforcement procedures of section 11 of the Clayton Act shall apply. Section 11 details the procedure for issuance, enforcement, and review of cease-and-desist orders. The remedy available in section 16 of the Clayton Act is also provided for. Section 16 details the procedure for private litigants to obtain injunctive relief when threatened with loss or damage by violation of any regulation promulgated under this act.

Subsection (h) provides that the FDA and FTC shall transmit to Congress a yearly report of their activities under this act.

Subsection (i) provides that a copy of each regulation promulgated under this bill shall be forwarded to the National Bureau of Standards. The Bureau is directed to transmit copies to the appropriate State agencies and officials and furnish information and assistance to the States for the purpose of promoting uniformity between State and Federal standards.

This subsection anticipates the utilization of the Bureau of Weights and Measures in working with State officials or agencies on a voluntary basis to make State and Federal packaging and labeling regulations conform to the greatest practicable extent.

Subsection (j):

1. Defines the term "consumer commodity." The term means any consumable or nondurable article or commodity of any kind or class customarily produced or distributed for sale through retail outlets for personal or household use or consumption.

It also lists the following exclusions: Meat and meat products, poultry and poultry products and insecticides, fungicides and rodenticides with respect to which the Secretary of Agriculture is authorized to prescribe packaging and labeling requirements; any alcoholic beverage subject to the packaging and labeling requirements of chapter 51 of the Internal Revenue Code of 1954; any household appliance, equipment, furniture, furnishing, or other durable and nonconsumable article or commodity.

2. Defines "package" to mean any container or wrapping in which a consumer commodity is enclosed for use in the delivery or display of the product to consumers. It exempts shipping containers or wrappings used solely for shipping the product to wholesale or retail distributors.

3. Defines "label" to mean any written, printed, or graphic matter affixed to a consumer commodity.

4. Defines "person" to include any firm, corporation, or association.

Mr. CARROLL subsequently said: Mr. President, I was privileged to be on the floor of the Senate when the able and distinguished junior Senator from Michigan [Mr. HART] introduced the truth-in-packaging bill and made his explanatory remarks in regard to it.

Mr. President, as the Senate knows, the Senate Antitrust and Monopoly Subcommittee, of which I am a member, has over recent months been investigating packaging and labeling practices in consumer merchandise. During the course of these hearings, we uncovered extensive evidence of packaging and labeling tricks, confusions and deceptions.

As every housewife knows, it is next to impossible to determine in the supermarket whether 85 cents for 16½ ounces is a better buy than the super economy size of 29 ounces for $1.49. Often enough, we have found that the supposed "bargain" is actually no bargain at all.

By and large, the consumer manufacturer packs and labels his goods in an efficient, fair and honest manner. There are exceptions, however; there are manufacturers who take advantage of their customers and of their competitors by utilizing deceptive packaging methods.

I am very pleased that the junior Senator from Michigan [Mr. HART], who has done such an excellent job conducting these hearings for our subcommittee, is now introducing a constructive bill to see that these unfair competitive practices are stopped.

I am pleased to join with Senator HART today as a cosponsor of this bill.

I am aware that this measure was a very difficult one to write and I would not be surprised if the bill is not changed in one way or another as it goes through the legislative process.

It is important that such legislation as this be very carefully drawn so that it will not interfere with our free society's marketing system.

It is important that the legislation treat all competitors equally and fairly and that it serves the interest of the consumer and the public. Senator HART'S bill does, I believe, meet these three criteria.

This bill provides three requirements that all consumer packaging must follow:

First. The net weight of a product must be displayed on the front panel of a package in a prominent manner. This will eliminate such psychological deceptions as the bottle labeled as a "giant half quart."

Second. A package may carry no picture or illustration which would deceive the consumer as to the content of the package—for instance if there is beef in the stew on the label, there must be beef in the stew in the can.

Third. Manufacturers will not be allowed to print designations implying a price advantage on their packages—such as "cents off" or "economy size." Often enough we have found these giant economy sales passed no savings at all on to the consumer.

This bill also proposes other regulations which would be applied on a product-by-product basis.

These will attempt to deal with such cases as the 3-inch candy bar in the 5-inch package; the product line in which we discovered packages of 69 different weights all under 3 pounds; and the products which come in 3 sizes "large," "giant," and "super economy."

The average supermarket today has approximately 7,500 items. If the modern housewife is to shop intelligently and to make her purchasing decisions rationally she must have the information necessary for making an informed choice.

I am pleased to add my name as a cosponsor of this bill.

PROPOSED PUBLICATION AS SENATE DOCUMENT OF "RATIFICATIONS OF THE CONSTITUTION"

Mr. SALTONSTALL. Mr. President, I submit, for appropriate reference, a resolution providing for the printing as a Senate document the manuscript book entitled "Ratifications of the Constitution," which is the transitional record book of the Constitution. My reasons for making the request are as follows:

It has been brought to my attention by Mr. Denys P. Myers, a distinguished scholar and a student of the Constitution and of constitutional history, that a master file of constitutional documents is not available in a consolidated print.

Mr. Myers was formerly research librarian at the Fletcher School of Law and Diplomacy, and more recently has been associated with the Department of State, first as its legal specialist in international organization, and later as historian. My own acquaintance with Mr. Myers' scholarship dates from 1939, when, as Governor of Massachusetts, my attention was drawn to a publication by him which showed that the Commonwealth of Massachusetts had never ratified the Bill of Rights. Thanks to Mr. Myers, we promptly remedied that oversight.

Last year the Senate adopted a resolution, which I submitted, authorizing the printing as a Senate document of a literal print of the Constitution with historical notes by Mr. Myers—Senate Document 49. Mr. Myers included in his notes a memorandum study under the title "For a Master File of the Constitution." He pointed out that in the early days of the Government the Constitution was not handled with the same degree of procedural accuracy as is usually afforded such state documents. In 1789, records were casually transferred from the old government to the new. No formal file of the Constitution as a document was established or maintained until a file of its amendments was set by the act of April 20, 1818.

A master file of constitutional documents would consist of the text of the Constitution in authenticated form, the instruments of its ratification, and the similar papers relating to the amendments, Senate Document No. 49—87th Congress, 1st session—provides the authenticated print of the Constitution. The proposed document would complete the series of constitutional documents.

Mr. Myers has determined, through careful research, that the manuscript book entitled "Ratifications of the Constitution," which is contained among the records of the Department of State in the National Archives, is the transitional record book of the Constitution. It is the executive record book by which the Constitution of the United States of America was transmitted from the United States in Congress assembled,

which initiated the Constitution, to the Government of the United States of America, which was established thereby.

These documents, which form an important part of our constitutional history, are at present not generally or readily available in the libraries and universities of our country. The most recent print of the ratifications was in 1894, when the first of four volumes of the "Documentary History of the Constitution" was published by the Department of State. These volumes, while technically correct, are, however, a documentary morass, and have not been used effectively by students in the field. Mr. President, a modern print of the "Ratifications of the Constitution" would be a useful document for students and scholars interested in the period of transition from the Articles of Confederation to the Constitution of the United States of America.

The resolution (S. Res. 398) was referred to the Committee on Rules and Administration, as follows:

Whereas the United States in Congress assembled on February 21, 1787, resolved that a convention be held "for the sole and express purpose of revising the Articles of Confederation and reporting to Congress and the several legislatures such alterations and provisions therein as shall when agreed to in Congress and confirmed by the States render the Federal Constitution adequate to the exigencies of the Government and the preservation of the Union"; and

Whereas the Federal Convention transmitted as its report to the United States in Congress assembled the Constitution of September 17, 1787, in the dual form of a signed engrossed copy and a printed text; and

Whereas the United States in Congress assembled on September 28, 1787, resolved that this report "be transmitted to the several legislatures, in order to be submitted to a Convention of Delegates chosen in each State by the people thereof"; and

Whereas Charles Thomson, Secretary of Congress, set up a record book entitled "Ratifications of the Constitution" in which were entered verbatim the successive acts by which the report of the Federal Convention was ratified by the States in sufficient number to establish it as the Constitution of the United States of America; and

Whereas the relevant portion of that record book was incorporated in the official Journal of the United States in Congress Assembled as an appendix to its resolution of September 13, 1788, which provided for the operation of the Government of the United States of America; and

Whereas President George Washington on July 24, 1789, gave Roger Alden, Deputy Secretary, custody of the "books, records, and papers of the late Congress," which the Act of September 15, 1789, directed to be deposited in the Department of State; and

Whereas the said books, records, and papers were transferred under that Act to the Department of State when Roger Alden as their custodian was appointed chief clerk of that Department; and

Whereas the Department of State completed the entry of action by States relating to the Constitution in the record book entitled "Ratifications of the Constitution" through the ratification by the new State of Vermont dated January 10, 1791, and included therein ratifications to that date of the amendments comprising the Bill of Rights which were proposed by the resolution of the Congress of September 25, 1789; and

Whereas the Bill of Rights became by ratification a part of the Constitution by December 15, 1791; and

Whereas the manuscript book entitled "Ratifications of the Constitution" is the executive record book by which the Constitution of the United States of America was transmitted from the United States in Congress assembled, which initiated the Constitution, to the Government of the United States of America, which was established thereby; and

Whereas Denys P. Myers, a recognized authority upon the history of the Constitution, has tendered his services, without cost to the Government, for the editing of that record book and the preparation of an appropriate introduction to a proposed printing thereof: Now, therefore, be it

Resolved, That the manuscript book entitled "Ratifications of the Constitution" contained among the records of the Department of State in the National Archives, as edited by Denys P. Myers, together with an appropriate introduction thereto prepared by him, be printed as a Senate document.

Mr. SALTONSTALL. Mr. President, I ask the President pro tempore of the Senate and the majority leader to give this little resolution their earnest consideration, in order that it may be acted on at this session.

Mr. MORSE. Mr. President, will the Senator from Massachusetts yield for a question?

Mr. SALTONSTALL. I yield.

Mr. MORSE. Was the manuscript to which the Senator from Massachusetts has referred written in connection with any Senate activity?

Mr. SALTONSTALL. The document was Senate Document No. 49, 87th Congress, 1st session. It was printed under a resolution which I submitted last year, and was a literal print of the Constitution, with historical notes by Mr. Myers.

Mr. MORSE. My question is this: Was Mr. Myers' work performed in any way as an official Government service?

Mr. SALTONSTALL. Oh, no; that is not my understanding.

Mr. MORSE. So this is a case in which a great scholar has written a scholarly work?

Mr. SALTONSTALL. That is correct.

Mr. MORSE. Why does not he get the Harvard Press or the Columbia Press or some other publishing house to publish it? Why should the Senate publish as an official document a scholarly piece of work by some scholar?

Mr. SALTONSTALL. As I understand, it is a continuation of what was done last year, and is to bring up to date the records which were published last. The most recent print of the ratifications was in 1894, when the first of four volumes of the "Documentary History of the Constitution" was published by the Department of State. These volumes, while technically correct, are, however, a documentary morass, and have not been used effectively by students in the field.

This is an effort, as I understand, to put into one volume the notes concerning the period between the transition from the Articles of Confederation to the Constitution of the United States.

Mr. MORSE. I am only seeking information, because I am not clear in my mind as to what it is that the Senator from Massachusetts seeks to get the Senate to publish as a Senate document. Who asked Mr. Myers to produce his first scholarly work?

Mr. SALTONSTALL. I assume that Mr. Myers wrote it on his own. He is a former research librarian at the Fletcher School of Law and Diplomacy, at Tufts College, and more recently has been associated with the Department of State, first as its legal specialist in international organization, and later as historian.

As I said a moment ago, Mr. Myers first came to my attention when, during my service as Governor of Massachusetts, my attention was drawn to a publication by him which showed that the Commonwealth of Massachusetts had never ratified the Bill of Rights. Thanks to Mr. Myers, Massachusetts proceeded to ratify the Bill of Rights in 1939.

Mr. MORSE. I think it well that the Senator from Massachusetts has submitted the resolution, but I think it would be very wise for the Senate to give very thorough consideration to this proposal. In our country there are many scholars who are doing some very interesting research, but often they have difficulty finding a publisher for their subject matter. I think we had better take a long look at any proposal to have the Senate turn itself into a publishing house to publish every scholarly work which may not be published by some other publishing house. I respectfully say that it seems to me this is the type of academic scholarship work which should be published by private enterprise.

It ought to be published by universities. It ought to be published by research centers or foundations. My opinion is tentative. I am open to conviction. But I raise the question here that we had better take a long look at any resolution which proposes that, because someone had prepared a very scholarly work on the Constitution, therefore we ought to publish it as a Senate document. I think we ought to have proof, may I suggest to the majority leader, on thorough hearings, of, first, that this work cannot be published by private enterprise; second, that it cannot be published by the academic presses of this country.

If every time someone does a piece of scholarly work on American history, it is desired to have it published as a Senate document, where is the end of that going to be? Offhand, I can think of the authors of many scholarly works that are now in manuscript form who would welcome the precedent the Senator from Massachusetts proposes before the Senate.

I raise very serious offhand questions about it. Again, may I say to the majority leader, when this resolution comes up for hearing, I want to be heard. I do not want to be put in the position I was in last Friday when a bill came up for consideration that I knew nothing about, when I was not asked to testify on the bill. I serve notice now that I want to be heard.

Mr. MANSFIELD. Mr. President, if the Senator will yield, will the Senator from Oregon tell the Senator from Montana which bill he is referring to which was considered last Friday?

Mr. MORSE. The fish hotel bill.

Mr. MANSFIELD. Oh, the fish bill.

Mr. SALTONSTALL. Mr. President, I have not asked unanimous consent to have this resolution considered without its going to the Committee on Rules and Administration. I simply call it to the attention of the President pro tempore and the majority leader, who are on the Rules Committee, with the hope that it may be acted on in this session.

While this work has been done by Mr. Myers, it becomes a part of the official records of the adoption of the American Constitution. It is simply an effort to make it more available. It is one more little volume which would be a part of the official documents and would make available in consolidated form information on the adoption of the Constitution and the papers that went into that history.

I hope the majority leader and the President pro tempore, as members of the Rules Committee, may give their attention and consideration to this matter. I have no objection to the Senator from Oregon appearing, of course. If there are any fundamental objections, I would not press the resolution; but, as I understand, this is just a part of the historical effort to put into consolidated form papers that concern our early history. Certainly, we would want that information readily available.

Mr. President, the minority leader [Mr. DIRKSEN] has called my attention to the fact that he is a member of the Rules Committee, too. I hope he will also give the matter earnest consideration, along with the majority leader and the President pro tempore. I am sorry I omitted reference to the minority leader in my original reference.

Mr. MANSFIELD. Mr. President, I wish to assure the Senator from Massachusetts, the Senator from Oregon, and the Senator from Illinois that, if there are any more hearings held by the Rules Committee, one of the three Senators will be invited to participate as a member of the committee, and the other two Senators will be invited to come before the committee as witnesses.

PROTECTION OF THE GOLDEN EAGLE—AMENDMENTS

Mr. TOWER. Mr. President, I submit amendments, intended to be proposed by me, to the joint resolution (H.J. Res. 489) to provide protection for the golden eagle. I ask unanimous consent that the amendments lie on the table for 1 day, and then be printed.

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

PRINTING OF REVIEW OF REPORT ON ROCK RIVER, ROCKFORD, ILL. (S. DOC. NO. 142)

Mr. MANSFIELD. Mr. President, on behalf of the Senator from New Mexico [Mr. CHAVEZ], I present a letter from the Secretary of the Army, transmitting a report dated August 29, 1962, from the Chief of Engineers, Department of the Army, together with accompanying papers and an illustration, on a review of the report on Rock River, Rockford, Ill., requested by a resolution of the Committee on Public Works, U.S. Senate, adopted March 31, 1953. I ask unanimous consent that the report be printed as a Senate document, with an illustration, and referred to the Committee on Public Works.

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

PRINTING OF REVIEW OF REPORT ON KAW RESERVOIR, ARKANSAS RIVER, OKLA. (S. DOC. NO. 143)

Mr. MANSFIELD. Mr. President, on behalf of the Senator from New Mexico [Mr. CHAVEZ], I present a letter from the Secretary of the Army, transmitting a report dated July 6, 1962, from the Chief of Engineers, Department of the Army, together with accompanying papers and illustrations, on a review of the report on the Kaw Reservoir, Arkansas River, Okla., requested by a resolution of the Committee on Public Works, U.S. Senate, adopted February 21, 1958. I ask unanimous consent that the report be printed as a Senate document, with illustrations, and referred to the Committee on Public Works.

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

PRINTING OF REVIEW OF REPORTS ON LAKE KEMP, WICHITA RIVER, TEX. (S. DOC. NO. 144)

Mr. MANSFIELD. Mr. President, on behalf of the Senator from New Mexico [Mr. CHAVEZ], I present a letter from the Secretary of the Army, transmitting a report dated August 28, 1962, from the Chief of Engineers, Department of the Army, together with accompanying papers and illustrations, on a review of the reports on Lake Kemp, Wichita River, Tex., requested by a resolution of the Committee on Public Works, U.S. Senate, adopted April 16, 1959. I ask unanimous consent that the reports be printed as a Senate document, with illustrations, and referred to the Committee on Public Works.

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

PRINTING OF REVIEW OF REPORTS ON HUGO RESERVOIR, KIAMICHI RIVER, OKLA. (S. DOC. NO. 145)

Mr. MANSFIELD. Mr. President, on behalf of the Senator from New Mexico [Mr. CHAVEZ], I present a letter from the Secretary of the Army, transmitting a report dated August 24, 1962, from the Chief of Engineers, Department of the Army, together with accompanying papers and illustrations, on a review of the reports on the Hugo Reservoir, Kiamichi River, Okla., requested by a resolution of the Committee on Public Works, U.S. Senate, adopted January 28, 1955. I ask unanimous consent that the reports be printed as a Senate document, with illustrations, and referred to the Committee on Public Works.

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

PRINTING OF REVIEW OF REPORT ON CANAVERAL HARBOR, FLA. (S. DOC. NO. 140)

Mr. MANSFIELD. Mr. President, on behalf of the Senator from New Mexico [Mr. CHAVEZ], I present a letter from the Secretary of the Army, transmitting a report dated July 6, 1962, from the Chief of Engineers, Department of the Army, together with accompanying papers and illustrations, on a review of the report on Canaveral Harbor, Fla., requested by a resolution of the Committee on Public Works, U.S. Senate, adopted April 26, 1951. I ask unanimous consent that the report be printed as a Senate document, with illustrations, and referred to the Committee on Public Works.

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

PRINTING OF INTERIM REPORT ON LACKAWANNA RIVER, PA. (S. DOC. NO. 141)

Mr. MANSFIELD. Mr. President, on behalf of the Senator from New Mexico [Mr. CHAVEZ], I present a letter from the Secretary of the Army, transmitting a report dated July 30, 1962, from the Chief of Engineers, Department of the Army, together with accompanying papers and illustrations, on an interim report on the Lackawanna River, Pa., requested by a resolution of the Committee on Public Works, U.S. Senate, adopted September 14, 1955. I ask unanimous consent that the report be printed as a Senate document with illustrations, and referred to the Committee on Public Works.

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

PRINTING OF INTERIM REPORT ON CENTRAL AND SOUTHERN FLORIDA PROJECT, SHINGLE CREEK BASIN, FLA. (S. DOC. NO. 139)

Mr. MANSFIELD. Mr. President, on behalf of the Senator from New Mexico [Mr. CHAVEZ], I present a letter from the Secretary of the Army, transmitting a report dated July 27, 1962, from the Chief of Engineers, Department of the Army, together with accompanying papers and illustrations, on an interim report on the central and southern Florida project, Shingle Creek Basin, requested by a resolution of the Committee on Public Works, U.S. Senate, adopted November 15, 1954. I ask unanimous consent that the report be printed as a Senate document, with illustrations, and referred to the Committee on Public Works.

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

NOTICE OF RECEIPT OF NOMINATIONS BY COMMITTEE ON FOREIGN RELATIONS

Mr. SPARKMAN. Mr. President, as acting chairman of the Committee on Foreign Relations, I desire to announce that today the Senate received the nominations of Llewellyn E. Thompson, of Colorado, a Foreign Service officer of

the class of career Ambassador, to be Ambassador at Large; Hollis B. Chenery, of California, to be Assistant Administrator for Program Review and Coordination, Agency for International Development; Dr. Leona Baumgartner, of New York, to be Assistant Administrator for Human Resources and Social Development, Agency for International Development.

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

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Bartlett, one of its reading clerks, announced that the House had passed a bill (H.R. 11732) to amend section 305 of the Communications Act of 1934, as amended, in which it requested the concurrence of the Senate.

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:

S. 1023. An act to amend the Act of August 20, 1954 (68 Stat. 752), in order to provide for the construction, operation, and maintenance of additional features of the Talent division of the Rogue River Basin reclamation project, Oregon; and

H.R. 1960. An act to amend chapter 85 of title 28 of the United States Code relating to the jurisdiction of the United States district courts, and for other purposes.

HOUSE BILL REFERRED

The bill (H.R. 11732) to amend section 305 of the Communications Act of 1934, as amended, was read twice by its title, and referred to the Committee on Commerce.

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. KEFAUVER:

Address by him on the subject "Railroad Mergers and Monopoly," delivered at the Metropolitan Railway Employees' rally in New York City on September 19, 1962.

By Mr. WILEY:

Excerpts from address by him over Wisconsin radio stations during weekend of September 22 and 23, 1962; and supplemental statement, by him, relating to conservation.

By Mrs. NEUBERGER:

Remarks by Vice President JOHNSON before a conference of the Commission on the Status of Women, September 24, 1962.

Statement by Mrs. Eleanor Roosevelt and correspondence relating to President's Commission on Status of Women.

JANINA TEKLA GRUSZKOS

Mr. MANSFIELD. Mr. President, on September 18, 1962, the Committee on the Judiciary reported H.R. 9472, with amendments. Information has since been received that an administrative remedy is available in the case of one beneficiary included in the bill, as amended, and legislation in his behalf is no longer necessary.

The bill was passed on Friday last.

I ask unanimous consent, in view of that statement, that the votes by which the committee amendment to H.R. 9472 was agreed to and ordered to be engrossed and the bill to be read the third time and passed, be reconsidered.

The PRESIDING OFFICER (Mr. JORDAN of Idaho in the chair). Is there objection? The Chair hears none, and it is so ordered.

The bill is open to amendment.

Mr. MANSFIELD. Mr. President, I send to the desk an amendment in lieu of the committee amendment, and move that the amendment be adopted.

The PRESIDING OFFICER. The amendment offered by the Senator from Montana to the committee amendment will be stated.

The LEGISLATIVE CLERK. It is proposed to strike out all after the enacting clause and insert in lieu thereof the following:

That, in the administration of the Immigration and Nationality Act, Janina Tekla Gruszkos may be classified as an eligible orphan within the meaning of section 101 (b) (1) (F), and a petition may be filed in behalf of the said Janina Tekla Gruszkos by Veronica Gruszkos, a citizen of the United States, pursuant to section 205(b) of the Immigration and Nationality Act subject to all the conditions in that section relating to eligible orphans.

The PRESIDING OFFICER. The question is on agreeing to the amendment to the amendment.

The amendment to the amendment was agreed to.

The amendment as amended was agreed to.

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

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

IT IS PEOPLE WHO COUNT IN THE LONG RUN

Mr. YOUNG of Ohio. Mr. President, later in the week the Senate will be giving consideration to our foreign assistance appropriation. I am glad that, since President Kennedy was inaugurated, it is termed "foreign assistance" instead of "mutual security," as it was mistakenly called during the previous administration.

I hope consideration will be given to cutting off economic aid, and certainly cutting off all military aid, to dictatorship regimes. I particularly feel that we should stop, look, and listen before we appropriate any money whatever for Duvalier, the bloody and tyrannical dictator of Haiti, and for Generalissimo Francisco Franco, dictator of Spain.

The expiration date, in September 1963, of our military pact with Franco's Spain is not in the too far distant future. It appears to me that it becomes imperative that we reevaluate a policy whereby we are, in effect, a party to the oppression of the Spanish people by a ruthless dictator. That is what Francisco Franco is, and has been through the years.

Do we need these bases to the extent they were needed when we entered into the original leases?

It will be remembered that we treated Batista, the Cuban dictator, with the same kind of cordiality that we have been giving and now extend to Franco. In Cuba the people rose up against the tyrant Batista. As a result, the Communist tyrant Castro seized power and now rules this hapless country. It is more than likely that the Spanish people will soon overthrow their oppressor. At any rate, it is just a matter of time. Twenty-six years ago the free world indirectly helped bring Franco and fascism to power by refusing to adequately aid a country searching for freedom—the Spanish Republic. It can now, if it chooses, help bring communism to power in Spain by continuing to aid the Fascist dictator, Generalissimo Franco. I fear this may occur unless we change our course of conduct.

Mr. President, the anti-Franco tide within Spain is rising while our policy in Spain takes a siesta. The Communist underground in Spain is thriving. Its efficiency is demonstrated by the speed with which radio Moscow reports on local Spanish developments. Trained Communist agents have infiltrated the country in large numbers. Communist propaganda is zealously identifying United States aid with the Franco regime.

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

Mr. YOUNG of Ohio. Mr. President, I ask unanimous consent that I may proceed for 3 additional minutes.

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

Mr. YOUNG of Ohio. Mr. President, we cannot afford to ignore the fact that the situation in Spain could easily erupt into turmoil. Daily we read and hear reports of the growing resistance to the regime. This is the political atmosphere on which communism thrives. Should a revolution occur, power might easily gravitate toward the extreme left, unless the Western democracies take appropriate action. The Red bear may leapfrog cross the Pyrenees. The entire military and political posture of the NATO alliance might then be placed in serious jeopardy.

Mr. President, let us not be deceived by high-powered publicity campaigns staged by well-paid lobbyists and public relations experts no doubt spending American foreign assistance funds to lull Americans into the belief that the people of Spain are happy and content under the reign of a benevolent and kindly dictator. We were told that about the Batista regime in Cuba. We were told that about the Trujillo tyranny. How long will it take our policymakers to learn from the lamp of experience?

The Government of Spain is a military dictatorship dependent upon the army and the secret police for its survival. Spaniards have been deprived of even the rudiments of civil liberty. Freedom

of assembly, of speech, and of the press are nonexistent. Thousands languish in prisons for political crimes. They have been denied trial and the right to face their accusers. Thousands more have faced the firing squads. Citizens cannot move freely within their own country. The ruling class, swollen with wealth and power, lives in splendor. Yet, millions of Spanish people continue to live in abject poverty and have lost hope and confidence in Franco and his military rule by whim and decree of their unfortunate country. Generalissimo Francisco Franco is chief of state, commander in chief of the armed forces, Prime Minister, and head of the only legal political party in Spain. All other parties have been smashed by his secret police. He is dictator and absolute ruler of more than 30 million people.

John Gunther in his great book "Inside Europe Today" stated the case.

One lesson that may well be drawn from all this is that it is always dangerous for a democracy, like the United States, to become too closely involved with a dictator or semi-dictator, no matter how convenient this may seem to be. It is the people who count in the long run, and no regime is worth supporting if it keeps citizens down—if only for the simple reason that they will kick it out in time.

Along with political oppression the Spanish people must also suffer because the regime cares little about their economic well-being. Per capita income in Spain is less than $300 a year, one of the lowest in Europe. Poverty and hopelessness are the lot of the mass of the people. Scores of thousands live in caves and suffer from malnutrition and disease. The cave population around Madrid alone is estimated to be 20,000.

American tourists and Government officials traveling the spendid new highway from Madrid to Barajas Airport and enjoying the comfort and luxury of the Palace Bar and Ritz Hotel, two of the finest hotels in the entire world, are too frequently unaware of the hidden facts of the sordid economic life in Spain. The magnificence of newly constructed Government buildings cannot conceal the disillusionment and suffering of the 30 million people of Spain.

Mr. President, not even Franco's fondest admirers believe that he could survive a free election. The regime has maintained its power by ruthlessly suppressing any and all opposition. It is a Government which openly proclaims its opposition to capitalism and political democracy. This is the regime that has enjoyed over $1½ billion of U.S. economic and military aid for allowing us to build four military bases at a cost of over $400 million. In view of our tremendous missile power and far-ranging atomic powered Polaris submarines, the need for these bases may be subject to review. Franco has indicated that he will use these bases as leverage for more economic and military aid. The Generalissimo is never bashful about making demands on the United States. Dictators come high these days and this dictator considers he has our bases as hostages. Indications are that Franco will increase his demands for U.S. aid at the expiration of our treaty with Spain in 1963. Let us give him to understand he does not have us over a barrel.

Franco wants modern arms to strengthen his choke hold on the Spanish people. He wants not only modern aircraft but also nuclear arms for his army and air force.

Mr. President, it is time to wake up from our siesta in Spain. No matter how passionately the United States professes a policy of nonintervention in domestic Spanish affairs, the fact is that both our military and economic aid profoundly affect the status of the Spanish people. Let us stop aiding and abetting dictatorship tyranny. The presence of U.S. military forces in Spain very unfortunately casts America in the role of ally and friend of the Franco regime.

Mr. President, I urge that we consider withdrawal from our Spanish bases as soon as it is feasible to do so, when it is determined they are no longer needed, for by remaining we run the risk of being forced out anyway when the Franco dictatorship is overthrown. We can no longer afford the luxury of supporting Franco, Duvalier of Haiti, and other ruthless dictators. Let us rid ourselves of all ties to him and other dictators whom we have been subsidizing with our taxpayers' money through many years.

THE FEDERAL BUDGET

Mr. MORSE. Mr. President, I ask unanimous consent to have printed in the RECORD a speech which I delivered yesterday at Portland, Oreg., before the Pacific Northwest Association of Jewelers on the subject of the economy of the Northwest, and on the Federal budget.

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

EXCERPTS FROM REMARKS OF SENATOR WAYNE MORSE, PACIFIC NORTHWEST JEWELERS CONVENTION, PORTLAND, OREG., SEPTEMBER 23, 1962

Friends of the Oregon State Jewelers Association, because the U.S. Congress has remained in session longer in an election year than any time in the 18 years that I have been a Member of the Senate, this visit home is of necessity a brief and hurried one.

Because your own individual business enterprises are so closely bound up with the total business activity of your local community, I want to devote a part of these remarks to the general economic health of our State and region.

Any such discussion must start with the basic and pervading fact that despite our growing recreation industry and our efforts to diversify Oregon's business activity, we are still primarily a lumber State. Anywhere else, it would be incongruous to talk about lumber to a jewelers' convention; but we know that in Oregon what happens to the lumber industry will in large part determine what happens to every retail business, and will affect other types of industrial production, too.

A second major fact that must be kept in mind about the lumber industry is that insofar as Oregon is concerned, the dependence of the industry upon national forests for its supply of logs is very heavy. With the exception of the very largest corporate lumber operations which still maintain their privately owned stands of timber, the average operator is coming more and more to depend upon the federally owned forests for his supply of logs.

So we are seeing a Federal agency—the Forest Service and the Department of Agriculture—play an increasingly important role not because its role has expanded, but because privately owned commercial timber is no longer as plentiful as it was.

As a result, the policies of the Forest Service relating to the commercial aspects of its operation have come under close scrutiny. The lumber industry has been highly critical of these policies, and so have Members of Congress. Many of you know that these criticisms led to a conference with President Kennedy on July 26 of this year at which a series of proposals were agreed to. They have become known as the White House program.

A major point in this program was to seek discussions with Canada with a view to reaching a voluntary agreement on a quota for Canadian lumber imports. The real pinch on American lumber has come from Canada. Canadian imports have taken an increasing share of the Midwest and Eastern American lumber markets because the Canadian Government aids its lumber industry in many ways. These include its low-price policy of selling logs from the forests owned by the Canadian Government, differences in transportation policy, and the devaluation of the Canadian dollar relative to our own.

But these direct and indirect subsidies of the Canadian Government to its lumber industry have had the effect desired by Canada which was to increase its share of the U.S. retail market. I do not think there is any doubt that in time our own national forest and transportation policies can and will be adjusted to meet the competition from the Canadian Government, as distinguished from the Canadian lumber industry. But we need time for that.

We hope to gain that time through the use of a quota—a temporary one, we hope—limiting the percentage of the American market which can be served by Canadian imports.

We have achieved the first step, and that is the discussion with Canada. The first talks were held in late August. They have adjourned until the early part of October, to give the parties time to acquire data and information from their respective industries.

RELATIONSHIP TO TRADE BILL

We went into this matter in some detail on the Senate floor last week, while the trade bill was under debate. Senator MAGNUSON and I pointed out that there are many in the lumber industry who want an immediate, statutory quota on Canadian lumber. But we both knew that because Canada has agreed to the discussion of a negotiated quota, as opposed to a statutory quota applied by Congress, we did not have a prayer of getting such an amendment through the Congress. We had asked the President to ask Canada to meet with us, and Canada had agreed. The next step must await the indication of whether the talks will prove fruitful.

I remember that when Senator MAGNUSON spoke on this subject he began by saying that while the Senator from Oregon, Mr. MORSE, had been talking, he had heard one of his colleagues say: "Yes, but Canada is our best customer." And he replied to that commonly heard retort by pointing out that what Canada buys from us are the products she does not produce herself. "Maggie" made it clear he was a little tired of hearing this cliche, because let a Canadian industry be threatend by imports and a prohibitive tariff is slapped on immediately.

So we made the case in the Senate that our lumber industry produces for the domestic U.S. market, and that even the proposed quota we are talking about would extend to Canada 10 percent of the American market.

The point I stressed in the debate, however, was the language put into the trade bill by the Senate Finance Committee which

gives to the President extensive authority to raise tariffs and to impose quotas.

The language appears in the bill in several places. The broadest language was the amendment of Senators TALMADGE and DOUGLAS, added in committee, which gives the President plenary authority to raise tariffs and fix quotas "in the national interest" and without regard to any previous law or agreement. It was put in because we had discussed this lumber problem many times with these two Senators and with other members of the committee.

I think that language was the strongest provision to help the lumber industry we could possibly have put into this bill. And you may be sure that I called this language to the attention not only of the President, but of Canada. We have given the President ample authority to help our lumber industry, if the voluntary agreement is not reached.

I also served notice during that debate that if no voluntary agreement is forthcoming and if the President does not make use of these powers, there is going to be legislation for a statutory quota on lumber introduced by the senior Senator from Oregon, and I do not think he will be alone as sponsor of that bill.

REST OF WHITE HOUSE PROGRAM PROGRESSING

But the rest of the White House program on lumber was aimed at revising some of the practices of the Federal Government which have had a dampening effect on the Northwest lumber industry. Without these changes, protection against Canadian competition would become a permanent necessity needed to protect a declining industry; it would also mean ever-rising prices for U.S. homebuilders and consumers.

Another point in this program was an immediate and meaningful increase in the construction of forest access roads. This has been a special interest of mine for 18 years. When I came to the Senate, we were spending only $12.5 million a year to construct the roads needed to get into the commercial parts of the national forests. As a result of legislation I have pushed, we are authorized to spend $40 million in fiscal 1963. I have a bill introduced in 1961 to boost this authorization to more than $67 million.

As a result of the White House meeting, an amendment was added in the Senate Public Works Committee to the Federal highway bill, raising the fiscal 1963 authorization from its level of $40 million up to $60 million. This bill is on the Senate Calendar, and will undoubtedly be considered this coming week.

The other pledges of the White House were for an immediate increase in allowable cuts on lands managed by the Department of the Interior; preference for American lumber in all purchasing by the Federal Government; increased attention to loan applications filed by lumber mills with the Small Business Administration and the Area Redevelopment Administration; and an amendment to the intercoastal shipping laws to permit the use of foreign vessels when American shippers are at a competitive disadvantage.

We have also been assured from Agriculture Secretary Freeman's speech here in Portland a few days ago that the Department and the Forest Service are coming out with a "new look" in forest policy, and that increased attention and consideration will be given to the commercial requirements of local industry.

ELECTION YEAR ISSUES

I do want to give some time today to a subject which relates to my work for forest access roads, and one that I know you have all heard a lot about in this election year. It is the repeated and widely circulated use of charts prepared by a variety of organizations to prove one thing or another about an officeholder. Recently, it has become fashionable to compile these charts in an effort to demonstrate that one Senator is a "wild spender" and another is not. But few issues are easier to rig and misrepresent than this one. You have heard a lot about it, and you will hear a lot more as the campaign progresses.

A great many of the trade organizations and lobbying organizations which maintain offices in Washington put out their own version of what constitutes "excessive" Federal spending. These charts generally omit those expenditures which aid or favor their industry, and list as "excessive" those expenditures directed outside their own spheres of interest. A farm organization list of "sound spending" measures bears little resemblance to a similar list compiled by a labor publication or by a manufacturers' or retailers' group. The real question becomes one of evaluating the source of the statistics.

It is strange, when the entire Federal budget is considered, that none of these charts I have seen includes expenditures for defense, for space, or for atomic energy research and production.

Yet the biggest economy that any Member of Congress or any candidate for Congress could ever advocate would be to vote against the $52½ billion appropriation for national defense. It is in that appropriation bill that the really big Federal tax money is spent.

I am proud to stand before you, as I shall stand before every voter in Oregon this fall, and tell you I have voted for every penny of that expenditure.

Let us never forget that defense is not a cheap activity. It is uneconomical in every sense of the word. It is an expenditure that we make for weapons and technologies and the training of men which we really hope will never be used at all. Some of our most highly trained military people enter service and retire without ever using their expensive skills for the purpose for which they were trained. The average life for all military procurement before it is rendered obsolete by new technology is only 10 years.

Keeping 2.8 million men under arms today is not a low-cost function of the Federal Government. We do it because we think it is necessary to carry out a specific and exclusive function of the Federal Government, and that is to provide for the common defense.

Of course, the space program and its defense ramifications are infinitely more expensive. We are spending $2,400 million on civilian space research and technology this year above and beyond the defense budget. Watching John Glenn or Scott Carpenter orbit the earth is the most expensive television program you will ever see, because each of these voyages costs the taxpayers tens of millions of dollars. The successive failures of our military rockets cost several million apiece. Yet the security we have achieved by just one of them—the Polaris missile carried around the world under water by nuclear submarines—has been well worth the investment in the opinion of all of us who are aware of its military and its political implications. It has greatly reduced the dependence of the United States upon military bases outside our territory for manned aircraft.

SINGLE CATALOG FOR DEFENSE DEPARTMENT

This does not mean that defense expenditures are above question or that they cannot be improved. Some of you may recall that from 1945 to 1952 I was a member of the Senate Armed Services Committee. In 1952, I served as chairman of a subcommittee which studied the procurement policies of the Defense Department. We found that the Department had a grand total of 21 different numbering systems for cataloging its supply items. This meant that it was impossible for one service to find out whether an item it needed was in the stock of another branch. Each kept its own inventories, and undertook new procurement even when another branch had a surplus of the same thing.

Out of those hearings came a measure I authored in the Senate, the Defense Cataloging and Standardization Act of 1952. It took years to put it into effect. It even took years before the Defense Department began to put it into effect. In 1957 and 1958, I was told that it was in the process of being put into effect. By 1960, the single catalog was proving so successful that the next step beyond it was taken in 1961, with the creation of one Defense Supply Agency for the entire Defense Department. Its Director, Lt. Gen. McNamara, told me recently that the single catalog has allowed the Defense Department to integrate its supply operation into eight single managers who are responsible for supplies for the entire Department. "This system," he wrote me, "has produced a $400 million payoff in less than 4 years." It has also permitted redistribution of material. Said General McNamara: "Through the use of a single system, we have been able to centralize the screening of requisitions against available assets for redistribution in lieu of procurement. In 1957 (before the system was fully effective), we redistributed material valued at $375 million. In 1960, material redistribution in lieu of new procurements amounted to over $2 billion. This represents a $2 billion saving."

He also told me that the saving just in space from the reduction in total Defense Department inventories amounted to 30 million square feet, because it has permitted a reduction from a 1957 inventory valued at $54 billion to a 1961 inventory of only $44 billion. During this same period, however, the capability of the system to meet the demands of the Armed Forces has inceased.

DEFENSE-RELATED BUDGET EXPENSES

To return to the budget itself, we find that interest on the national debt now comes to $9.4 billion, foreign aid and other international responsibilities cost $3 billion, and services and benefits for veterans comes to $5.3 billion. This means that past wars, current defense and foreign policy cost the taxpayers nearly $73 billion.

I was the first Senator to oppose vigorously the high interest rate policy of the previous administration, a policy which added some $3 billion a year to the interest charges on the debt by raising the rate a full percentage point; but that is another economy action of mine that you will not read about in either hard cover or paperback form. It will also be up to me to tell the voters of Oregon that I have been in the forefront of the Senate opposition to a high level of grant aid in our foreign aid program. In 1954, grant aid was about 98 percent of the entire program; today it is down to about 65 percent. It should be a lot less than that and it will be in the future, because the Congress accepted an amendment of mine to the foreign aid bill requiring that after the current fiscal year, the Alliance for Progress shall be a loan and not a grant program.

That is another economy vote, and in fact, an action of mine that you will never learn about unless I tell you myself.

EXPENDITURES FOR DOMESTIC PURPOSES

What we have left in the budget is $19.7 billion in non-defense expenditures. This is about 21 cents of each tax dollar; yet it is about this 21 cents that nearly all the controversy is about. The Senator who voted for the defense appropriations and for high interest rates is not a "spender" by anybody's calculation. But let us get into agriculture, housing, natural resources, health, and education—only a fifth of the budget—and you are confronted with charts and statistics claiming that this Senator is a spender and this one is not.

Here again, I shall tell you and the voters of Oregon some of the measures in this area I not only have voted for, but have initiated. One of them is The Dalles Dam. Another is Hills Creek Dam. Also on the list are Green Peter Dam, Fall Creek Reservoir, and Cougar Dam. This year I obtained a special appropriation of $2 million for a range rehabilitation program to be started in eastern Oregon. When completed, it will double the capacity of the Bureau of Land Management lands there to support both cattle and wildlife If anyone wants to argue that we save money by letting land deteriorate, I shall be more than glad to debate in favor of this appropriation.

In my opinion, the expenditures the Federal Government makes on natural resources are not simple outlays of cash but are investments. A 40-foot channel up the Columbia River will cost money. But it will enhance the economic capacity of the entire lower Columbia and especially of the Portland area. Yet this is exactly the kind of legislation on which I am scored as a "wild spender" by those economic reactionaries who judge everything by its cost instead of its value.

THE BUDGET AND ITS RELATIONSHIP TO NATIONAL ECONOMY

There are a few other facts about the Federal budget and the national economy I would have you keep in mind throughout this election year campaign, because they put much of this issue in perspective. First, for the programs of health, education, and so-called welfare for which we spend 7 cents of each tax dollar today, we were spending 44 cents of each tax dollar in 1939.

The national debt which reached a per capita high in 1946 of $1,900 per person is today down to $1,600 per person.

In 1946 a high of 19 persons out of every 1,000 of our population worked for the Federal Government; today, 13 work for the Federal Government, and 6 of these are civilians employed by the Defense Department.

Since 1946, the indebtedness of State and local governments has grown 328 percent; the private debt of all Americans has grown 278 percent; the Federal debt has grown just 6 percent.

In 1946, the national debt was 150 percent of the gross national product; in 1957 it was 75 percent; today it is 50 percent.

I do not offer these comparisons as a justification for any kind of debt; but they make quite clear that far from excessive activity on the part of the Federal Government, there has been a decline in Federal activity relative to the rest of the economy. Whereas private debt in this country was well below the Federal debt in 1946, it is now more than double the Federal debt.

They also make it clear that the biggest and costliest enterprise of the U.S. Government and hence of those who pay Federal taxes is that of defense.

IMPORTANCE OF FOREIGN POLICY

It should be evident that our international policies and those of other nations are central to our budgetary problems. Those of us who serve on the Senate Foreign Relations Committee are constantly aware of this fact. We know that our commitments all around the world necessitate a large armed force. When it is suggested by the professional flagwavers that we fight in Cuba, fight in China, fight in Laos, fight in South Vietnam, and fight in Berlin either consecutively or all at one time, one wonders at the effect of such a foreign policy not only on our budget, but on our entire defense system.

We must keep our defensive commitments everywhere regardless of cost; to engage in offensive operations in one place must inevitably jeopardize our defenses elsewhere, unless we are also ready to put the Nation on a wartime footing.

These are some of the ramifications of the issues we vote on in the U.S. Senate, and there are many more ramifications on which I have not touched. I believe they deserve more attention and more consideration from the American people than they have been getting. They do not lend themselves to slogans or cliches.

If we let slogans take the place of careful consideration, we are going to be in a lot more trouble than is involved even in national spending or national debt.

DEATH OF PROF. DOUGLAS BLOUNT MAGGS

Mr. JORDAN of North Carolina. Mr. President, I was grieved to learn of the recent death of Prof. Douglas Blount Maggs, longtime professor of law at my alma mater, Duke University. Through mutual associates and personal observations as a trustee of Duke University, I feel that I came to know well the outstanding contribution to the field of law made by Dr. Maggs. His passing is a personal loss for me and an immeasurable loss to the university he served so well for 30 years. As a national authority on constitutional law, he added greatly to the worth and prestige of our faculty. Only recently, Dr. Maggs was appointed by President Kennedy to be a member of the President's Committee for the 50th Anniversary of the Labor Department, to be held next year. His service to the Roosevelt administrations as a high official in the Labor and Justice Departments during the thirties and forties is recounted in an obituary in the New York Times which I ask unanimous consent to have printed at this point in the RECORD.

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

DOUGLAS MAGGS, LAW PROFESSOR—AUTHORITY ON CONSTITUTION IS DEAD—TAUGHT AT DUKE

DURHAM, N.C., September 14.—Dr. Douglas Blount Maggs, professor of law at Duke University, died of a heart attack Friday while playing golf at the Hope Valley Country Club. He was 63 years old.

An authority on constitutional law, Dr. Maggs was a former solicitor of the U.S. Department of Labor. He also had held many other Government posts and was recently named a member of the President's Committee for the 50th Anniversary of the Labor Department, to be held next year.

He was born in San Francisco and held doctorates of jurisprudence and juristic science, the former from his alma mater, the University of California, and the latter from Harvard.

Mr. Maggs served as editor in chief of the California Law Review while he was doing postgraduate work for his J.D. He also held that post and that of editor in chief of the Southern California Law Review after leaving Harvard.

He was professor of law at the University of Southern California for 3 years before coming to Duke in 1930.

In 1938 he took a leave of absence from Duke to serve as a special assistant to the U.S. Attorney General. Subsequently he was in turn chief of the Department of Justice's wage and hour unit; consultant to the Board of Economic Warfare; chief legal consultant of the Office for Emergency Management; and Solicitor for Labor, a post to which President Franklin D. Roosevelt appointed him in June 1943. He left that post at the end of World War II, but had since served on many Federal mediation panels and as an official of the American Arbitration Association.

In 1958 he went to Japan as visiting professor at Kyoto and Doshisha Universities. He was well known as a champion of minority rights.

Dr. Maggs married Dorothy Jean Mackey in 1924. They had a son, Peter Blount Maggs.

Mr. JORDAN of North Carolina. Mr. President, I would like to take this opportunity to express my deepest sympathy to Professor Maggs' wife, Dr. Dorothy Mackey Maggs of Durham, N.C., and his son, Peter Blount Maggs of Washington, D.C.

ADMINISTRATION OF JUSTICE IN FEDERAL COURTS

Mr. FONG. Mr. President, my attention has been called to a matter which seems to seriously affect the administration of justice, involving the procedural protections accorded the accused by the Constitution in criminal proceedings. Relevant here are two cases pending before the Federal district courts, one in Tampa, Fla., and the other in Nashville, Tenn.; the defendant in both cases is James R. Hoffa. I am not concerned here with the merits of the cases involved, but rather with the procedural protections accorded the accused by the Constitution in criminal proceedings.

It has been alleged that the Nashville case, which has been scheduled to go to trial just a little over 2 months after a hearing had been held on the indictment, has been rushed to trial, while the Tampa case, pending for 2 years, has been delayed. If this allegation is true, then it would seem that the constitutional guarantee for a speedy trial has been abridged in the Tampa case, and in the Nashville case the defendant has not been given a reasonable time to prepare his defense.

It has also been alleged that the Government in the Nashville case has chosen a venue favorable to its chances of obtaining a conviction, and that the proper jurisdiction in which the case should be heard is Detroit. Should these allegations be substantiated, it would appear that the constitutional protections for a trial by an impartial jury in the jurisdiction in which the alleged breach of the law took place have been similarly abridged.

I do hope that the Justice Department will seriously and impartially consider these allegations.

DO NOT SELL AMERICA SHORT

Mr. WILEY. Mr. President, the United States of America, despite shortcomings, stands as the greatest, most productive—in fact, the best by any comparative standards—nation in the world.

Realistically, we are facing a great challenge from communism, attempting to compete with, and "bury us." Consequently, we must not underestimate the danger of this threat to our security.

Despite the challenge, we should not, I emphasize, must not, sell America short.

Recently, I was privileged to have forwarded to me by G. C. Kubitz, senior

vice president of Mirro Aluminum Co. of Manitowoc, Wis., an editorial by Robert C. Crozier in the Texas Food Merchant.

The editorial helps to put into perspective the relative progress in major fields between the United States and the Soviet Union.

I ask unanimous consent to have this editorial printed in the RECORD.

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

SELLING OURSELVES SHORT

Everybody has tendency to look over the fence and think the pastures are greener on the other side. This is an American trait that has spurred the private enterprise system into the most productive economy the world has ever known. The very essence of competition is the desire to outdo your competitor—to be a winner.

I think we are being sold a little short. Everytime you pick up a newspaper these days the big black headlines scream "Missile Gap," "Russia Ahead," "U.S. Lags," and they quote some Federal authority. You would think from this derogatory barrage that America was a second rate nation—at best no better than equal in the competition for success.

The facts as usual, paint an entirely different picture.

The United States, with 6 percent of the world's land area and 7 percent of its population, has 50 percent of the world's wealth. In order to equal Russia, here are some of the things we would need to do:

1. Abandon three-fifths of our steel capacity.
2. Abandon two-thirds of our petroleum capacity.
3. Scrap two out of three of our hydroelectric plants.
4. Forget over 90 percent of our natural gas.
5. Eliminate 95 percent of our electric motor output.
6. Rip up 14 of every 15 miles of our paved highways.
7. Sink eight out of nine of our ocean-going ships.
8. Destroy 2 out of every 3 miles of our railroads.
9. Junk 19 of every 20 of our cars and trucks.
10. Transfer 60 million Americans back to the farm.
11. Destroy 40 million television sets.
12. Rip out 9 of every 10 telephones.
13. Tear down 7 of every 10 houses that now stand.
14. Slash all paychecks by three-fourths.

Economically, it's just about a Mexican stand-off between the United States and all the rest of the world put together. And the competitive spirit that makes us great is the same spirit that makes us react to the headlines with more tax money.

* * * * *

Maybe we are being sold short by a big and growing government in order to get more and more tax money.

Certainly, we are not in second place.

ADDRESS BY GOVERNOR HARRISON OF VIRGINIA BEFORE VIRGINIA PUBLIC UTLITIES ASSOCIATION

Mr. BYRD of Virginia. Mr. President, the Governor of Virginia, the Honorable Albertis S. Harrison, Jr., made an outstanding address at the annual meeting of the Public Utilities Association of the Virginias, on September 15 at White Sulphur Springs, W. Va.

The Governor made a splendid presentation of the principles and the fundamentals which made this country great. If the Nation is to remain great there is need for constant recurrence and rededication to them.

I think that the vast majority of American citizens believe in these principles and fundamentals, and that they wish to participate in their preservation.

In order that Governor Harrison's restatement of these principles and fundamentals may be available to the public generally, I ask unanimous consent to have his speech printed in the body of the RECORD.

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

ADDRESS BY GOV. ALBERTIS S. HARRISON, JR., TO THE ANNUAL MEETING OF THE PUBLIC UTILITIES ASSOCIATION OF THE VIRGINIAS, SEPTEMBER 15, 1962, WHITE SULPHUR SPRINGS, W. VA.

It is a particularly engaging experience for me to speak to you today, first because you are businessmen with a businessman's sound thinking, and secondly, because as public utilities officials, you represent one of the industries which supplies the basic ingredients to all business, the essential framework of all industry.

Water, power, light, communications—all are the absolutes of any enterprise, and for this reason, public utilities men have a particular interest in the industrial development of every State in which they operate.

Our region is fortunate in having public utilities which not only recognize this truth but whose executives accept it as a civic responsibility, above and beyond the call of duty or profit.

Public utilities are the firm supporters of Virginia's special efforts at economic expansion and are giving valuable time to the commissions and agencies actively engaged in the State's expansion program.

Let me say that these combined efforts are bearing fruit. During the first 6 months of 1962, a major industrial expansion was initiated or a new manufacturing plant acquired in Virginia every other day.

Public utilities have been outstanding in this effort. Some have gone so far as to build industrial plants and then find industries to occupy them.

One of Virginia's power companies is now working with three others—all represented here—on a plant to produce electric power from atomic fuels. This is a farsighted investment in the future, not only of the four States involved, but of the entire South.

These are the terms in which public utilities leaders think. This is private enterprise at its best. This is not an expenditure of tax funds to perform a service that private enterprise can perform more efficiently. With the fantastic scientific achievement of the telstar satellite, it demonstrates that the energy of the atom and the vastness of space alone mark the boundaries for private enterprise if it is directed by men of vision and sound, progressive judgment.

But there is another side to public utilities men that to me is the true indication of their stature.

Shortly before I left Richmond the city was host to Virginia's annual 4–H Electric Congress. To this annual exposition come boys and girls who have chosen electricity and its associated sciences as their special field of study and achievement.

Here representatives of the power industry had given their time and provided the guidance, instruction and encouragement to rural young people who are helped thereby to become better citizens.

These are examples of public utilities working for a better tomorrow through applied research and by lending a helping hand to the coming generation of Virginians.

I could cite many more equally significant examples of dynamic leadership in other segments of industry, but the story is familiar to all of you.

Let me say that as Governor of Virginia, I am proud and thankful that we have such men guiding these fundamental industries.

I will discuss with you today a subject that to me transcends your immediate obligations and mine as business and professional men and goes to our overriding obligations as citizens.

Perhaps, somewhere along the way, some of you may find a personal challenge as Americans.

It is my good fortune, albeit encompassing, solemn obligation to be the chief executive of a great State, a Commonwealth rich in its heritage of men and events identified with the formation of our Nation.

As men with a deep reverence for our Nation's history and traditions, you are familiar with the names Thomas Jefferson, George Mason, Patrick Henry, George Washington, James Madison, and you hold dear the principles they proclaimed as fundamental to our freedom.

It is these principles I ask you to reexamine and, if you will, to reappraise with me today.

Virginia has seen many changes since these enduring precepts were first published in the Virginia Declaration of Rights, the Statute of Religious Freedom, the Virginia Constitution, and finally in the Declaration of Independence, and the U.S. Constitution.

From a group of struggling colonies scattered along the eastern coast, our Nation has swept across a continent to yet another sea. Advances in communications have placed the world at the end of a telephone and its farthest corner on our television screens.

Today we can cross a continent, or circle the globe, in less time than it took in colonial days to make the muddy trek from Richmond to Washington, D.C.

Our own State of Virginia, which in those days stretched to the Mississippi, has given the Nation a whole brood of new States, including West Virginia, and in her turn has made a swift transition from a rural to an urban State. If no other, I have the distinction of being the first Governor of an urban Virginia.

Within this span, a tiny, struggling and financially precarious Federal governmental structure has grown into the Nation's biggest business, a gigantic assortment of operations and bureaus, with outposts in our major cities and an influence upon every nation of the globe.

Yet with all this metamorphosis, our 50 States are bound together, as were the 13 States nearly 200 years ago, by the same principles expressed in the same Constitution. Amendments have broadened its scope here and pinpointed its meaning there, but the basic framework remains, a monument to the wisdom of its original draftsmen and a model for the world.

Old values do not change, only their application, but today it is becoming increasingly difficult for many of our citizens to distinguish the one from the other. In the shifting kaleidoscope of today's political labels, the simple, straightforward truths of Jefferson and Mason are in danger of being interred, quietly, without notice, and, we sometimes wonder if it could happen without mourners, too.

My conviction, and I am sure the conviction of most thoughtful Americans, is that these fundamental principles have not changed and must not change, for they are our hope of survival as a nation in the changing years that surely lie ahead.

So strongly do we feel the urgency of a rededication to these principles that the Virginia General Assembly in 1958 created the

Virginia Commission on Constitutional Government. To its cause have rallied an able staff and some of the outstanding minds of contemporary Virginia.

That commission has undertaken to publish many of the original documents which set forth the principles in which we believe, those from which these principles evolved, and still others bearing on these precepts.

Its members and representatives have prepared and delivered papers and presentations far and wide. They have assisted in the preparation of public school courses and they have just had completed an exhaustive study of Federal grants-in-aid and their impact on our economy and on our political thought and action.

Most important, all their works have been devoid of impassioned partisanship. They have been impeccably documented, thoroughly reasoned, exhaustively researched, and extraordinarily effective.

I had the pleasure just a few weeks ago of participating in a 2-day exploration of the commission's work and purpose by a group of legislators from a more northerly State who are impressed to the point of inaugurating their own similar commission. Interest has been expressed from other quarters.

What are these fundamental principles to which we cling and which we take such pains to preserve?

In his Virginia Declaration of Rights, George Mason had some advice and illumination for us.

"Be it declared," he said, "that no free government, or the blessings of liberty, can be preserved to any people but by the firm adherence to justice, moderation, temperance, frugality, and virtue, and by frequent recurrence to fundamental principles."

These words came almost a month before Jefferson's Declaration of Independence. In Mason's mind, the principles to which he directed attention were fundamental before they were refined and given new stature by Mason's successors. Mason took it for granted that the men of his time, and, by inference, the men of all times, would understand immediately what he cherished as his own fundamental principles.

And well they might, for the doctrine Mason and his contemporaries set forth was the gloriously successful blueprint for what man had been seeking throughout all the centuries of civilization, a government under which men could be free, and which would perpetually keep inviolate that freedom.

"All men are by nature equally free and independent," said Mason, "and have certain inherent rights, of which, when they enter a state of society, they cannot, by any compact, deprive or divest their posterity."

This was the essence of Mason's fundamental principles. Man had rights, and the prime business of government was to secure those rights.

An illuminating digression comes to light when Mason goes on to define those rights. One of them, he maintains, is the "means of possessing property." Property rights meant something certain and clear in Mason's day. Somehow, they seem to have become clouded in our day.

But it was one thing to proclaim, as Mason did, that "government is, or ought to be, instituted for the common benefit." It is another thing to devise a government that would live up to that obligation.

Our forefathers wrestled for four hot and weary months in Philadelphia to produce a Constitution which would establish such a government. Their chief point of contention was our concern today—how much power should that Central Government have?

Washington, Jefferson, Madison, Mason, Patrick Henry, in turn, and in concert with others, warned against the concentration of power. The issue was argued on the streets and in the shops and in the homes across the colonies.

These men knew well that the stream of history is littered with the skeltons of nations whose peoples, preoccupied with the benevolences of the state, had left unchecked the gravitation of power to the central government.

Now, in a new land with a newly won freedom, theirs was the task of constructing a new state, to fulfill man's dream of a government by the consent of the governed, a state which would preserve man's freedom, generation after generation.

They met this challenge by creating a Republic consisting of the individual States in which each would maintain sovereignty over its own citizens, but in which all would join together in matters of common concern.

Here we approach the alpha and omega of Virginia's faith, in that day and in this. The fundamental principle of that system was that all power flowed from the people through their separate sovereignties, the States, and that from this reservoir of power in the States, some powers were delegated to the Federal Government.

In the words of the 10th amendment, "The powers not delegated to the United States by the Constitution, nor prohibited by it to the States, are reserved to the States respectively, or to the people."

Jefferson paraphrased the objective this way: "To make us several as to ourselves, but one to all others."

This is a beautifully simple statement of the doctrine of States rights. The framers of our Constitution conceived a carefully balanced political system under which we have two sovereigns at the same time, but acting in different spheres.

They believed that they had given to the Federal Government the sole power to make war and peace, sustain Armed Forces, regulate commerce, and to perform other specifically designated tasks of national concern.

They were firm in their insistence that there be left to the States the political power necessary for local self-government, and more particularly for resistance to unauthorized centralization of power.

There were many ingredients incorporated into the structure of that early Union of 24 States—separation of church and state; division of powers among the legislative, judicial and executive; due process; the freedoms specifically guaranteed in the Bill of Rights.

All these had one and the same objective, to prevent the accumulation of excessive political power in the hands of the Central Government. This was the first and most fundamental purpose in the minds of the constitutional convention delegates. This was the purpose from which the Government they conceived should never be diverted.

In this day when political labels have so often lost their meaning, it is helpful to turn for a yardstick to this fundamental flow of power in our Nation. It flows from the people, first to their local governments, then on to the State government, and finally, a still smaller stream flows on to the Federal Government, but always it springs from the people.

The doctrine of States rights, therefore, is not a partisan or sectional or emotional response. It is one of those fundamental principles which have made possible the preservation of freedom within our Union. It is the main counterweight in our political system of checks and balances; it has served us well from raw frontier to New Frontier, from stagecoach to jet.

With George Mason's fundamental principles firmly in hand, America among all the nations of the earth, has become the most powerful yet the most benevolent toward lesser nations; the wealthiest yet the most generous; the most diverse in its people and tongues and yet the most firmly united.

This historic milestone of separate but equal States as autonomous sovereignties within a Federal union is not only a pinnacle of political engineering. It offers a clue to successful international life, already grasped in part, by the Common Market, by NATO, and by a host of new young nations. As opposed to Communist totalitarianism, it offers the hope of freemen everywhere.

But let it be noted that among these peoples who have adopted the creation of our Founding Fathers, success has been measured by the degree to which the concentration of power in a Central Government has been checked.

If the fondest hopes of our Founding Fathers have been fulfilled, so have some of their worst fears.

"The spirit of our times will alter," wrote Jefferson in his Notes on Virginia. "Our rulers will become corrupt, our people careless. They will be forgotten and their rights disregarded. They will forget themselves but in the sole faculty of making money, and will never think of uniting to effect a due respect for their rights."

Patrick Henry wanted no part of what he called "a great and splendid" Central Government, and George Mason put a piercing rhetorical question:

"Was there ever an instance of a general national government," he asked, "extending over so extensive a country, abounding in such a variety of climates, where the people retained their liberty?"

And from a more impartial source, Tocqueville, the perceptive French critic, expressed the fear that the new government was too weak at its inception, but he added:

"Its vigor, and not its impotence, will probably be the cause of its ultimate destruction."

Contemporary examples of the proof of these prophecies might profitably occupy us this morning. Those services and necessities which the citizens are unable to provide for themselves through their own resources, or by the exercise of free corporate enterprise, have undergone great change and increase.

No citizen, no student of government, no hardheaded businessman can properly object to the Federal Government taking such steps as are determined necessary to protect our shores, our homes and our institutions from aggression and from the imprint of the heel of the tyrant who already has trod mercilessly upon other freedom-loving peoples who were not prepared for his coming. The huge expenditures and the costly establishment required to man the national defense are necessities. This is not the part of the Federal trend—as regrettable as it is—to which exception can be profitably taken.

These are the areas in which old principles adapt themselves to changing times—and unfortunately, to distortion, too. This is the vista of government in which values are seldom black or white, and where change is the only constant. This is the beachhead on which erosion takes place, bit by bit, decree by decree, decision by decision, dollar by dollar.

"It profits me but little, after all," Tocqueville wrote, "that a vigilant authority always protects the tranquility of my pleasures and constantly averts all dangers from my path, without my care or concern, if this same authority is an absolute master of my liberty and my life, and if it so monopolizes movement and life that when it languishes, everything languishes around it; that when it sleeps everything must sleep, and that when it dies, the state itself must perish."

Here is a chilling prophecy and a challenge.

If in our Nation, the residue of power remains with the States, as we believe, is it

not time for the States to take the lead in preserving our freedom?

If indeed America is drifting toward the well nigh universal fate of civilizations, can we escape responsibility, unless we have done our utmost to avert it?

Now, we cannot wash our hands of this. In that future there would not ever be a chance to say "I told you so."

And again, if we believe that this drift is inevitable and merely fortify our own private passions, have we not admitted our Nation's doom and the triumph of slavery over freedom? Are we not, as Jacob Malik has warned us, in a sense, already Marxists?

I cannot believe that any intelligent American is of that persuasion. In Washington, in Richmond, in every farm and suburb and street corner; we stand as we have always stood, on the old principles, even though in this day we cannot always apply them in the old ways.

Our challenge—the challenge of all who believe as we believe—is to match with the inspiration of our heritage, the missionary zeal of those who preach paternalism. This is the great and perhaps final test of our belief.

No matter how much we would, we cannot escape. We cannot turn back the clock. The moving finger writes and then moves on. We can stand foursquare against change, but it will only undermine our position and bowl us over with its pent-up pressures.

Our challenge is to be actively conservative, aggressively conservative, intelligently conservative, vocally conservative, patiently conservative, sacrificially conservative.

And if the way is hard, our opponents numerous and progress sometimes slow, let us refresh our spirits from time to time at the wellspring of George Mason's sage advice, that the blessings of liberty cannot be preserved to any people "but by a firm adherence to justice, moderation, temperance, frugality, and virtue, and by a frequent recurrence to the fundamental principles."

To the preservation of these principles and of our freedom, our forefathers pledged their lives, their fortunes and their sacred honor. We today can do no less.

STATE RESPONSIBILITIES REGARDING URBAN PROBLEMS

Mr. MUNDT. Mr. President, I should like to bring to the attention of Members of the Senate some basic questions regarding the responsibilities of State government in helping to meet some of the problems besetting our large urban areas. My colleagues all know that I have been and will continue to be firmly opposed to the creation of a Federal Department of Urban Affairs for reasons which I have set forth on numerous occasions. One of my basic objections to such a department is that it tends to bypass the proper role of the sovereign States in our American Federal system under the Constitution.

The Congress has brought to a halt the present effort to create a Federal Department of Urban Affairs. Nevertheless, I urge State legislatures and Governors to lose no time in asserting by positive action their interest, their help and their authority with regard to these problems brought about through rapid increases in population in our large metropolitan centers. If the States do not move in this matter, additional excuses will be seized upon by those who desire to see the Federal Government establish supremacy in this field.

In this connection, let me commend to the Members of the Senate and to the executives and legislators of the 50 States a series of logical and practical recommendations which have been made by the Advisory Commission on Intergovernmental Relations of which I am pleased to be a member. Last year the Commission issued a report on "Governmental Structure, Organization and Planning in Metropolitan Areas" which outlines various actions that might be taken by State governments to ease the problems of urban growth beyond local and State boundaries. The recommendations of the Commission were translated into draft bills and included in the Council of State Governments' "Program of Suggested State Legislation for 1962." These specific legislative proposals are as follows:

Simplified statutory requirements for municipal annexation of unincorporated territory.

Authorization for interlocal contracting or joint performance of services.

Authorization for establishment of metropolitan service corporations for performance of particular governmental services that call for areawide handling.

Authorization for voluntary transfer of governmental functions from cities to counties and vice versa.

Authorization for the creation of metropolitan area commissions on local government structure and services.

Authorization for creation of metropolitan area planning bodies.

Establishment of a unit of State government for continuing attention, review, and assistance regarding the State's metropolitan areas.

Inauguration of State programs of financial and technical assistance to metropolitan areas.

Stricter State standards for new incorporations within metropolitan areas.

Financial and regulatory action by the State to secure and preserve "open land" in and around metropolitan areas.

Assumption by the State of an active role in the resolution of disputes among local units of government within metropolitan areas.

I am gratified that the recent Governors' Conference meeting in Hershey, Pa., saw fit to give unanimous endorsement to these recommendations of the Commission and we are hopeful that several of these proposals will proceed to enactment by the various State legislatures which convene in 1963.

I would like to comment on one of the recommendations in particular—the creation of a State office of local affairs. This would be a unit of State government charged with providing technical and informational services to local units of government and serving in an advisory capacity to the Governor and the legislature. It seems to me that States can greatly strengthen their position in opposition to a Federal Department of Urban Affairs if they make appropriate provision in the State government for the discharge of these responsibilities.

I would like to urge, however, that this State office not be confined to a concern with urban problems. As I have emphasized to the Senate on several occasions, the problems of our small towns and rural counties demand urgent consideration. S. 1869, which I introduced early in this Congress and which has passed the Senate and is pending in the House, would create a commission for the study of these areas of declining population and I would again express a strong hope for favorable action on S. 1869 by the other body during this session.

Mr. MANSFIELD. Mr. President, is there further morning business?

The PRESIDING OFFICER. Is there further morning business? If not, morning business is closed.

AMENDMENT OF THE FOREIGN SERVICE BUILDINGS ACT, 1926, AUTHORIZING ADDITIONAL APPROPRIATIONS

Mr. MANSFIELD. Mr. President, I ask unanimous consent that Calendar No. 1887, H.R. 11880, to amend the Foreign Service Buildings Act, 1926, to authorize additional appropriations, and for other purposes, be laid aside.

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

TEMPORARY INCREASE IN MAXIMUM CONSTRUCTION DIFFERENTIAL SUBSIDY UNDER MERCHANT MARINE ACT, 1936

Mr. MANSFIELD. Mr. President, I move that the Senate proceed to the consideration of Calendar No. 1286, S. 2800.

The PRESIDING OFFICER. The bill will be stated by title for the information of the Senate.

The LEGISLATIVE CLERK. A bill (S. 2800) to amend the Merchant Marine Act, 1936, in order to make permanent a temporary increase in the maximum construction differential subsidy that may be paid under such act and to provide that such maximum shall not apply with respect to reconstructing or reconditioning of ships.

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.

Mr. MANSFIELD. Mr. President, it is the hope of the Senate leadership that today the Senate may be able to consider a number of measures which have been on the calendar for some time, after having been reported by the Committee on Commerce.

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

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk called the roll and the following Senators answered to their names:

[No. 276 Leg.]

Allott	Johnston	Neuberger
Bartlett	Jordan, N.C.	Pearson
Bennett	Jordan, Idaho	Prouty
Burdick	Keating	Saltonstall
Cannon	Lausche	Sparkman
Carlson	Mansfield	Talmadge
Dirksen	McClellan	Tower
Ellender	Metcalf	Williams, Del.
Fong	Monroney	Yarborough
Hill	Morse	Young, N. Dak.
Holland	Moss	Young, Ohio
Hruska	Mundt	

Mr. HUMPHREY. I announce that the Senator from Illinois [Mr. DOUGLAS], the Senator from Mississippi [Mr. EASTLAND], the Senator from Arkansas [Mr. FULBRIGHT], the Senator from Tennessee [Mr. GORE], the Senator from Rhode Island, [Mr. PELL], the Senator from Virginia [Mr. ROBERTSON], the Senator from Florida [Mr. SMATHERS], the Senator from Massachusetts [Mr. SMITH], and the Senator from New Jersey [Mr. WILLIAMS] are absent on official business.

I further announce that the Senator from Idaho [Mr. CHURCH], the Senator from Alaska [Mr. GRUENING], the Senator from Wyoming [Mr. HICKEY], and the Senator from Missouri [Mr. LONG] are necessarily absent.

Mr. KUCHEL. I announce that the Senator from Vermont [Mr. AIKEN] is absent on official business.

The Senator from South Dakota [Mr. BOTTUM], the Senator from Indiana [Mr. CAPEHART], the Senators from New Hampshire [Mr. COTTON and Mr. MURPHY], the Senator from New York [Mr. JAVITS], the Senator from Iowa [Mr. MILLER], the Senator from Kentucky [Mr. MORTON], and the Senator from Pennsylvania [Mr. SCOTT] are necessarily absent.

The PRESIDING OFFICER (Mr. METCALF in the chair). A quorum is not present.

Mr. MANSFIELD. Mr. President, I move that the Sergeant at Arms be directed to request the attendance of absent Senators.

The motion was agreed to.

The PRESIDING OFFICER. The Sergeant at Arms will execute the order of the Senate.

After a little delay, Mr. ALLOTT, Mr. ANDERSON, Mr. BEALL, Mr. BIBLE, Mr. BOGGS, Mr. BUSH, Mr. BUTLER, Mr. BYRD of Virginia, Mr. BYRD of West Virginia, Mr. CARROLL, Mr. CASE, Mr. CHAVEZ, Mr. CLARK, Mr. COOPER, Mr. COTTON, Mr. CURTIS, Mr. DODD, Mr. ENGLE, Mr. GOLDWATER, Mr. HART, Mr. HARTKE, Mr. HICKENLOOPER, Mr. HUMPHREY, Mr. JACKSON, Mr. KEFAUVER, Mr. KERR, Mr. KUCHEL, Mr. LONG of Hawaii, Mr. LONG of Louisiana, Mr. MAGNUSON, Mr. MCCARTHY, Mr. MCGEE, Mr. MUSKIE, Mrs. NEUBERGER, Mr. PASTORE, Mr. PROXMIRE, Mr. RANDOLPH, Mr. RUSSELL, Mrs. SMITH of Maine, Mr. STENNIS, Mr. SYMINGTON, Mr. THURMOND, and Mr. WILEY entered the Chamber and answered to their names.

The PRESIDING OFFICER. A quorum is present.

Mr. HUMPHREY. Mr. President, I understand that the pending business is Calendar No. 1286, Senate bill 2800. Is that correct?

The PRESIDING OFFICER. That is correct.

EMANCIPATION DAY: ITS FULL SIGNIFICANCE

Mr. HUMPHREY. Mr. President, on Friday, in colloquy with the Senator from Oregon [Mr. MORSE], I stated that today I would comment somewhat upon the ceremony which took place at the Lincoln Memorial on Emancipation Day. That ceremony was historic in its significance. The address delivered by the U.S. Ambassador to the United Nations, Mr. Adlai Stevenson, was brilliant, moving, and one of the most important statements of public policy on the issue of human rights that has been delivered in this Capital City.

The headline of the lead article published on Sunday in the Washington Post was "Stevenson Most Eloquent in Plea To Remain Cool During Cuban Tension."

The article begins as follows:

> Adlai Stevenson was at his most eloquent yesterday as he invoked "the Great Emancipator who sits brooding behind me" at the Lincoln Memorial to point a moral for our times.
>
> He never mentioned communism or the Soviet Union or Cuba. But what he said was reflective of the argument now raging in the United States over how to deal with Soviet communism penetration of Cuba.

I ask unanimous consent that at the conclusion of my remarks the article be printed, together with the full text of Ambassador Stevenson's speech at the ceremony at the Lincoln Memorial on Emancipation Proclamation Day.

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

(See exhibit 1.)

Mr. HUMPHREY. Mr. President, on Saturday, September 22, all America commemorated President Abraham Lincoln's signing of the Emancipation Proclamation 100 years ago. This historic act is now recognized as a milestone along the road of freedom that all mankind will hopefully travel.

On the 100th anniversary of the Emancipation Proclamation, I believe we must resolve to complete the task begun by Abraham Lincoln. But I also believe this should be a day on which to pledge ourselves to a new revolutionary concept of emancipation—emancipation from the constant burdens of mankind, the burdens of poverty, hunger, and disease.

Why should we consider emancipation in these revolutionary terms? The answer I see is a simple one: Only by conceiving of emancipation as the dual challenge of freeing mankind from personal servitude, prejudice, and injustice and simultaneously attacking the physical burdens that encroach upon man's well-being will this Nation fully exercise the responsibility for human progress that is its destiny.

The century that has elapsed since the signing of the original Emancipation Proclamation is only a moment in the long history of mankind. But this represents a long time in the life of the United States—a period of time spanning well over half our life as an independent Nation.

In this period of time there have occurred changes unseen in 1862, changes that eluded the imagination of the most visionary prophet of the mid-19th century. While we take almost for granted the continuity of our Government and our fundamental democratic institutions, it is difficult to realize how rare this continuity is in a turbulent and rapidly changing world.

By 1862 the European nations had firmly established their domination over most of Asia. Today that domination has all but vanished. In 1862 the European dissection of Africa had hardly begun. Now most of Africa is again free of colonial domination.

In 1862 communism was little more than a theory propounded by a handful of frustrated intellectuals. Today we witness veritable towers of tyranny built on this theory. And, to proceed one step further, we have also seen the first cracks appearing and spreading through the once monolithic structure of international communism.

Against the background of these dramatic changes in the world about us, we must admit that the emancipation of our Negro citizens in terms of full participation in our national life has been painfully slow. In 1862 certainly no reasonable man expected that the lot of the slaves would be transformed overnight upon the stroke of Abraham Lincoln's pen. In that first dawn of freedom the Negro Americans lacked almost everything: land and the tools to till it, skills, education, and means of support. In fact, they lacked everything but liberty itself and the courage to face the future.

Yet it was reasonable to hope—and reasonable men, both white and Negro, did hope—that the newly freed men would overcome these handicaps within a generation or so. Indeed, just such an assimilation was being achieved by many destitute immigrants who had journeyed to our shores.

The key to achieve such full participation in the life of the Nation seemed to lie in education. The father of a Negro family might be an unskilled laborer; the mother might work as a domestic servant; yet these people would have the capacity to raise fine children. And if these people were fortunate, their children might graduate from high school, and some even attend college. Do we truly realize how many times the father's sledgehammer rose and fell, or how many times the mother scrubbed on her knees, that their children might stand erect?

But where were these educated Negroes to go? So many doors were simply closed to them because of the color of their skin. They stood and knocked at these doors for many years in vain. Today the knocking grows louder. Today it is much more difficult to ignore. And today some of the doors are finally opening; but we know how much more remains to be done.

Five generations have passed since the Emancipation Proclamation, and there is still a long distance to travel down the road to human freedom and equality.

On this anniversary of the Emancipation Proclamation it would be presumptuous of me, if not impossible, to assign responsibility for the disheartening pace of true emancipation in this country. There is guilt enough for all parts of our country to share some part of it—guilt for sins of commission and sins of omission.

I would rather put this problem in a narrower and more personal perspective. Fourteen years ago I had the honor to stand on the rostrum of the Democratic National Convention and say that the time had come for the Democratic Party to get out of the shadow of States rights

and walk forthrightly into the bright sunshine of human rights. This became the declared position of the Democratic Party, and it also became the declared position of the Republican Party.

Yes, there has been heartening progress in recent years, but—in all frankness—it seems to me the work of making this progress has been unequally shared.

The Supreme Court has spoken forthrightly on the matter of equal opportunities for our Negro citizens; but I cannot say that the other branches of government have always matched that forthrightness. Many white Americans have joined their Negro fellow citizens in this struggle—and notably with many courageous young Negro students. But many other Americans have remained on the sidelines, as if the struggle and its outcome did not concern them.

The progress of human rights can also be measured by the march of freedom beyond our shores. In the same years, hundreds of millions of Asians and Africans have achieved national freedom and self-respect. Some have accepted the responsibilities that accompany this freedom more readily than others, but the total picture is most encouraging. Already many of the new African and Asian nations have made impressive contributions toward world peace and international understanding. I look for increasing contributions in the future.

I cannot think of a more fitting memorial to the efforts of these pioneers of human rights found throughout the world than that historians should come to see this era as the "century of human freedom."

But if one can attempt to peer into the history books of tomorrow, it is within our grasp that this civilization will also be described as the "century of abundance." As I noted earlier, I believe the concept of emancipation serves as a bridge that gives full meaning to both these human potentialities.

In fact, only by viewing emancipation in this dual dimension can we expect to grasp the full significance of this concept.

Yes, emancipation in the social and political sense—the right to vote, fully protected—equal opportunity for employment without discrimination—these are all important rights. But emancipation also in the sense of personal emancipation from disease, endless toil, poverty, and hunger are vital. Today, for the first time in recorded history, humanity has the power—if we have the will and wit to use our resources of science and technology—to drive these ancient scourges from the earth.

While most Americans never experience the pains of chronic hunger or the ravages of uncontrolled disease, a large majority of the world's population still knowns no other life. And, what is even more shocking, a sixth of the U.S. population finds itself without adequate food, shelter, medical care, or employment in the midst of our affluent society.

But, as with the case of human rights, I believe we are making progress, however halting and uncertain it may at times appear. I believe this Congress will be remembered for its attempts to bring some amelioration of these domestic conditions. The Area Redevelopment Act, the Housing Act of 1961, the Manpower Retraining Act, the expansion of the social security system, and the continued congressional support of the National Institutes of Health, the constitutional amendment to eliminate the poll tax, all represent progressive and forward-looking responses to some of the domestic problems still before us. Much remains to be done, but I look back on this record with a feeling of pride and accomplishment.

Other great programs such as the Federal Government's experiments in saline water conversion offer great promise for the future. The perfection of an economically feasible system to transform fresh water from the salt water would, I believe, represent as important as any scientific advance in the 20th century. The massive assaults on cancer and heart disease that are underway in the United States will eventually result in untold years of added life to persons of all lands. Once again, I think the Congress can view its support of medical research with pride.

While the roles of Congress and the Federal Government in these various areas are important, I feel the ultimate solutions cannot be found apart from the initiatives of the American people acting in their individual capacities.

While we may at times delude ourselves to the contrary, in the long run the Congress reflects with considerable accuracy the vitality, determination, and intelligence of the American people. Should the Congress lead or should it follow? This question never can be answered by selecting one of these two extremes. True and meaningful human progress results from constant interaction at all levels of public and private life. In short, we are both teachers and students.

The performance of government and the fundamental strength of a society are viewed as separate and distinct entities only by the very short-sighted and foolish.

As the fundamentally strong people I believe we are, let us then move with speed, rather than deliberation, to finish the emancipation of 1862, that is, the conquest of human rights and dignity for every member of American society.

But let us be guided by the fuller conception of emancipation that I have suggested, a conception that will demand the finest this generation has to offer.

Mr. President, I am sure each of us was moved by the impressive Emancipation Day observance in front of the Lincoln Memorial on Saturday. It was a most fitting event to memorialize this historic occasion. All those persons who worked so diligently to make this meeting a success should be complimented. I thought the President of the United States sent a most appropriate message and I now ask unanimous consent that his Emancipation Day message be printed in the RECORD at this point.

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

TEXT OF KENNEDY EMANCIPATION MESSAGE

I take great pleasure in greeting you on this centennial commemoration of one of the most solemn moments in American history. One hundred years ago today Abraham Lincoln signed the Emancipation Proclamation. He thereby began the process which brought a final end to the evil of human slavery, which wiped out from our Nation what John Quincy Adams called the great stain upon the North American union.

But the Emancipation Proclamation was not an end. It was a beginning. The century since has seen the struggle to convert freedom from rhetoric to reality. It has been in many respects a somber story. For many years progress toward the realization of equal rights was very slow.

A structure of segregation divided the Negro from his fellow American citizen. He was denied equal opportunity in education and employment. In many places he could not vote. For a long time he was exposed to violence and to terror. These were bitter years of humiliation and deprivation.

CITES NEGRO'S LOYALTY

Looking back at this period, one must observe two remarkable facts. The first is that, despite humiliation and deprivation, the Negro retained his loyalty to the United States and to democratic institutions. He showed this loyalty by brave service in two World Wars, by the rejection of extreme or violent policies, by a quiet and proud determination to work for long-denied rights within the framework of the American Constitution.

The second is that, despite deprivation and humiliation, the Negro has never stopped working for his own salvation. There is no more impressive chapter in our history than the one in which our Negro fellow citizens sought better education for themselves and their children, built better schools and better housing, carved out their own economic opportunity, enlarged their press, fostered their arts, and clarified and strengthened their purpose as a people.

In doing these things, the Negroes enlisted the support of many of their fellow citizens both north and south. But the essential effort, the sustained struggle was borne by the Negro alone with steadfast dignity and faith. And in due course the effort had its results.

STRIKING CHANGE

The last generation has seen a belated, but still spectacular, quickening of the pace of full emancipation. Twenty-five years ago the Nation would have been unbelieving at the progress to be made by the time of this centennial, progress in education, in employment, in the evenhanded administration of justice, in access to the ballot, in the assumption of places and responsibility and leadership, in public and private life.

It has been a striking change, and a change wrought in large measure by the courage and perseverance of Negro men and women. It can be said, I believe, that Abraham Lincoln emancipated the slaves, but that, in this century since, our Negro citizens have emancipated themselves.

And the task is not finished. Much remains to be done to eradicate the vestiges of discrimination and segregation, to make equal rights a reality for all our people, to fulfill finally the promises of the Declaration of Independence. Like the proclamation we celebrate, this observance must be regarded not as an end, but a beginning.

The best commemoration lies not in what we say today, but in what we do in the days and months ahead to complete the work begun by Abraham Lincoln. "In giving freedom to the slaves," President Lincoln said, "we assure freedom to the free." In giving rights to others which belong to them, we give rights to ourselves and to our country.

Mr. HUMPHREY. Mr. President, in yesterday's press there were a number of articles relating to the Emancipa-

tion Proclamation and its meaning to American life and the world. One of the better articles appeared in the Washington Sunday Star, under the byline of Tom Henshaw, an Associated Press news features writer. This particular article describes some of the achievements that have taken place in the United States in terms of equal opportunity and equal privilege under the law.

I ask unanimous consent that the article entitled, "The Emancipation and Afterward," be printed at this point in the RECORD.

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

[The Sunday Star Washington (D.C.), Sept. 16, 1962]

THE EMANCIPATION AND AFTERWARD

(By Tom Henshaw)

It began a hundred years ago, on a Monday afternoon in the White House, when President Abraham Lincoln rose at a Cabinet meeting and read from a manuscript in his hand:

"* * * All persons held as slaves within any State, or designated part of a State, the people thereof shall then be in rebellion against the United States, shall be then, thenceforward and forever free * * *."

The drama so begun is with us still—aboard a bus in Montgomery, Ala., at a lunch counter in Nashville, Tenn., in a classroom in Little Rock, Ark., and in the chambers of the Supreme Court of the United States.

It's the story of the Negro as a free American; a story that began when Lincoln first read the Emancipation Proclamation to his Cabinet on September 22, 1862, shortly after the opportune Union victory at Antietam.

As the history of America is measured in milestones, so is the history of the free Negro in America measured in steps from slavery to an equality not yet achieved.

What are the great milestones in Negro history?

A SURVEY OF HISTORIAN

The Associated Press asked five distinguished Negro historians to list the five events they consider the most important in Negro progress since the Emancipation Proclamation.

They were unanimous on only two.

First, the War Amendments to the Constitution, particularly the 14th ratified in 1868, which defined citizenship and extended the equal protection of law to all persons.

"The Emancipation Proclamation did not really free the slaves; the 13th amendment did," says Dr. John Hope Franklin, chairman of the history department at Brooklyn College.

"The 14th amendment brought the Negro into the American family. The 15th gave Negroes the right to vote. Together, they made it possible for the Negro to come into the mainstream of American life."

"The 14th amendment is what the Negro has based his whole fight for equality on," adds Dr. Benjamin Quarles, chairman of the history department at Morgan State College in Baltimore.

Second, *Brown* v. *Board of Education*, the Supreme Court decision of May 17, 1954, which overturned the longstanding rule of "separate but equal" and banned segregation in public schools.

"For 58 years," says Dr. Clarence A. Bacote, chairman of the history department at Atlanta University, "separate but equal was the standard in race relations. The decision of 1954 set a new standard."

Smith v. *Allwright*, the Supreme Court decision of 1944 that opened previously all-white primary elections to Negroes, rated high on the historians' list of milestones.

"*Smith* v. *Allwright* means more to us in the South than in other sections," says Dr. Bacote. "It revived the Negroes in the South. In Atlanta, at least, it has changed the whole political climate.

"Many ills can be redressed by voting intelligently. But first you have to register. Once we get Federal protection at the ballot boxes we will get a different type of representative from the South."

Another popular choice: Executive Order 8802, issued by President Franklin D. Roosevelt in 1941, barring discrimination in factories with defense contracts. It was forerunner of fair employment practices laws.

ON MAKING A LIVING

"For the first time," says Dr. Franklin, "it gave Negroes an opportunity to make a living."

Both Dr. Bacote and Dr. Charles H. Wesley, president of Central State College in Wilberforce, Ohio, rate the rise of segregated Negro schools high on their lists of milestones.

For Dr. Bacote, the rise of Negro education is symbolized by the day in 1929 when Atlanta University became the first Negro graduate institution offering a master's degree.

"For a long time," he says, "it was a widely held opinion that Negroes were inferior to whites mentally. Education, particularly the number of Negroes earning master's degrees and doctorates, is destroying that myth."

Dr. Rayford W. Logan, chairman of the history department at Howard University in Washington, sees the integration of the Armed Forces, symbolized by the graduation from West Point of Benjamin O. Davis, now a major general, as a top milestone.

"It lifted Negro morale," he says. "Who wants to fight an enemy abroad when you have a fight of your own just to serve your own country?"

Dr. Wesley picks as a milestone *Plessy* v. *Ferguson*, the Supreme Court decision of 1896 that established by law the concept of separate but equal.

"It gave Negroes the opportunity to work out their own problems," he argues. "Out of it came the nucleus of colleges and universities for Negroes. It was a necessary and healthy exercise in self-help."

Dr. Franklin names the Civil Rights Act of 1875, which was later declared unconstitutional on grounds the Government could not enact legislation to effect equal rights.

"But it dared to call for the protection of the rights of Negroes as any other American citizens," he says. "We have been trying to catch up with the act since 1875. Only now are we seeing it realized."

PERSONAL APPROACH

Most of the Negro historians see their milestones in legal terms; as court decisions and legislative acts that broke down barriers to equality. Not so Dr. Quarles.

Among his selections: The signing of Jackie Robinson to a Brooklyn Dodger contract in 1947 and the refusal of Mrs. Rosa Parks to move to the rear of a bus that touched off the Montgomery bus protest of 1955–56.

Dr. Franklin stands at the opposite pole.

"Don't measure Negro progress by saying so many Negroes have Ph. D.'s or so many sing in grand opera," he says. "Progress is measured in the opportunity given a Negro, not in what he does.

"Actually, it's the progress of the country, not the Negro.

"William Dubois was graduated from Harvard with a Ph. D. in 1896. Did he teach at Harvard or anywhere else comparable? It was not because he had not made progress. It was because Harvard had not."

Mr. HUMPHREY. Mr. President, I conclude by stating that I will never feel that the business of free government has ever been fulfilled until equal opportunity, in its full meaning, is afforded every citizen in our country, regardless of race, color, or creed. It seems to me this still is the most powerful argument we have for the kind of world in which we want to live, a world in which human dignity is not merely a philosophy or a theory, but a living reality.

EXHIBIT 1

U.N. DEBATE IN BACKGROUND—STEVENSON MOST ELOQUENT IN PLEA TO REMAIN COOL DURING CUBAN TENSION

(By Chalmers M. Roberts)

Adlai Stevenson was at his most eloquent yesterday as he invoked "the Great Emancipator who sits brooding behind me" at the Lincoln Memorial to a point a moral for our times.

He never mentioned communism or the Soviet Union or Cuba. But what he said was reflective of the argument now raging in the United States over how to deal with Soviet Communist penetration of Cuba.

The same argument, in a more subdued tone, can also be heard within the Kennedy administration.

What Stevenson said at the Emancipation Proclamation centennial ceremony was this:

As was the case a century ago, "once more we doubt whether the human experiment can survive half slave and half free. Once more we feel, as men did in Lincoln's day, that the future of mankind itself depends upon the outcome of the struggle in which we are engaged."

But even in the depth of the Civil War, Lincoln never defined his cause "in terms of white and black, good and bad, excellence and evil." He never "stooped to the cheap rhetoric of the patriotic occasion;" he avoided "the snap judgments into which self-righteousness can so easily lead us all.

HISTORIC PARALLEL

For this, "Lincoln was bitterly attacked," and he was "accused of weakness, even of treachery, because he could not go along with the single-minded jingoism of much of the propaganda of his day."

From this history Stevenson drew a parallel of a danger today "that those who do not see things in stark contrasts of black and white will be denounced as feeble and even treacherous." America must recognize its own short comings, including the uncompleted promise of the Emancipation Proclamation, said Stevenson. And then he added:

"That we make no claim to final righteousness will help us to keep open all the paths to negotiation and fruitful compromise. It does not—any more than it did for Lincoln—make us compromise with violence, aggression, or fraud. * * * Truth was never the enemy of liberty, and it is no coincidence that the greatest statesman of liberty, the greatest champion freedom has ever known, was also the man who claimed least infallibility for himself and for his cause."

All that Stevenson, the U.S. Ambassador to the United Nations, said yesterday could probably be put down as appropriate for the Emancipation observance. But in the light of the division over Cuba it seems obvious that he was saying much more.

Within the country and within the administration there are those who see the problem in "black and white," who are ready for "snap judgments" in favor of an American military attack on Fidel Castro's regime. Some of those who have opposed this line of reasoning already are being "accused of weakness, even of treachery * * *."

Chester Bowles, President Kennedy's foreign policy aid, said last Sunday that an attack on Cuba would bring Soviet diplomatic and political victories, lessen American influence in world affairs, and produce

a rising tide of U.S. resentment against the United Nations and forfeit America's traditional claim to moral leadership.

This does not appear to be a very popular line of argument today; nor is Bowles himself very popular in many quarters. Stevenson himself has been accused of having had a hand in preventing direct U.S. participation in the Bay of Pigs fiasco in the spring of last year.

What Bowles said bluntly and what Stevenson said more indirectly, however, is in tune with President Kennedy's current "keep cool over Cuba" position. But the President knows, and his party's politicians say, that the country is very much in a "do something about Cuba" move despite his efforts to isolate the war hawks.

The President has not gone as far as either Stevenson or Bowles in publicly supporting a go-slow policy toward Cuba; probably he cannot. Of course, what Stevenson said can be applied far beyond the Cuban issue to the larger problem of East-West relations.

Here the President, too, has been castigated by some for a "no win" policy. But Cuba today is the focus of the argument on what U.S. policy should be in a world where "once more we doubt whether the human experiment can survive half slave and half free."

The argument already is deep in politics with an election only 6 weeks away. What Adlai Stevenson said yesterday, standing in front of Daniel Chester French's massive statue of Lincoln, will not resolve the argument, but drew upon history to provide some highly pertinent thoughts.

ADDRESS BY THE HONORABLE ADLAI E. STEVENSON, U.S. REPRESENTATIVE TO THE UNITED NATIONS, AT THE EMANCIPATION CEREMONIES, LINCOLN MEMORIAL, WASHINGTON, D.C., SEPTEMBER 22, 1962

This day just a hundred years ago, America reached a turning point. It was 5 days after Antietam. In the South Mountain defiles and on the fields around Sharpsburg ghastly clumps of dead soldiers lay unburied. The foul weeds of civil war—hatred, fury, cruelty—grew ranker as the lists of slain and wounded filled the bulletin boards, and the hospital trains crept North and South between lines of harrowed watchers. In Europe, leaders pondered intervention; some ready to take harsh advantage of the New World's agony; some like Gladstone racked with anxiety to stop the slaughter.

Then came the flash, the lightning stroke that enables men to see the changes wrought by the storm. A haggard President told his Cabinet and his Maker that if the foe was driven from Union soil, he would declare the slaves "forever free." Within hours headlines all over this land clamored with the word "emancipation." Within days every slave had heard the news. Within weeks people all over the world were hailing the redemption of young America's promise.

Like all title deeds of human progress, the proclamation of emancipation meant more than it said. Morally it meant that American civilization and human bondage were irrevocably incompatible. And a panoply of larger freedoms was bound up in that first small step. For the proclamation touched not the fate of Americans alone; it gave courage to the oppressed from the Thames to the Ganges; it inaugurated a new age of worldwide reforms. It was an application of the basic tenets of the Nation, tenets which gave promise, said Lincoln, that "in due time the weight would be lifted from the shoulders of all men."

Since we admit so readily our gratitude and our debt to other nations for their enrichment of our national fabric, I hope it will not seem immodest to others that Americans take such pride in the momentous milestone we commemorate today nor in the globe-circling spread of our spirit of national independence and individual freedom. During the past two centuries the two have walked hand in hand. Beside national independence in 1776 stood the goal of individual freedom; beside the preservation of the Union in 1862 stood the same great idea—planted there by the most beloved of American leaders.

And today—just a century later—freedom is again at stake. This time the whole worldwide society of men is perilously divided on the issue. National independence has swept the earth like wildfire, but individual freedom is still the great unfinished business of the world today. Once more we doubt whether the human experiment can survive half slave and half free. Once more we feel, as men did in Lincoln's day, that the future of mankind itself depends upon the outcome of the struggle in which we are engaged.

In this context, with this urgency, with these fears, it would be easy enough to slip into the path of cloudy rhetoric. I could paint you a picture of this world struggle in which our adversaries would be pitch black and we—"the land of the free and the home of the brave"—would be lily white.

Such speeches are not too difficult to concoct. But since today we celebrate not only the act of emancipation, but also the Great Emancipator who sits brooding behind me, it is well to point out that Lincoln, throughout all the agonies and defeats, and the breathtaking triumphs of the Civil War, never made such a speech. Never did he define his cause—this overwhelming cause of freedom—in terms of white and black, good and bad, excellence and evil. Abraham Lincoln never stooped to the cheap rhetoric of the patriotic occasion. Instead he continued, obstinately and greatly, to see human affairs and human emotions in all their complexity and ambiguity, and to refuse the snap judgments into which self-righteousness can so easily lead us all. If ever a leader lived by the Biblical injunction, "Judge not, lest ye be judged," it was Lincoln. For him, truth was the groundwork of freedom, and you could no more build victory upon delusion than you could sustain society in slavery. And this is reason enough for his saintly rank among world statesmen.

So if today we wish to honor both the act of emancipation and the man who framed it, we have to follow in the same dedication to truth, and the same abhorrence for pretension and self-deceit. We know that we uphold the cause of freedom. Equally we know that we risk betraying it if we have any illusions about our failures and insufficiencies.

If the issue between North and South sometimes seemed ambiguous to Lincoln; if, as in the second inaugural, he recognized the equal complicity of northerners organizing the slave trade and southerners profiting by the results, so, too, today we must approach the theme of freedom in the world context with some of Lincoln's modesty and accuracy.

Are we the pure-souled defenders of freedom when Negro citizens are anywhere denied the right to vote, or to equal education, or to equal opportunity? Can we be surprised if, abroad, friends with sadness and enemies with delight observe the inequalities and injustices which still mar our American image?

In his day, Lincoln was bitterly attacked for this unwillingness to take the straight partisan line, to claim all virtue for the North, all evil for the South, to praise himself and his cause, to damn all his adversaries. His sense that issues might be relative and ambiguous roused men of rougher certitude to furies of denunciation, and Lincoln was accused of weakness, even of treachery, because he could not go along with the single-minded jingoism of much of the propaganda of his day.

So today, there is a danger that those who do not see things in the stark contrasts of black and white will be denounced as feeble and even treacherous. It is therefore worthwhile recalling that Lincoln's sense of the complexity of all great historical issues did not hold him back for 1 hour from doing the right as God gave him to see the right, or deter him from emancipating the slaves and fighting a great war to its finish to insure that the Union would be preserved and the emancipation honored.

To today, our sense of our own failures and weaknesses in the struggle for freedom does not mean, for one instant, any faltering in the sacrifices which are necessary to insure that the Western democracies and the unalined peoples of the world have the shield against aggression that they need, and the aid necessary to uphold it. That we make no claim to final righteousness will help us to keep open all the paths to negotiation and fruitful compromise.

It does not—any more than it did for Lincoln—make us compromise with violence, aggression or fraud. We shall stand all the firmer for not standing in a false light. Our defense of freedom will be all the stronger for being based not on illusions but upon the truth about ourselves and our world. Freedom must be rooted in reality or it will crumble as errors are revealed and faith is shaken. Only the truth can make us free.

The immortal document that the Great Emancipator read to his advisers just one hundred years ago closed one era of American history and opened another. It freed the Negro from his age-old bondage; it freed the white people of the South from an outworn and crippling institution; it freed the Republic from the darkest stain upon its record. It gave freedom a mighty impulse throughout the globe. And it will surround the homely features of President Lincoln with an unfading halo.

But it marked a beginning; not an end; it was a call to a new battle—a battle which rages around us in every part of the world in this new time of testing.

Truth was never the enemy of liberty, and it is no coincidence that the greatest statesman of liberty, the greatest champion freedom has ever known, was also the man who claimed least infallibility for himself and for his cause. We can be humble as he was humble—knowing that the cause of freedom is greater than its defenders, and can triumph in spite of all their shortcomings.

In this spirit, we dare declare that the concern and dedication of our Union is the freedom of all mankind. With this candor, we can claim to be Lincoln's heirs in the unfinished work of emancipation.

CAMPAIGN TO LURE NEW YORK FIRMS TO TEXAS

Mr. KEATING. Mr. President, one of the Nation's largest defense contractors is conducting a deliberate campaign to lure New York State firms to move their operations to Texas.

A form letter dated August 29 was sent to Long Island, N.Y., electronic firms. The letter was signed by the purchasing agent of a company whose principal plants are located in Texas. It reads as follows:

Management, in conjunction with our chamber of commerce, has asked me to get your cooperation in answering the attached questions.

If you are planning a Texas facility, we want to offer our own help, and the help of the Dallas Chamber of Commerce, in providing information and services which you may require. If you have no plans for a Texas facility, we would like to have the Dallas Chamber of Commerce send you information on the advantages of including such a facility in your planning.

Will you please complete this questionnaire, or refer it to the appropriate official in your organization for prompt reply? Our management feels it is important to have this information to guide our purchasing policies.

The letter speaks for itself. The last sentence makes it apparent that an outrageous attempt is underway to lure—or should I say "pressure"—New York firms into Texas, if they expect to do business with this firm. In my judgment, this is improper and unwarranted pressure. To put it bluntly, it is a brazen attempt to seduce New York businesses across State lines.

Mr. President, it is shocking and disturbing to realize that this firm ranked 61st on the fiscal year 1961 Department of Defense list according to net value of military prime contracts awards. It received $46.8 million of the taxpayers' money in fiscal 1961. When it is considered that New York State contributes 20 percent of Federal tax funds, the taxpayers of New York—and of the entire Nation—have a right to demand a full accounting. Furthermore, with the relocation of the Apollo space program and other important installations to the Texas area it is necessary that this type of pressure be stopped here and now.

I am contacting the Secretary of Defense and the Administrator of NASA enclosing a copy of the letter and of an article concerning this situation which appeared in the Long Island Commercial Review. In my judgment, it is the responsibility of the Department of Defense and of NASA, to make sure that Government contractors—particularly this firm—use competitive bidding procedures and give full and fair consideration to firms all over the Nation in subcontracting. In view of the pressure that has been applied here, special surveillance by the Defense Department and by NASA is certainly warranted over any of its subcontracts involving Government funding.

As a corollary to this most recent news of efforts to lure defense industries out of New York State, I ask unanimous consent to include in the RECORD following my remarks, a letter by Charles Diebold, president of the Buffalo Chamber of Commerce, to the Los Angeles Chamber of Commerce replying to efforts by that body to obtain more business for California. Also, I ask unanimous consent to include, following my remarks, a telegram from the Engineers Union at American Bosch Arma Corp. at Garden City, Long Island, indicating that 44 engineers and 34 technicians were laid off last week as a result of the Defense Department decision to ignore competitive procedures in defense procurement. It is time for the Defense Department to clean house in procurement procedures.

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

AUGUST 29, 1962.

Mr. STEPHEN BILHEIMER,
President, Los Angeles Chamber of Commerce, Los Angeles, Calif.

DEAR MR. BILHEIMER: I read with great interest your recent comments to the effect that defense contracts must be awarded on the basis of merit, rather than any political considerations. We in western New York have long maintained that price and quality should become the criteria for the expenditure of our Nation's defense dollars and it is heartening, indeed, to learn that such views are shared in the State which has received the largest share of defense work.

We have never questioned the premise that national security must be the overriding consideration, that defense business should go to the companies which have demonstrated that they can contribute, that they can produce.

While we obviously are in complete agreement as to the basis on which defense contracts should be awarded, I must take exception to your stated concern that any decrease in California's defense business "could seriously negate the progress the United States has made to date."

No State or any group of States has a patent on quality, economy, and production. New York State, for instance, has excellent resources for outstanding engineers and scientists and highly dedicated and competent executive personnel. Modern equipment for research and extensive production facilities are available for the development and manufacture of space age products. Western New York, in particular, has compiled a remarkable record of industrial and scientific achievement in times of war and peace.

The free enterprise system precludes the award of a disproportionate share of defense business to any one State or industrial complex and I know you will agree that our traditionally competitive way of doing business will provide the best defense possible.

The defense industries of New York State accept fair and open competition as their guiding principle and will be judged on this basis. We will continue to compete on a high level and we will continue to produce the most advanced and reliable equipment that it is possible to produce, at the earliest possible date and at the lowest possible cost.

Sincerely,

CHARLES R. DIEBOLD,
President, Buffalo Area Chamber of Commerce.

CARLE PLACE, N.Y., *September 17, 1962.*

Hon. KENNETH KEATING,
U.S. Senate, Washington, D.C.:

Breakup of the Nation's leading inertial guidance team has begun; 44 engineers and 34 technicians were laid off on Friday at Arma. Urge that every possible action be taken immediately to halt this waste of the talented group responsible for the spectacular Atlas guidance system.

WILLIAM WARNER,
President, Local 418, IUE, AFL–CIO.
OWEN HOEY,
President, Local 460 IUE, AFL–CIO.
FRANK MCCALL,
President, Local 464, IUE, AFL–CIO, Arma Division, American Bosch Arma Corp., Garden City, N.Y.

ANTI-SEMITISM IN ARGENTINA

Mr. KEATING. Mr. President, I am very deeply concerned over recent action in Argentina where not only is anti-Semitism on the increase but also Nazi organizations are apparently becoming strong influences on the political scene. It is a shocking situation that news reports indicate several thousands of young Argentines may belong to an anti-Semitic organization which has the announced aims of fighting capitalism, Zionism, and communism. It is time for the Government of Argentina to recognize that there is no place in the Western Hemisphere for Fascist or Nazi tactics of this kind.

Also, Mr. President, in my judgment, the U.S. Department of State should take a clear and unequivocal position in condemning these deplorable developments. Some weeks ago I brought this situation to the attention of the State Department but I was extremely disappointed in their response. It seemed to me they equivocated. They took the line that since no American citizens were involved in these incidents, our Government was not in a position to make formal representations to the Argentine Government.

Certainly, Mr. President, if the channels of diplomacy are too clogged to permit our Government to express itself officially when such a basic violation of human rights has occurred, then it becomes even more emphatically the obligation of citizen organizations, of Members of Congress, and of all other Americans to make clear our condemnation of terroristic activities of this nature anywhere in the world and, most particularly, in this hemisphere.

Mr. President, I ask unanimous consent to include in the RECORD following these remarks a clipping from the New York Times of September 16 and a letter which I received from the Department of State at the end of August.

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

[From the New York Times, Sept. 16, 1962]

ARGENTINE YOUTHS IN NAZI GROUP SALUTE AND CRY: "HAIL TACUARA"—ANTI-SEMITIC ORGANIZATION, SAID TO BE GROWING, ASSERTS IT FIGHTS ZIONISM, CAPITALISM, AND COMMUNISM

BUENOS AIRES, September 15.—The fuzzy-faced 15-year-old boy flushed with pride as the roomful of teenagers, fixed their gaze on him. Standing erect, he raised his arm in the Nazi salute and shouted, "Hail Tacuara."

"Hail Tacuara" echoed the others as their 24-year-old leader nodded approval.

Behind bolted doors in a small flat in the heart of Buenos Aires, a reporter was permitted to watch a ceremony which could have taken place in Hitler's Germany.

Thirty youths, most of them of high school age, had gathered to initiate new members into Argentina's Tacuara organization, whose keystone is anti-Semitism. Its leaders variously boast from 2,500 to 7,000 members throughout the country and assert it is growing rapidly.

As each recruit went through the ritual he pledged allegiance to the "nationalist" cause. Tacuara's chief, Alberto Ezcurra, told each recruit his mission would be to "fight against capitalism and Zionism with one hand, and with the other hand against communism."

TELLS ABOUT DRILLS

The ceremony over, he told the new members about training courses. There would be trips to the Pampus, where they would be taught physical fitness and drilled in the nationalist-Fascist ideology of Tacuara.

Tacuara, named after the cowboy word for lance, has existed since 1955 when the Argentine dictator, Juan D. Peron, was thrown out. It didn't gain much public attention until this year.

In recent months its members have ranged the cities distributing anti-Semitic propaganda, Argentine Jewish organizations charge it has gone further lately, smearing school buildings with tar, terrorizing Jewish children, and damaging synagogues.

Tacuara's name cropped up when three 19-year-old youths were arrested on charges of firing pistol shots into the entrance of a Buenos Aires theater showing a Jewish play. But the youths denied they belonged to the nationalist organization.

Senor Ezcurra, in an interview after the initiation ceremony, said: "Tacuara is treated much better under this Government than under President Arturo Frondizi's regime."

Under Dr. Frondizi, Tacuara leaders were questioned by police and several were jailed on charges of violating the nation's security.

Under President José Marie Guido's regime, Tacuara members have had free rein to distribute anti-Semitic pamphlets and posters.

The Federal police chief, Enrique Green, brushed aside complaints about the organization, asserting that anti-Semitism in Argentina has been "exaggerated and exploited by the Communists."

Senor Green said there was no evidence to implicate Tacuara in the wave of anti-Semitic events which has swept Argentina in recent months. He said police protection had been given to synagogues and that the authorities had complied with other requests for aid from the Jewish community.

HE DOUBTS CHARGES

The police chief has cast doubt on the claims of several Argentine Jews, including a 19-year-old girl, who charged they were attacked and slashed with the symbol of the swastika. But the Guido government has promised to stamp out such acts.

The wave of anti-Semitic outbursts erupted last spring, apparently triggered by the execution of Adolf Eichmann, who was abducted from Argentina by Israeli agents. Eichmann, a Nazi official during World War II, was convicted for the role he played in the deaths of millions of Jews.

Senor Ezcurra, whose headquarters is adorned with a crucifix, says the group is influenced by the Roman Catholic Church, but that "it is only a spiritual influence."

DEPARTMENT OF STATE,
Washington, August 20, 1962.

The Honorable KENNETH B. KEATING,
U.S. Senate.

DEAR SENATOR KEATING: I want to thank you for your letter of July 31 concerning anti-Semitic activities in Latin America.

The Department of State, with the assistance of our Embassy at Buenos Aires, has for a period of 2 years been following closely the manifestations of anti-Semitism in Argentina. Our information regarding these manifestations has been supplemented by periodic receipt of data from organizations in the United States directly concerned both with threats to human rights and the welfare of Jewish communities throughout the world.

On the basis of the information available to us, it seems that most, if not all, of the anti-Semitic activities are attributable to small, largely covert and somewhat amorphous groups which appear to be ultranationalist in nature and to have chosen anti-Semitism as one vehicle for the expression of their personal and social hostilities. The groups construe themselves as quasi-political, but it cannot be said that general public opinion in Argentina dignifies them as such. We are advised by our Embassy that the Argentine populace seems genuinely horrified by the recent violent acts and deplores the activities of those responsible for them.

Officers of the Embassy were apprised some time ago of the importance of the evidence of anti-Semitism in Argentina and were instructed to make use of suitable opportunities to point out to responsible Argentines the unfavorable world reaction to be expected from pronounced anti-Semitic activities. Following the attacks in June, our Ambassador discussed the matter with Rabbi Israel Goldstein, of New York, a member of the World Jewish Congress. You will appreciate that since no American citizens have been involved the Ambassador was not in a position to make formal representations to the Government of Argentina. However, he reports subsequent conversations with officials of the Government who recognize that the activities of the anti-Semitic groups do not accrue to the credit of the nation and expressed the intent of the Government to cope vigorously with the outbreaks.

On June 25, 1962, a statement was issued by the Presidency of the Argentine Republic expressing the "Executive Power's forceful repudiation" of the acts and pledged its decision to "suppress with the full force of the law incidents of this nature which do grave injury to the social structure of the nation." This sentiment is shared, we are informed, by the Minister of Interior who is responsible for police forces in the nation. It would thus appear that Argentine authorities are fully aware of the need to take firm measures in the present circumstances. Our officers in Buenos Aires will continue to press with members of the Argentine Government the concern of all decent men whenever minority groups are subject to unlawful acts.

Our Embassy at Montevideo has provided us with the following information respecting the incidents that have occurred in Uruguay:

The Uruguayan Minister of the Interior informed the Uruguayan House of Representatives on July 31 that measures have been taken to prevent recurrence of incidents. These included establishment of street patrols by the police, reinforced by Uruguayan Army troops, highway patrols, and 100 police normally assigned to the interior of the country, as well as police raids against the headquarters of organizations suspected of involvement in the incidents.

The Uruguayan public and press have become very concerned at these unfortunate incidents, which are thought to be the work of a very few extremist members of a society. It would appear this concern is reflected in a vigorous effort on the part of their governmental authorities to halt this series of criminal acts.

If I may be of any further assistance to you, please do not hesitate to call on me.

Sincerely yours,

FREDERICK G. DUTTON,
Assistant Secretary.

WHAT THE CUBANS SAY

Mr. KEATING. Mr. President, in all the recent debate over what should be done about Cuba, we have concerned ourselves very little with what, in the end, may prove to be the key factor of the situation—the feelings of the Cubans themselves toward the Communist dictatorship that has been set up on the island. The latest issue of the New Leader contains a very significant addition to current thinking about Cuba. It is a statement by a Cuban emigre who has a consistent record of opposition to dictatorship and support for the ideals of representative government. He points out, in language that should strike home to every American, that the menace of Castro is far greater than present statements by Government officials would indicate. He makes the following four points which deserve to be repeated and emphasized:

1. A Communist regime has been able to maintain itself in power in the Western Hemisphere.

2. The vaunted principle of "hemispheric solidarity" has proved to be largely a sham.

3. After 4 years, the struggle for Cuba continues to be between well-organized Communists and disorganized democrats.

4. Of all the lessons Fidel Castro has taught us, the bitterest and most obvious is this: He who proclaims himself a Communist can count on help from the Soviet Union even though he is 9,000 miles from its borders, while he who proclaims himself a democrat can fight and die 90 miles from the shores of the United States and no one will come to his aid.

Mr. President, I ask unanimous consent that the text of this article be printed in the RECORD following my remarks.

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

THE SHADOW OF CUBA

(By Luis Aguilar Leon)

It is almost 4 years since Fidel Castro's rise to power and the changes that have taken place in Cuba in this brief period are startling: The country has passed from the bright dawn of freedom to totalitarian darkness; from the fervor of a democratic, humanistic revolution to the status of a Soviet satellite; from redemption to oppression.

Mass emigration has seen more than 200,000 Cubans leave their country. Hunger and rebellion stalk the countryside. Wealth has been destroyed which can never be regained. Chaos and misery are apparent in nearly every sector of national life. The firing squad, at first defended as a necessary expedient, has become a regular instrument of government authority.

The negative character of the regime's achievements is even reflected in its own pronouncements. Gone is the arrogant propaganda of Castro's first 2 years—the glowing promises, the publication of rising production figures, the boastful talk of Cuba's "economic liberation," the sarcastic comments about "decaying imperialism." It has given way to endless lamentation, constant admission of error and failure, increasingly harsh threats and penalties, and attempts to blame "imperialism" (which has suddenly become "ferocious and powerful") for all that has gone wrong. In the meantime, amid demands for ever greater sacrifices on the part of the Cuban people, the country has been ruthlessly looted of its national wealth by the two great Communist powers on whose aid it has come to depend for survival.

Yet, great though communism's failures have been in Cuba, four basic facts emerge which make Castro's 4 years in power bleak ones indeed for American democracy:

1. A Communist regime has been able to maintain itself in power in the Western Hemisphere.

Five years ago it was regarded as axiomatic that a Communist regime could not be established in the Americas. It was thought that there were certain vital, inviolable areas in the cold war. It was assumed that just as a democratic government could not be installed in Latvia or Estonia without waging war against the Soviet Union, any attempt to set up a Communist regime in Latin America would mean an armed clash with the United States. Hungary demonstrated the ironclad validity of the first part of this assumption; Cuba, unfortunately, has shown that the second part was altogether false.

What the continued existence of the Communist government of Cuba has meant to Latin American Communists in terms of concrete encouragement can be seen in the new boldness and violence of party activities everywhere on the Continent. Into the bright light of day there have emerged groups which had hitherto preferred to carry on their activities in strategic obscurity. Moreover, the frankness with which Communists proclaim their intention of taking power by force is increasing daily.

The effect of the Castro regime can be seen, too, in the confusion and vacillation of several non-Communist parties and groups. Today many of them are no longer willing to put up bold resistance to the Communists, lest one day they should find themselves standing alone against a Communist government supported by the Soviets.

2. The vaunted principle of "hemispheric solidarity" has proved to be largely a sham.

Faced with the greatest mass emigration in Latin American history, many of Cuba's "sister nations" have reacted with heartrending inhumanity. Instead of opening their doors wide to the destitute Cuban refugees, some countries have flatly refused to admit them, while others have placed all sorts of legalistic obstacles in their path. Only a few have responded to the cry for help.

At the same time, there has been a general scramble among Latin American countries for Cuba's former sugar quota, as well as for its place in foreign markets generally. Politicians and businessmen are using Castro as a bogey to get more financial aid from the United States. The Cuban tragedy, it turns out, is being selfishly and blindly exploited by the very people who should be most deeply moved by it.

Finally, the principle of "nonintervention" has been effectively invoked. Both those who sympathize with Castroism and those who fear it are preventing any action against a regime which not only bars free elections and tramples on democratic liberties, but also makes clear—by word and deed—its intention to interfere in the affairs of all Latin America and one day plant the Red flag on the Andes.

3. After 4 years, the struggle for Cuba continues to be between well-organized Communists and disorganized democrats.

Although it has been obvious for many years that one of the prime factors in communism's success is its skillful, tireless propaganda, little if anything has been done to counteract it. Today the Cuban Government freely concedes the gravity of its present economic crisis in the statements it makes for internal consumption, but its broadcasts to the outside world continue to promulgate the myth that Cuba is a "paradise" in which abundance reigns. While Cuba's most valuable goods and machinery are sent to the Soviet Union behind the people's backs, the rest of Latin America is told of the "nationalist revolution" that is under way. As the jails keep filling up and the firing squad is used more and more indiscriminately, streams of publicity are sent abroad depicting a happy, smiling Cuban people living in what is referred to as "the free territory of America."

These lies continue to reach their audience virtually uncontradicted. It is as if the world did not know by now that any lie—whether that of Aryan racial superiority of Stalin's benevolence or of Fidel Castro's humanitarianism—can be transformed into an article of faith for millions of people if it is repeated constantly and allowed to go unanswered.

There is nothing more disheartening than listening to Cuban radio stations transmit their highly effective propaganda to all the peoples of Latin America and knowing there is no voice proclaiming the truth about Cuba's tragedy with equal tenacity, fervor and effectiveness. The Communists shout their lies; their adversaries barely whisper the truth.

4. Of all the lessons Fidel Castro has taught us, the bitterest and most obvious is this: He who proclaims himself a Communist can count on help from the Soviet Union even though he is 9,000 miles from its borders, while he who proclaims himself a democrat can fight and die 90 miles from the shores of the United States and no one will come to his aid.

THE RELATIONSHIP BETWEEN PROFITS AND JOBS

Mr. GOLDWATER. Madam President, during the recent White House Conference on National Economic Issues, Mr. George Meany, president of AFL–CIO, challenged the National Association of Manufacturers to explain how the creation of jobs is influenced by the profit level of business and industry.

Mr. Charles Sligh answered Mr. Meany's question in the August 10, 1962, issue of the NAM News.

I ask unanimous consent that this article, "The Relationship Between Profits and Jobs," be printed in the RECORD at this point.

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

THE RELATIONSHIP BETWEEN PROFITS AND JOBS—AN ECONOMIC ANALYSIS PRESENTED BY THE NATIONAL ASSOCIATION OF MANUFACTURERS

At the recent White House Conference on National Economic Issues, Mr. George Meany, president of the AFL–CIO, challenged the National Association of Manufacturers to explain how the creation of jobs is influenced by the profit level of business and industry.

The phrasing of Mr. Meany's questions suggests a possible misconception regarding the function of profit in our economic system. The point is not that profits as such create jobs, or that profits after they are earned can be translated into jobs at some calcuable rate of so many dollars per job. It is business activity undertaken in the expectation of profit which creates jobs. If the profits are realized, the jobs continue and perhaps grow in number. If the profits are not realized, the jobs and the companies which offer them eventually disappear.

Although the expectation of profit may be (and often is) disappointed, if it does not exist the economic activities which create jobs simply do not occur. The role played by the reinvestment of profits is a dual one. Re-invested profits may be the means for expansion and the creation of more jobs; or they may be the means for increasing productivity of the work force so that jobs may be continued at wage levels which otherwise would eliminate the possibility of profit.

The calculations by which a businessman determines whether he may reasonably expect a profit from a contemplated operation are based mainly on considerations of present and prospective price and cost levels. At present, the relationship between costs and prices is such that many types of activity do not offer a reasonable prospect for profit and thus are not undertaken. Furthermore, fears that the fundamental causes of this situation are not about to be corrected discourage investment which would mean new products and new jobs in the future. Because of the fact that actual realized profits and prospects for profit in the future are below what they might be, jobs which would otherwise be created are lost.

Surely there is nothing very new or original in this conception of the way the American economy works. The thought was expressed cogently in a resolution adopted by the Executive Council of the American Federation of Labor on January 31, 1940:

"We have learned the lesson that when opportunities for profits diminish, opportunities for jobs likewise disappear."

Individuals save and invest a portion of their earnings to start new businesses or expand old ones in the hope that a profit will be earned and their accumulated capital thereby enhanced. It can be stated categorically that there will be virtually no unused capacity in either manpower or material resources when the possibility can be seen for employing it at a profit. By the same token, manpower and productive capacity for which no profitable employment can be seen under existing conditions in a free market will be underutilized.

No one can say how much profit business needs to grow and to provide more job opportunities. This matter cannot be dealt with in terms of the economy as a whole because the economy consists of nearly 5 million separate enterprises, each responding to changing conditions in a way peculiar to itself. Some ventures are far more risky than others and can attract the necessary capital investment only if the profit possibilities are correspondingly greater. Those with rapid capital turnover may need less profit margin per transaction to keep alive and grow than those with slower capital turnover. Some firms require much greater capital investment per job than others. Some new ventures hold the prospect of early profitability; in others the profit payoff may be years in the future.

All of these factors are involved when corporate management, individual businessmen, and individual investors allocate capital to this or that venture, expand one operation and curtail another, continue an existing activity or liquidate it. In reality consumers make these decisions by patronizing and make profitable those businesses which most successfully meet their needs and wants and withholding patronage from those which do not.

PROFITS AS A YARDSTICK OF SERVICE TO THE CONSUMER

Companies are never equally successful in the struggle for profits. In each industry there are low-cost producers, high-cost producers, and marginal producers, and some in between. Even in prosperous years, a high percentage of corporations lose money.

In his book "Understanding Profits," Claude Robinson illustrates this factor by showing a hypothetical industry in which there are 11 producers, each with different costs. All are assumed to be making a nearly identical product and selling it at competitive prices in the market. At any given level of market demand, marginal producers will be just about breaking even, the high-cost producers will be incurring losses, some companies will be making medium profits and the lowest cost producers will be making good profits.

Dr. Robinson interprets this set of circumstances as follows:

"What does this mean to the consumer? It means that the profitable companies have found ways to produce and distribute goods cheaper than their competition. They are using human and material resources with greater skill—their personnel is superior, their location is better, their manufacturing techniques are more advanced, and their buying and distributing methods are more efficient. It is likely, too, that the profitmakers are spending larger sums of money than their competitors to find and develop new and better products and to engineer low-cost methods for their manufacture. The dealers of the profitable companies are likely to be more substantial and equipped to give good service. The employees of the profitmakers probably have good job benefits and a high degree of job security.

"Sooner or later the high-cost and marginal producers must mend their ways, get new blood and new ideas, update their manufacturing and distributing methods, and make products closer to the costomer's needs and desires. When that happens, price, quality, and service competition is likely to intensify, with each company trying to outdo the others in satisfying the

consumer. The result is a consumer bonanza with more and better things for less."

"So it makes no sense," Dr. Robinson continues, "to say 'Shame on the high profitmaker.' In a competitive market, the high profitmaker is truly the buyer's best friend, for it is he who pioneers the way toward better products at lower cost. So long as buyers can shop around in a market with more than one supplier and choose between independent offerings, large profits are a very real measure, not of exploitation, but of service rendered."

PROFITS AS THE CAUSE AND NOT THE RESULT OF BUSINESS TRENDS

The important thing to recognize is that changes in the profitability of business operations are a cause, and not simply a result, of changes in the level of economic activity. This is not merely a theoretical conclusion. Studies by the National Bureau of Economic Research—which is recognized as an impartial research organization of the highest reputation—show that rises and falls in the profitability of business precede rises and falls in the level of economic activity. The Bureau summarized the results of its study of this subject in manufacturing industries as follows:

"Price-cost ratios and profit margins (profits per dollar of sales) undergo sharp fluctuations in general conformity with business cycles but with significant leads at both peaks and troughs."

In other words, movements in the rate of profitability of manufacturing operations occur well before the corresponding movements in general business conditions. This rules out the conclusion that changes in profitability are merely the result of changes in business conditions—the result could hardly precede the cause. It strongly supports the contrary view that changes in profitability are a cause of fluctuations in the rate of business activity. This conclusion from the factual data can hardly be surprising to anyone who has any firsthand experience of the operation of the American economy.

This, of course, is not in any sense a new finding for, as the Bureau points out, Wesley Mitchell gave this relationship much attention in his Business Cycles published in 1913. Mitchell viewed the encroachment of unit costs on prices or in other words the squeeze on profit margins as one of the factors that brought a boom to an end just as he viewed the reduction of costs relative to prices, or improving prospects for profit, as a *significant factor* in the revival of business following a depression.

PROFITS PROVIDE FUNDS FOR EXPANSION AND MORE JOBS

Besides being the incentive for current activity, profits are also an important source of funds for long-term business expansion. The National Association of Manufacturers has for many years contended that the present structure of Federal taxes is a serious impediment to the accumulation of capital, and hence to economic growth and job creation. In order to avoid misunderstanding it may be well to spell out here the nature of the rather complex relationship between the supply of capital and the creation of employment.

Various theories are advanced in regard to the part played by business investment in determining the levels of employment and unemployment. Does the accumulation of capital in the form of new industrial equipment destroy jobs through replacing men by machinery? Or does such accumulation make it possible to employ more people by providing more tools for them to work with and more plants for them to work in?

Actually both of these theories miss the main point. Under any given set of circumstances there is always some general level of wages at which the supply of and demand for labor can be balanced and excessive unemployment avoided. This is true whether there is a great deal of capital available in the economy, or whether there is very little capital available. If by any set of forces the general wage level is raised above this workable balancing level, unemployment will result.

But it is also well to remember that the particular level of real wages at which this balance can be achieved becomes higher when capital becomes more plentiful. The greater productivity resulting from an increase in the amount of capital permits higher wage rates to be paid without pricing employees out of the market for their services.

Thus the ability of people to accumulate savings and their willingness to invest does have a pronounced effect on the number of job opportunities. New jobs created through saving and investment may not be in the same industries in which the investment occurs; in fact, some kinds of jobs in those industries may be reduced while others may be increased as a result of the added investment. But in these industries, as well as in the economy as a whole, increased efficiency tends to preserve or to increase profit opportunities and therefore job opportunities. Investment in more efficient methods of producing food has meant a decline in agricultural employment. But without this release of manpower we could not have become the industrial nation that we are with its high standard of living.

THE FACTORS WHICH DETERMINE PROFIT LEVELS

We come now to an examination of the factors which hamper the ability of business and industry to earn a level of profits which would enable the utilization of all the nation's human and material resources—the factors which have squeezed profit prospects to the point where we have underutilization today.

Before any business enterprise can earn a profit, it must recover from the sale of its products or services more than it costs to produce them. These costs include labor and materials, interest on borrowed capital, the wearing out or depletion of capital resources, distribution and sales costs, and taxes.

Consumers of the product or service must be willing to buy it in sufficient volume at a price high enough to cover these costs, with something left over, or there will be no profit.

In an economy with multiple choices such as ours, the consumer's willingness to buy tends generally to vary inversely with the price asked; i.e., the higher the price the smaller the consumer demand and vice versa. This holds true even for the necessities of life. For example, if bread costs too much, consumers can turn to potatoes or rice. If wood trusses or reinforced concrete are more economical to use, builders can choose these materials instead of steel. If some people think foreign-make automobiles offer better values than domestic cars, they will buy the foreign product. It doesn't take a very high percentage of such consumer shifts in any line to prove to a producer that the price is not what he says it is, but what the customer is willing to pay.

For that high percentage of American corporations which even in a prosperous year show losses instead of profits, this is not a theoretical problem but a very real fact of economic life. If they could sell what they have to offer at prices which would yield a profit, they would of course do so. But they can't, and so the only road back to profitability and the continuance of the jobs these companies provide is to reduce unit production costs.

This problem is an ever-present one for the profitable companies as well. Each competitor in the field is always seeking ways to produce more efficiently and the company which fails to keep up in the race will soon find itself numbered among those with losses instead of profits. But for those companies with poor profit performance and prospects, the problem is doubly compounded. They find it more difficult to attract the capital resources required to develop or purchase the modern equipment which would enable them to improve their competitive position.

For these latter, the solution, if any, lies in better work performance by all of those whose jobs depend on restoring the economic health and vigor of the enterprise. But the cooperation necessary to achieve this is hampered by the inflexibilities in the labor-management relationships which have become the rule in the highly unionized industries.

The argument is sometimes made that the way to increase profit possibilities—for many of these companies as well as for those already in a profit position—is to operate closer to so-called capacity. Thus, it is said, overhead can spread over larger volume and unit production costs reduced. Perhaps prices can be lowered also, thus possibly increasing demand and volume still further.

While to many people this may sound like a logical way out of an economic dilemma, the logic is faulty. When a company or an industry is operating below optimum capacity for any extended period of time, only one conclusion can be drawn. The company or industry is unable to produce at cost levels which will attract sufficient demand in the marketplace to absorb all it is capable of turning out. To attempt to cure this by forced-draft production without dealing with the fundamental causes is to court disaster.

What happens when this logic is applied in the economy can be seen by reference to agriculture. We certainly have far greater capacity than we are now using to produce cotton or wheat or many other agricultural products. But producing more than the market can absorb of any particular commodity only leads to a selling price, if the market remains free, which is less than the cost of production. If business enterprise follows the same course as agricultural enterprise, our free economy will cease to exist.

It is obvious that in day-by-day practice companies strive in every way they can through advertising, promotion and sales effort to induce the highest possible demand. With due regard for the financial health of their companies, producers also strive to increase the sales volume of their particular product through price competition. However, the records of the bankruptcy courts are strewn with the histories of companies who sought injudiciously to capture a larger share of the market through indiscriminate price cutting.

We are aware that the AFL–CIO believes markets can be widened by the distribution of more "purchasing power" to people in the low and middle income brackets through selective tax cuts and higher wages, and through greatly stepped-up Government expenditures.

We do not believe this is an effective approach for the following reasons. Higher wages in excess of gains in productivity will increase unit costs of production. If the market will not afford higher prices to compensate for these added costs, profits will be curtailed and business activity will decline. Although wage rates may be higher there will be fewer people earning wages because jobs will disappear.

A selective tax remission for the low and middle brackets of even as much as $10 billion would add only about 2.7 percent to disposable personal income. Even if all of this were to be spent immediately it would not increase market demand sufficiently to exert a significant upward pull on production and jobs. Disposable personal income rose by $13.1 billion in 1961 over 1960; and although

jobs increased by 115,000 the average level of unemployment rose by 875,000. Disposable personal income has been rising without a break since 1939, frequently by far more than $10 billion in a single year, and yet we have a persistent unemployment problem. The record would indicate that something more than increases in disposable income are needed to provide job opportunities for everyone.

The fact is that dollars accumulated as capital, and induced to undertake risk ventures by reasonable prospects for profit, act far more as multipliers of economic activity than dollars injected into consumer markets. The reason is that each dollar invested goes to work immediately to create jobs, not only in the enterprise in which it is invested but also through the purchase of plant, equipment and materials. The payrolls thus created add far more to the consumer spending stream than the original dollars possibly could if spent directly, and furthermore continue to add indefinitely as people earn money from the new jobs which have been created.

For somewhat these same reasons, we do not believe that dollars injected into the economy through larger Government expenditures will have much lasting effect in generating economic expansion and more jobs. We believe the Nation and its people are already heavily over-taxed, and any increase in the tax burden would add to the adverse effect on business growth. Government deficits, if monetized through the banks, inflate the money supply and exert an upward pull on prices and production costs.

This might temporarily widen profit margins and thus step up the rate of business activity. But it would also weaken the competitive situation of American producers in world markets and worsen our balance-of-payments problem. Inflation does not offer an acceptable or lasting way out of our economic difficulties.

We also are aware that the AFL–CIO contends the cash flow available to corporations is sufficiently great to pay for all needed capital equipment expenditures for replacement or expansion and therefore no tax relief for corporate enterprise is necessary either for capital purposes or to induce the undertaking of new product lines.

This viewpoint overlooks the fact that even the corporation with heavy cash flow from depreciation allowances may be in a poor profit position. Furthermore, the cash flow available to corporations may be used for any purpose deemed desirable. It may be paid out in dividends, deposited in the bank, or invested in government bonds or other securities. Only when there is a greater prospect of profitability and capital enhancement through investment in equipment and economic expansion will it be devoted to these purposes.

Furthermore, while some corporations may be in a good position relative to cash flow, others are not. Some of these latter may have exhausted their depreciation allowances and thus have no untaxed cash flow from this source to meet their pressing investment needs. This matter cannot be judged in terms of corporate enterprise as a whole; however, all corporations pay heed to what the books show in the profit and loss column. Heavy cash flow or no, new ventures or expansion will not be undertaken unless there is a prospect of profit.

THE PROCESS OF ECONOMIC GROWTH

It is important to understand the process by which the economy of this country has grown. There has been an ever-changing composition of the work force at higher wages. At first, we depended primarily on outside capital, as do emerging nations today. As we developed, we were able to generate larger amounts of investment capital saved from current income to increase the efficiency of our private economy. That efficiency in turn makes it possible for workers to receive more. The greater the amount of investment capital that can be generated, the higher the worker's real wages.

In the light of these considerations, it is disturbing to note the long-term decline which has occurred in the rate of investment. This has been well documented in a study of "Capital in the American Economy" by Dr. Simon Kuznets, of the National Bureau of Economic Research. According to Dr. Kuznets' data, the ratio of net capital formation to net national product fell from 14.6 percent in 1869 to 1888, and 11.2 percent in 1909–28, to only 7 percent in the post-World War II period, 1946–55. Despite the growth of our per capita national income, a much smaller fraction of it is being applied to provide net additions to our capital stock.

THE PROFIT RECORD

Let us turn now to a factual analysis of what has been happening in the American economy. In recent years we have had a gradual encroachment of costs upon profits. This has produced the results which might have been expected—general economic sluggishness and a persistent unemployment problem.

This situation may be readily documented by factual data contained in the January 1962 report of the President's Council of Economic Advisers. If the material in the Council's report on wage, price, and profit trends are assembled the following picture emerges:

1. There has been a persistent tendency in the recent past for the compensation of employees to increase faster than their productivity. Between 1957 and 1961, in nonagricultural industries, average hourly compensation increased at an annual rate of 4.0 percent, whereas average hourly output increased at an annual rate of only 2.5 percent. (See p. 175 of the Council's report.) The gap between the increase in hourly compensation and hourly output is, of course, the increase in unit labor cost.

2. The recent past has not been a period of inflationary price rises. There has been some upward creep in the consumer price index due mainly to the service element. But the wholesale price of industrial products has shown practically no change since 1958. In the words of the Council's report (p. 172): "Since mid-1958 there has been stability on the average in the prices of commodities at wholesale and retail, with a continuing upward trend in consumer service prices."

3. There has been an increasing squeeze on profits during the past decade. Despite the cyclical rise during 1961, corporate profits after tax for that year were only 4.5 percent of gross national product. The only postwar year in which this percentage was lower was the recession year 1958. If we take three successive 5-year periods, the record has been as follows:

Profits as percent of gross national product

Period:	
1947 through 1951	7.2
1952 through 1956	5.2
1957 through 1961	4.6

Thus the facts on costs and prices, and the facts on profits, support the view that current economic difficulties are the result of a squeeze on profits by increasing labor costs which cannot be recovered in increased prices.

To reduce the analysis to more concrete terms, the National Association of Manufacturers believes that the unfortunate combination of circumstances described above is the result of two fundamental economic errors: first, allowing wage and fringe benefits to rise at a rate faster than the market can justify and, second, tax impediments to the accumulation of capital and hence to the growth in national productivity which alone can validate increasing real wages.

RECOMMENDATIONS

Our conclusion from these considerations is that the most effective way to expand employment opportunities is to create and maintain a climate which will encourage the profit-seeking activities of individuals and business managers.

We believe the following steps will create such a climate and harness the full power of the profit motive in the Nation's interest:

1. Comprehensive reform of the tax rate structure and depreciation allowances along the lines already proposed by businessmen and business organizations: The objective should be to bring in the revenue the Government needs for its essential purposes without unduly burdening the job-creating process. This cannot be accomplished by tax reform which takes away with one hand what it makes available with the other. The administration has announced it intends to present a comprehensive tax reform program. Should this program be generally along the lines of the Herlong-Baker Bill, which is overwhelmingly endorsed by businessmen and business organizations, we believe a tremendous release of economic ingenuity and activity will ensue rapidly.

2. Elimination of Government control and regulation of business and intervention in the free market which goes beyond the legitimate function of preventing fraud, coercion or monopoly abuse. We do not advocate a complete withdrawal of Government supervision of business under the applicable laws and regulations or of Government interest in the operations of the economy, but we believe a diminution of unnecessary interference and harassment would foster mutual respect and confidence between Government and business.

3. Restoration of collective bargaining in the unionized sectors of the economy to the level originally intended—between an employer and the duly recognized representatives of his own employees. In these sectors, employers—and in particular the smaller employers—are caught in a tight squeeze between unearned wage increases insisted upon by unions which have the power to dictate their own terms and the resistance of markets to higher prices. Under the intensified competitive conditions which prevail today in domestic and foreign markets, this situation has a highly adverse effect on job creation. Unless profits can be earned, jobs can neither be created nor sustained.

4. Frugal spending practices on the Government's part: For years the Government has been embarking on multifarious new programs thus creating a continuously expanding drain on the Treasury. In the final analysis all Government programs—Federal, State and local—must be financed out of the production of the private sector. Today we are faced with a problem where the private sector has not been able to achieve a healthy pace of economic growth. Regardless of what group the benefits of the spending program accrue to, we know that their financing will be borne by the private sector. Thus such programs reduce the incentive and curtail the supply of funds for the expansion of our private enterprise economy.

The program outlined above offers, we believe, the best hope of restoring the American economy to a state of healthy growth. It is consistent with our national tradition of reliance on individual initiative. It is designed to correct the basic causes of our economic difficulties, rather than to offset their effects. We believe it is in the best interests of all the American people and urge that it be considered on its merits.

TEMPORARY INCREASE IN MAXIMUM CONSTRUCTION DIFFERENTIAL SUBSIDY UNDER MERCHANT MARINE ACT, 1936

The Senate resumed the consideration of the bill (S. 2800) to amend the Merchant Marine Act, 1936, in order to make permanent a temporary increase in the maximum construction differential subsidy that may be paid under such act and to provide that such maximum shall not apply with respect to reconstructing or reconditioning of ships.

Mr. BARTLETT. Mr. President, is S. 2800 the bill before the Senate?

The PRESIDING OFFICER. The Senator is correct.

Mr. BARTLETT. Mr. President, I offer an amendment to the committee amendment which I send to the desk and ask to have stated.

The PRESIDING OFFICER. The amendment to the committee amendment will be stated for the information of the Senate.

The CHIEF CLERK. At the appropriate place in the committee amendment it is proposed to add the following language:

The Act entitled "An Act to amend title V of the Merchant Marine Act, 1936, in order to change the limitation of the construction differential subsidy under such title, and for other purposes", approved July 7, 1960 (74 Stat. 362), is amended by inserting at the end thereof a new section as follows:

"No official or employee of the United States Government nor any member of their immediate families may accept directly or indirectly free or at a reduced rate passenger travel or carriage of personal property on any ship sailing under a flag other than that of the United States. This restriction shall not apply to persons injured in accidents at sea and physicians and nurses attending such persons, and persons rescued at sea, and this restriction shall not apply to persons referred to in section 405(b) of the Merchant Marine Act, 1936, as amended (46 U.S.C. 1145(b)), relating to steamship companies carrying the mails of the United States. Any person who knowingly violates this section shall upon conviction thereof be fined not less than $500 nor more than $10,000 at the discretion of the courts for each such violation."

Mr. BARTLETT. Mr. President, all the amendment seeks to do is to make uniform the law which now applies.

A year or so ago the Senator from Delaware [Mr. WILLIAMS] offered an amendment, which was accepted and is now part of the law, prohibiting U.S.-flag ships from carrying at free or reduced rates officials or employees of the U.S. Government or members of their immediate families.

The intent of this amendment and its effect, if agreed to, would be to cover steamships of foreign flags in reference to the same circumstances.

I hope that the amendment to the committee amendment will be agreed to.

The PRESIDING OFFICER. The question is on agreeing to the amendment to the committee amendment offered by the Senator from Alaska.

The amendment to the committee amendment was agreed to.

The PRESIDING OFFICER. The committee amendment as amended, is open to further amendment.

Mr. MAGNUSON. Mr. President, I move to reconsider the vote by which the amendment to the committee amendment was agreed to.

Mr. BARTLETT. 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.

THE GROWING POWER OF LABOR UNIONS IS DANGEROUS TO OUR ECONOMY

Mr. GOLDWATER. Mr. President, the immense and ever-growing power of labor unions constitutes a grave danger to our economy. This power is used in many ways. It is used to keep workers from moving from dying industries to expanding ones; it is used to make it difficult for business to utilize new techniques; it is used to force excessive labor costs and unprofitable conditions on businessmen trying to establish new industries and compete abroad; it is used to suppress the rights of individual workers. If the demands of the unions, whether reasonable or unreasonable, favorable or unfavorable, are not met, the union bosses, sitting atop this tremendous and awesome power can, with the flick of a finger or a gesture of a hand, close down an entire vital industry or whole segments of our economy.

Certainly, no one who has looked into this matter can in good conscience deny that these assertions are true. I am equally confident that the dangers of all this are apparent to even the most casual observer of the labor-management scene. I know that Congress is aware that a crisis is at hand. Consider the number of bills introduced by the members of the President's own party to deal with the problems created by work stoppages in vital industries. Legislation has been introduced which would amend Taft-Hartley Act's national emergency strike provisions to compel workers to stay on the job in national emergency situations and to require compulsory arbitration.

Another legislative proposal which would also require compulsory arbitration would prohibit strikes by employees in certain strategic defense facilities. Still another bill would amend the Railway Labor Act as it pertains to the national airlines and likewise introduce the element of compulsion into the picture.

It is obvious that President Kennedy and his administration are painfully aware of the problems involved. Had they not recognized the dangers, they would not feel compelled to step in between companies and unions in ever-increasing numbers of industry disputes. In the case of the railroads, the airlines, and big steel, the administration has intervened to put pressure on the parties to adopt certain "suggested" terms.

Thus, I think that we can assume that the Kennedy administration is fully aware of exactly what a stranglehold big labor has on the economy and knows full well that this hold should be broken in the interest of the Nation's economic health.

Why, then, does he not, as Chief Executive of all the people, recommend legislation to protect their interests? The question is, of course, a naive one and the answer simple. The labor bosses obviously want no lessening of their power. As a matter of fact, they want no legislation of any kind at this time and they have so informed the President. They, as astute politicians, know only too well that once you open up the Taft-Hartley and Landrum-Griffin Acts for any kind of legislative proposal you open up a veritable Pandora's box which could result in the enactment of provisions that labor would not like. So the labor bosses have turned thumbs down on a legislative program now. Of course, when the labor bosses speak, President Kennedy listens. He must for he owes much of his political life to the labor unions.

Accordingly, President Kennedy finds himself in a box. He appreciates the danger to the country represented by the unions' power and should know it needs to be curbed. But he does not dare suggest such a proposal for to do so would be politically ill advised. He must do something but what does he do? We find him resorting to Government intervention—a variety of extralegal, jerry-built procedures to cope with the seemingly endless labor crises which have cropped up over the past months. In each case, he has been careful not to antagonize any significant element in the labor movement. And, operating outside the law, the President finds much more flexibility. This is a convenient area for an Executive who has dramatically demonstrated that he will not hestitate to use the full force of the Government's coercive power to enforce his wishes. It lends an ominous element to so-called voluntary approaches. This approach rests on the conclusion that in all matters the President and his advisers know what is best for the country. They are becoming the sole arbiters of what constitues the national interest and, in this, they are presumably infallible. We saw this in the steel price controversy in the form of raw governmental power, and we are seeing it in many other areas of public policy.

Today, it seems, we must go to the fount of all knowledge—the Executive—for the answers to all problems. If it is a question of wages, the idea is to consult the White House and find out if a new schedule happens to fit in with the arbitrary guidelines fixed by the President's Council of Economic Advisers. If it is a question of prices, the same procedure is recommended. If it is a question of striking, the thing to do is call the Secretary of Labor.

Of course, it is possible to go one's own way—if he dares. The steel industry tried it and ran right smack into a barrage of the Government's heaviest coercive guns. With this example in mind, others are not likely to try very soon.

The image the New Frontier is creating on the national scene today is that of the all-powerful executive. It is apparent in everything the administration attempts. It can be seen in the New Frontier's handling of Congress, in its dealings with the press, in its attitude

toward the business community, and in its intervention in America's system of free, collective bargaining. The thinly veiled threat and the outright use of governmental power to secure the ends thought desirable by the President have become familiar to all of us in Washington. Although these actions are forever being justified by those magic words "in the public interest," thoughtful Americans have not been deceived and are sincerely worried about the trend toward unbridled executive power.

President Kennedy's now famous Yale speech in June contained a phrase which I believe is indicative of his conception of the office of the President and its relationship to the people he is supposed to serve, not rule. Mr. Kennedy stated that—

> If a contest in angry argument were forced upon it, no administration could shrink from response, and history does not suggest that American Presidents are totally without resources in an engagement forced upon them because of hostility in one sector of society.

Archibald Cox, the Solicitor General of the United States and a key labor adviser to the President, recently stated that under present conditions, the public consequences of decisions made by labor and management are so wide and serious that "the Government must have the opportunity to bring those consequences to bear in the making of decision."

Cox went on to spell out the administration's contention that "the public is entitled to a voice" in labor-management decisions. Translated from New Frontier doubletalk, this means that the Federal Government should take an ever-increasing role in the settlement of labor-management problems. It means that we can look forward to more, not less, Government meddling in the collective bargaining process.

So we have come to this sorry situation of Government interference in almost all labor affairs and principally because the President knows that to tackle the real problem would offend the labor bosses.

But the President does not even like to admit that a concentration of power exists. Consider the case of the President's Advisory Committee on Labor-Management Policy and its recent report.

Senators will recall that this Committee was appointed by the President on February 16, 1961, and its assignment was to study, advise, and recommend policies for labor and management to promote "free and responsible collective bargaining, industrial peace, sound wage and price policies, higher standards of living, and increased productivity." Last May the Committee issued its second report—one entitled "Free and Responsible Collective Bargaining and Industrial Peace." This report contained several recommendations for revising the procedures used under the Taft-Hartley Act in dealing with national emergency disputes. It was recommended, among other things, that the President appoint emergency boards to make proposals for settlements in national emergency disputes—procedures like those now in the Railway Labor Act. I note parenthetically that these recommendations which are consistent with the New Frontier's approach to labor-management relations of "let the President settle the dispute by appointing boards" were undoubtedly enthusiastically supported by the unions. Union professionals know from experience that emergency boards with their college professor and professional arbitrator makeup almost invariably end up with prounion recommendations which management feels constrained to accept.

But the important thing to note is that nowhere in the report was there a recommendation to do anything about the real cause of the breakdown in today's collective bargaining, the imbalance of powers on the union side. Instead, the report deals superficially only with the symptoms of the disease—the actual occurrence of national emergency disputes. Incidentally, I fail to see how pushing the Government into a more active role in labor disputes will help "free collective bargaining."

Incredible as it may seem, there was hardly even a discussion of the power issue. In fact, the union members of the Committee who refused to include the topic on the agenda, insisted that "there is no evidence" that the unions have power even "equal to, let alone in excess of" that of management. A majority of the Committee did agree to study the general subject of power but at a later date.

One would think that in studying and examining the many forces in collective bargaining, a basic question to be resolved and one vital to an intelligent appraisal would be the possible impairment of the bargaining process by concentration of power in the hands of either side. And yet we are presented with the Alice in Wonderland spectacle of a group of persons, supposedly responsible and sophisticated, and knowing the facts of life, refusing to talk about or include the item of power on the agenda.

President Kennedy called the committee report "highly meaningful and significant." The failure of the report to take up this subject is bad enough. More shocking is the President's acquiescence in their failure to deal with the matter. As I pointed out, he knows that concentration of power in unions is at the bottom of today's ever-increasing labor dispute and work stoppage. He knows what really has to be done; he knows that the power must be curbed. Yet when he has an opportunity to offer a solution or to make intelligent comment, he rubberstamps the report with the platitude "highly meaningful and significant." Again, I ask why does he operate this way? He operates in this way because this is the only way labor unions will let him. The high labor leaders on the committee—Dubinsky, Harrison, Keenan, McDonald, and Reuther—say that unions have no excessive power. If they say no excessive power, Kennedy must echo no excessive power.

But what is the actual truth? Just to give you an idea of the preferred position held by today's unions in the economic scheme of things, I have compiled a list of special privileges, immunities, rights, and powers enjoyed by labor unions under the Federal law. And let me emphasize at the outset that while some of these special considerations may have been justified when they were initially given to the labor movement because of weakness and lack of size, their continued existence in today's era of monopolistic union power is not justified.

The list I refer to is as follows:

Almost total immunity under the antitrust laws.

Immunity from taxation.

Immunity from injunctions by Federal courts.

Authority to use union funds for purposes not related to collective bargaining even where union membership is compulsory.

Power to compel workers to join the union as a condition of continued employment.

The right of a union selected by a majority of the workers to bargain for all employees. This includes the right to bargain for those who were compelled to join the union as well as those who can be arbitrarily denied membership.

Power to compel the employer to bargain exclusively with the majority union.

Absolute authority to deny union membership to workers employed in the bargaining unit, on any grounds or for no reason at all.

The right, in some situations, to invade the privacy of workers, even against their wishes. This deprives them of a legal right enjoyed by all other members of society.

The right, in some situations, to compel employers to make available for union use the private property of the employer.

The right to compel the employer to provide protection against any physical violence on the part of workers who resist invasion of their privacy.

Unions are immune from the payment of damages for personal and property injuries inflicted on employers or others by union members engaged in activities, such as strikes or picketing. And this immunity stands even in situations where such activities have been officially authorized and directed by the union.

The right to strike for objectives wholly unrelated to any proper subject of collective bargaining. This is in contrast to the severely limited right of an employer to engage in a lockout.

The right, in some situations, to examine an employer's books and records—including those containing such confidential data as costs, profits, and prices.

And, finally, the almost complete immunity of unions from any liability, penalty, or restriction under State law under the doctrine of Federal preemption.

Mr. President, no other private organization, institution, association, or individual in the United States is the beneficiary of such a powerful combination of immunities, benefits, privileges, rights, and powers—under either State or Federal law.

And what about the average worker? What does he think about the power of unions? Does he see "no evidence" that

it is excessive? Does he feel that all is well? Is he satisfied that no changes are needed? Does he feel that his rights as an individual and as a worker are adequately protected? Not if the mail I have been receiving for years is any indication. I have been deluged with letters from workers in all parts of the country literally pleading for some kind of help from their Government against the tyranny of their union bosses. I would like to quote here from a letter I received from a worker in Oregon.

I have selected this out of the many because it so succinctly and yet so eloquently describes the despair of today's worker at the bleak future facing him.

DEAR SENATOR: After reading your articles in the daily papers lately, I want to take the opportunity to thank you for them.

I am one of the thousands of construction workers who has tried to avoid union membership and their dictatorial ways. Trying to convince ourselves that we are free Americans with the right to choose for ourselves where we work and how.

I want to say that we have just about reached the end of our rope and have almost come to the place where we shall have to bow our heads in shame and admit that we are no longer entitled to the privilege of thinking for ourselves, and become just another unemployed statistic.

Unions here in our part of the country have such a stranglehold over employment that one can hardly ever find work. Construction employers tell you they can't hire on the job even though they need a man of my capabilities—that they have to call the hiring hall.

Try to join the union and they tell you that you have to pay $360 initiation fee plus 3-months' dues which makes it well over $400 to join. I ask you, Senator, where is a workingman going to have that kind of money? Even if one succeeds in borrowing or accumulating this amount, they say there is no work for you because you are a new member. Try to get them to take some down and the rest along as you can and you are told that they are not a loan company; pay the full amount or don't bother them. Even if you do succeed in getting in you find yourself getting all the scraps while a very few get all the choice jobs, even by telling employers they don't have anyone available and holding choice jobs for those who are already working. Oh, they say, they have a hiring list and your name goes on the bottom of the list and you work your way up but for some reason your name never gets very far up the list unless you are one of the ins.

I think it is a crime and a disgrace to the United States that people who live in this area and have for years been paying property and income taxes, can't get work on Government projects right in their own backyard. A lot of these people have been unemployed for quite some time because of curtailment of lumber industry and others.

I ask you, Senator, what's become of the America that my father taught me about?

Why is it that a person cannot go out and look for work and sell himself to an employer?

Why can't that employer hire a man if he needs him and thinks he would make a good employee?

Why is it so wrong for a man to want the right to choose for himself where and whom he shall work for?

Why is it so wrong for a man to want to have a say as to how he's treated?

Why is it wrong for a man to resist having to pay for the privilege of getting a job?

Must we who believe in freedom and the right to choose for ourselves, become zombies and robots just so we can eat and have a roof over our heads?

I ask you these things, Senator, because I believe you can see our "crying in the wilderness."

I use the word "we" because I have talked to many others who feel the same as I, even some of them union members, who said they had to go along or else—and believe me they can sure blackball a man as it is being done all the time—and legally too. For instance, a friend of mine, a union member, disagreed with the rules; what happened? He has been out of work half the time even though he keeps his dues up. They get around him by sending him out on jobs that last a few days at a time then put him on the bottom again or they offer him something clear over in the other side of the State knowing all the time he does not have the ways or means of moving his family. When he turns it down, down to the bottom of the list again. Oh, they can push you in line, you bet your life—if you step out of it.

I am sorry if I have taken your time, Senator, but I have always loved America and believed in it and what it stood for, even while fighting for it 3½ years in World War II.

Nowadays when I wonder where my next job will be I have doubts as to whether it was not all propaganda. I would have written our own Senator, but it is a known fact that he is nothing but a union stooge who accepts their campaign money. May I be forgiven for speaking so disparagingly of him.

Thank you, Senator, for listening to me. Perhaps it will make the heartbreak less painful when I have to kowtow to some union goon and just become another one of those who had to go along or else.

May I also say this. Even though it may sound dramatic, but it means much much more—goodbye to freedom and the America I thought I knew.

In listing the special grants and immunities, I do it not to suggest that all of them should necessarily be removed, but to illustrate just what powers unions have. I certainly do not feel that the public interest—a popular phrase with the New Frontier—is served by the possession of the monopolistic power by unions and I am convinced that it must be limited. Accordingly, I want to announce that at the opening of the next Congress I intend to introduce legislation to restore a more reasonable and workable balance in the Nation's labor-management relations. I am convinced that the enactment of legislation which would protect the interests of the individual worker, labor, management, and the public would prepare the way for the conduct of free and fair collective bargaining without the need for Government meddling.

The weakness of the Kennedy-Ervin labor bill, which forced the adoption of the Landrum-Griffin measure was its absolute failure to come to grips with the disclosures of the McClellan committee hearings on labor racketeering. Countless hours of hearings and millions of words of testimony pointed clearly at union power—raw power used in an abusive way—as the disease. But the measure proposed by then Senator Kennedy was a complete whitewash of this truth.

The concentration of power in any segment of our society or in our Government was the primary concern of our Founding Fathers and the result of their efforts. The U.S. Constitution, reflected this concern. Concentrated power destroys freedom. It always has and it always will.

And with this in mind, I would suggest to you that the destruction of freedom is not the sole prerogative of the Communists. It is engaged in also by the architects of the all-powerful state in this country. More and more today, we see the Federal Government moving in and preempting areas which heretofore have been the sole concern of private citizens. This is particularly true today in the field of labor-management relations. And we find the latest application of Government interference in the processes of free collective bargaining in the aerospace industry.

We see an administration resorting to ad hoc, extra-legal devices to bring about the kind of a contract settlement the Democrats and their union friends want to achieve. We see an administration bypassing the Taft-Hartley Act to arrange its own conditions for settlement through a factfinding panel which was stacked before it began deliberations. And, finally, we see the President of the United States announcing that unless the space firms accept the findings of this ad hoc, extra-legal panel they will be solely responsible for any strike that may occur.

Fundamentally, the issue involved in the aerospace dispute is individual freedom. It is the question of whether a worker is to have the right to refuse to join a union in the aerospace industry if he has no desire for membership. The four companies involved have never had union shops; the unions are demanding the union shop in addition to wage increases.

In other words, the issue in this dispute is compulsory unionism. And the President's idea of arriving at a fair adjustment of this dispute was to name a factfinding board headed by Dr. George Taylor, a known advocate of compulsory unionism. This appointment, of course, made a hollow mockery of the entire procedure. From the time the White House chose Dr. Taylor to head the board, the operation was nothing but Executive window dressing to give the unions exactly what they wanted.

The rest is history. The Taylor board, of course, obligingly recommended the union shop. The unions hastened to accept the findings. Then the President, making full use of his White House prestige, made the space firms responsible for labor peace in the industry. Either they yield on the big issues—capitulate completely—or accept blame from a powerful Federal Government which has already demonstrated its capacity for vindictiveness.

Another very important point is involved here. And that is that, through the interference of the Federal Government, the taxpayers' money is being used to force compulsory unionism down the throats of thousands of American workers. For we cannot overlook the fact that the aerospace firms' major work is done on Government-financed programs. In other words, if the space firms reject the board's findings and the President's expressed desire, they run the risk of losing Government contracts. The implication is plain enough when the Presi-

dent speaks to his news conference about placing responsibility for a strike at the feet of the aerospace companies. And these companies know that the White House controls contracts vital to the industry.

Mr. President, freedom cannot live in this land, nor in any other land, when the muscle of powerful, centralized government is used to beat it down. The payment of a political debt in the currency of freedom must not be tolerated in this country.

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

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

TEMPORARY INCREASE IN MAXIMUM CONSTRUCTION DIFFERENTIAL SUBSIDY UNDER MERCHANT MARINE ACT, 1936

The Senate resumed the consideration of the bill (S. 2800) to amend the Merchant Marine Act, 1936, in order to make permanent a temporary increase in the maximum construction differential subsidy that may be paid under such act and to provide that such maximum shall not apply with respect to reconstruction or reconditioning of ships.

The PRESIDING OFFICER. The committee amendment as amended is open to further amendment.

Mrs. NEUBERGER. Mr. President, I offer an amendment to the merchant marine bill, which I send to the desk, and ask to have stated.

The PRESIDING OFFICER. The amendment of the Senator from Oregon will be stated.

The LEGISLATIVE CLERK. It is proposed to add to the appropriate section of the bill the following:

SEC. . SUSPENSION OF THE JONES ACT (46 U.S.C. 883) WITH RESPECT TO SHIPMENTS OF LUMBER TO PUERTO RICO.

(a) The provisions of section 27 of the Merchant Marine Act, 1920, (46 U.S.C. 883) shall be suspended with respect to the transportation of lumber to the Commonwealth of Puerto Rico from any ports or terminal areas in the United States whenever the Secretary of Commerce determines that there is no domestic vessel reasonably available to serve between such ports or terminal areas for the transportation of such lumber. Upon making the determination provided for in this section, the Secretary of Commerce shall establish such terms, conditions, and regulations with respect to operations under such suspension as he determines to be in the national interest.

(b) Any suspension under the provisions of this Act shall terminate whenever the Secretary of Commerce determines that conditions required in the subsection (a) of this section for such suspension no longer exists.

(c) No Federal laws shall apply to any water carrier because of operations under a suspension provided for in this Act if such laws did not apply to such carrier prior to such suspension.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Oregon.

Mrs. NEUBERGER. Mr. President, since the Senate is considering the abolition of the west coast construction differential, essential to the survival of the Pacific shipbuilding industry, I think it appropriate that it also consider the elimination of the federally imposed barrier to the survival of another key west coast industry—the lumber industry. That barrier is the Jones Act, the Merchant Marine Act of 1920, which prohibits the shipment of goods from one American port to another on any but American vessels.

In 1951 American vessels carried 13½ million board feet of lumber from the U.S. Pacific Northwest ports to Puerto Rico. During the same year British Columbia shipped only slightly more than 1 million.

The chart which I hold in my hand is most interesting. It shows the percentage of shipments in 1951, when the U.S. west coast ports shipped 92.7 percent of the lumber sold to Puerto Rico, while Canada shipped 7.93 percent. The chart shows that the next year the U.S. percentage had gone down to 69 percent, then to 57 percent, 28 percent, 20 percent, 23 percent, 7 percent, 1 percent, 0.7 percent, and then 0.0. Canada on the other hand started at a low of 7 percent of the lumber shipped to Puerto Rico from British Columbia, and her scale goes upward—30 percent, 42 percent, 71 percent, 79 percent, 76 percent, 92 percent, 98 percent, 99 percent, and at the point at which we have a zero designating shipments from the United States, Canada is shown to have 100 percent of the lumber going into Puerto Rico.

A second chart discloses that the published American tariff rate for shipping lumber from mills in the Pacific Northwest is $56.94 per unit as opposed to $27.50 for mills in British Columbia. At this price, shipping is not reasonably available to American lumber producers.

What has been the result of this more than double charge in shipping? The result has been that no lumber has been shipped from U.S. west coast ports to Puerto Rico during the past 2 years. Because of the anachronistic restrictions of the Jones Act, the intercoastal shipping industry is dragging the Northwest lumber industry to a watery grave. My amendment proposes to suspend the Jones Act restrictions upon the shipment of lumber to Puerto Rico.

I reported to the Senate once before about my trip with the Vice President to Puerto Rico on the occasion of the Commonwealth celebration. I told how we visited our Peace Corps training camps in the heart of tropical Puerto Rico. I asked why one of the Peace Corps dormitories was unfinished. The director said that he could not get any lumber. Amazement registered upon my face. He said, "What is the matter?"

I said, "We are trying to find a market for lumber. We want to sell American lumber."

He said, "Do you want me to get you a piece of scrap lumber from the building of the dormitory?"

I said, "Certainly."

He brought out a scrap of lumber, and on it was stamped in big red letters across that piece of 12-by-2 timber the word "Canada."

He said, "I am an Oregonian. I have noticed that every bit of lumber that went into building the Peace Corps structures came from Canada."

I said, "That bears out the information that I had." The cost of shipping from Northwest points is so prohibitive that we have relinquished all the shipment of lumber to Canada.

As Senators know, the trade bill was recently passed. It passed this body with only eight dissenting votes. The bill would allow the President to negotiate on tariffs. Since Canada imports far more from us than we import from her, I think it is unlikely that our President will impose quotas against the importation of Canadian lumber. But I contend that by my amendment we can allow our industry to compete on a truly competitive American basis with the Canadians for the lumber trade, at least of Puerto Rico.

The Committee on Commerce has favorably reported S. 3614, which would suspend the Jones Act restrictions on shipments of lumber. The producers of southern pine have objected to S. 3614, fearing an adverse effect on their traditional markets for southern pine. As a consequence of their objections, the Commerce Committee has deferred action on S. 3614 until hearings can be held in the Southern States. But I see no justification for delaying action on the Puerto Rican lumber problem for another year, particularly in view of the distressed condition of the Northwest lumber industry.

Last Friday I carried on a colloquy with the Senator from South Dakota [Mr. MUNDT], in which he told me that the lumber industry in South Dakota has also been seriously hurt. Neither the southern pine producers nor the Northwest producers are shipping any lumber to Puerto Rico. Adoption of my amendment, I believe, would help to correct that situation.

Mr. BARTLETT. Will the Senator inform me if her amendment is designed to establish a permanent waiver of the Jones Act in respect to shipments to Puerto Rico?

Mrs. NEUBERGER. My amendment would suspend the provisions of the Jones Act as long as the conditions spelled out in the amendment exist.

Mr. BARTLETT. Who would be given authority to make the change? Would it be the Secretary of Commerce or Congress?

Mrs. NEUBERGER. The Secretary of Commerce would watch the situation and make the necessary change.

Mr. BARTLETT. Does the amendment relate to all freight that might be carried or only to lumber?

Mrs. NEUBERGER. The amendment pertains only to lumber shipped to Puerto Rico.

Mr. BARTLETT. Did I correctly understand the Senator to say that at this time, because of the reasons she has stated, no lumber from the Pacific Coast is going to Puerto Rico, or no lumber from the United States is going to Puerto Rico?

Mrs. NEUBERGER. No lumber from the United States is going to Puerto Rico.

Mr. BARTLETT. I must in all candor inform the Senator that I have serious reservations about accepting such a far-reaching amendment to the bill which is under consideration. The amendment is far-reaching in the sense that it would affect long-established maritime law relating to the carriage of goods in U.S. vessels.

However, in the light of the circumstances which the Senator from Oregon has outlined, and especially in consideration of the sorry plight of the American lumber industry, I am not disposed to argue that point. I am prepared to accept the amendment.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Oregon.

The amendment was agreed to.

Mr. LAUSCHE. Mr. President, last Friday I submitted an amendment on page 4, line 3 to strike out the words "five years," and insert in lieu thereof the words "three years"; and on the last line of the bill, in the amendment of the title, to strike out the words "three additional years" and to insert in lieu thereof the words "one additional year." I offer that amendment.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Ohio.

Mr. BARTLETT. Mr. President, the amendment proposed by the Senator from Ohio reflects the recommendation of the Maritime Administration. The committee believed that a 3-year extension would be preferable to the proposal now made by the Senator from Ohio. Most members of the committee thought this was not enough time to assess the operation that would be conducted under the law. However, because it is obvious that if there is not enough time available by reason of the 1-year provision recommended by the executive department, which also expresses the view of the Senator from Ohio, Congress at the next session could make whatever changes were necessary. I accept the amendment.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Ohio [Mr. LAUSCHE].

The amendment was agreed to.

Mr. ENGLE. Mr. President, I move to reconsider the vote by which the Neuberger and Lausche amendments were adopted.

Mr. BUTLER. With reference to the Neuberger amendment, although I did not object to it on the floor, I feel it is very much contrary to the basic provisions of the Maritime Act. I do not want the Senate put in the position where it will not be able to reconsider the vote by which the Neuberger amendment was agreed to.

Mr. ENGLE. Mr. President, I withdraw the motion. I now move to reconsider the vote by which the amendment of the Senator from Ohio was agreed to.

Mr. BARTLETT. I move to lay that motion on the table.

The motion to table was agreed to.

The PRESIDING OFFICER. The question is on agreeing to the committee amendment, as amended.

The amendment, as amended, was agreed to.

Mr. ENGLE. Mr. President, I move to reconsider the vote by which the committee amendment, as amended, was agreed to.

Mr. BARTLETT. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. WILLIAMS of Delaware. Mr. President, there is a companion bill on the calendar. It is Calendar No. 1637, H.R. 11586. I ask unanimous consent that the Senate proceed to the consideration of that bill.

The PRESIDING OFFICER. The bill will be stated by title for the information of the Senate.

The CHIEF CLERK. A bill (H.R. 11586), to amend section 502 of the Merchant Marine Act, 1936, as amended.

Mr. WILLIAMS of Delaware. Mr. President, I move to strike out all after the enacting clause——

Mr. ENGLE. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. ENGLE. Will the Sentor from Delaware restate his request?

Mr. WILLIAMS of Delaware. This is a companion bill which is listed on the calendar. I was about to move to strike out all after the enacting clause and to substitute the language of the Senate bill, as amended. This is the customary procedure in passing these bills.

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

There being no objection, the Senate proceeded to consider the bill, H.R. 11586.

Mr. WILLIAMS of Delaware. I move to strike out all after the enacting clause and to substitute therefor the text of the Senate bill as amended.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Delaware.

The motion was agreed to.

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

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

The bill was read the third time.

The PRESIDING OFFICER. The question is, Shall the bill pass?

Mr. MAGNUSON. Mr. President, as the result of the Williams motion to substitute the House bill for the Senate bill, will it be in order, after the passage of the bill, for the Senator from Alaska to move to ask for a conference with the House on the disagreeing votes and to appoint conferees on the part of the Senate?

The PRESIDING OFFICER. Such a motion would be in order.

Mr. MAGNUSON. I thank the Chair.

The PRESIDING OFFICER. The question is, Shall the bill pass?

The bill (H.R. 11586) was passed.

The title was amended so as to read: "A bill to amend section 2 of the act of July 7, 1960, as amended, to continue the 55-percent limit on construction differential subsidy for construction, reconstruction, and reconditioning of ships for 1 additional year."

Mr. MAGNUSON. Mr. President, I move that the Senate insist upon its amendment, request a conference thereon with the House of Representatives, and that the Chair appoint the conferees on the part of the Senate.

The motion was agreed to.

Mr. BARTLETT. Mr. President, I ask unanimous consent that the House bill (H.R. 11586), as amended, be printed.

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

Mr. WILLIAMS of Delaware. I ask unanimous consent that the Senate bill S. 2800 be indefinitely postponed.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

CERTAIN PROVISIONS OF MERCHANT MARINE ACT, 1936

Mr. BARTLETT. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of Calendar No. 1492, S. 1184.

The PRESIDING OFFICER. The bill will be stated by title for the information of the Senate.

The CHIEF CLERK. A bill (S. 1184) to conform the provisions of section 802 of the Merchant Marine Act, 1936, with those of section 510 thereof, and for other purposes.

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

There being no objection, the Senate proceeded to consider the bill, which had been reported from the Committee on Commerce with amendments. On page 1, line 6, after "(c)", to strike out "(d) and (e)," and insert "and (d),"; after line 7, to strike out:

(b) The contracts to which subsection (a) of this section is applicable shall expressly provide that the provisions of subsection (a) shall remain in force (1) as to vessels delivered by the shipbuilder prior to January 1, 1946, only in the event the United States shall acquire such vessls within twenty years of the date of such delivery by the shipbuilder, and (2) as to vessels delivered by the shipbuilder on or after January 1, 1946, only in the event the United States shall acquire such vessels within twenty-five years of the date of such delivery by the shipbuilder. The provisions of this subsection shall apply to such contracts entered into before and after the enactment of this subsection.

On page 2, at the beginning of line 11, to strike out "(c)" and insert "(b)"; in line 13, after the word "applicable", to strike out "is to" and insert "can"; in line 14, after the word "sale", to insert "promptly"; on page 3, line 3, after the word "annum", to strike out "for each year or portion thereof between the date of acquisition by the United States and

reacquisition by the former owner under this subsection" and insert "for such period or periods of war service as the Secretary of Commerce determines will make reasonable allowance for excessive wear and tear by reason of war service which cannot be or has not been otherwise compensated for under this subsection"; in line 20, after the word "condition", to insert a colon and *"Provided, however,* That in the event the United States determines that the conversion of the vessel for use in Government service was so extensive as to alter the basic physical characteristics of the vessel and that the cost of reconversion to normal class and condition is excessive, and that said restoration is not justified by other national reasons, then the provisions of this subsection shall be inapplicable but the former owner shall be given a preference for the acquisition of a similar vessel pursuant to subsection (d) hereof."; on page 4, at the beginning of line 4, to strike out "(d)" and insert "(c)"; in line 15, after the word "section", to insert a colon and *"Provided, however,* That before the Secretary of Commerce shall issue such a mortgage or insure a mortgage under provisions of title XI he shall make the statutory findings required under the Act with respect to the financial soundness of the project and that the former owner continues to possess the necessary experience and financial ability to operate the mortgaged vessel."; and at the beginning of line 22, to strike out "(c)" and insert "(d)", 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 section 802 of the Merchant Marine Act, 1936, as amended (46 U.S.C. 1212), is hereby amended:

(1) By inserting "(a)" after "SEC. 802.".

(2) By adding new subsections (b), (c), and (d), reading as follows:

"(b) If any vessel, which was acquired by the United States and to which the provisions of subsection (a) are applicable, can be released from Government service, such vessel shall be offered for sale promptly to the owner from whom such vessel was acquired or to the person for whom the vessel was constructed or being constructed but to whom delivery thereof was prevented by the United States (such owner or person being hereinafter in this section referred to as the 'former owner') at a price computed as follows: The basic value of each such vessel shall be the price paid by the United States to the party from whom acquired, from which shall be deducted normal depreciation at the rate of 4 or 5 per centum per annum, as the case may be depending upon the life of the vessel as provided in this Act, on a straight line basis upon the former owner's gross book value of the vessel, and from which shall also be deducted, as war service, depreciation at the rate of 3 per centum per annum, for such period or periods of war service as the Secretary of Commerce determines will make reasonable allowance for excessive wear and tear by reason of war service which cannot be or has not been otherwise compensated for under this subsection. As used herein, gross book value shall mean the actual construction cost of such vessel (together with the actual cost of capital improvements thereon, but excluding the cost of national-defense features) less the amount of construction-differential subsidy theretofore paid incident to the construction or reconditioning of such vessel. Prior to delivery to the former owner, each such vessel shall be restored in a condition at least as good as when acquired by the United States, less ordinary wear and tear, or the former owner shall be paid or credited with an amount sufficient to place the vessel in such condition: *Provided, however,* That in the event the United States determines that the conversion of the vessel for use in Government service was so extensive as to alter the basic physical characteristics of the vessel and that the cost of reconversion to normal class and condition is excessive, and that said restoration is not justified by other national reasons, then the provisions of this subsection shall be inapplicable but the former owner shall be given a preference for the acquisition of a similar vessel pursuant to subsection (d) hereof.

"(c) In the event such vessel was, at the time of acquisition from the former owner by the United States, subject to a mortgage in favor of the United States, such vessel shall be sold to the former owner upon the same terms and conditions as those contained in such mortgage. In the event such vessel was subject to a mortgage insured under the provisions of title XI of this Act at the time of acquisition of the vessel by the United States, or such vessel was eligible for such an insured mortgage, the Secretary of Commerce shall, at the request of the former owner, insure a mortgage in connection with the reacquisition of the vessel by the former owner pursuant to this section: *Provided, however,* That before the Secretary of Commerce shall issue such a mortgage or insure a mortgage under provisions of title XI he shall make the statutory findings required under the Act with respect to the financial soundness of the project and that the former owner continues to possess the necessary experience and financial ability to operate the mortgaged vessel.

"(d) In the event that any such vessel cannot be returned to the former owner, at the termination of the emergency or as soon thereafter as is reasonably possible, the former owner thereof shall be given a preference as to any person except the former owner thereof, to purchase a similar vessel, at a price computed in accordance with subsection (c) of this section, and under the terms and conditions set forth in subsections (b) and (d) of this section."

The PRESIDING OFFICER. The question is on agreeing to the committee amendments.

Mr. LAUSCHE. Mr. President, will the Senator from Alaska explain the purpose of the bill?

Mr. BARTLETT. Mr. President, in summary, the bill permits the owners of vessels which were acquired by the U.S. Government under certain provisions of the 1936 law to reacquire the same vessels promptly upon their release from Government service in a condition as good, less ordinary wear and tear, as when they were acquired by the Government, and on terms substantially the same as those on which the vessels were taken by the United States, plus an additional allowance for war service depreciation.

Mr. LAUSCHE. What is the position of the administration toward the bill?

Mr. BARTLETT. To the best of my recollection, the position of the administration was expressed only by a witness from the Department of Commerce, who submitted that there was no pressing need for the bill. He said that following an emergency or a war, Congress could always legislate to provide for the return of requisitioned vessels. The hearings upon the bill were held by the distinguished junior Senator from California [Mr. ENGLE]. After listening to his testimony and the testimony of proponents of the bill, it was the conclusion of the committee that everyone, including the Government, would be better off if there were no waiting until after an emergency; that it would be better to act now, so that an arrangement would be in effect and there would be no need to hurry after an emergency or after a war to enable a steamship company to be in a position to reacquire its own vessels.

Mr. LAUSCHE. Was there not some objection to the bill on the ground that it allowed requisitioning on terms which were not just?

Mr. BARTLETT. It was the conclusion of the committee that the terms proposed in the bill were just, fair, equitable, and in consideration of the interests of the Government, as well as of the paramount interests, as I see it, of the subsidized vessel operators.

As the report states, the subsidized operators are now engaged in a vast vessel replacement program, the biggest program of its kind ever sought in peacetime, and ever being carried out in peacetime.

One reason why the ship operators believed—and the committee agreed with them—that they ought to have the right to reacquire the vessels was that in many cases the ships were built for particular trade routes. If the companies which originally owned the ships before they were requisitioned by the Government did not have a fair opportunity to get them back, everyone, including the taxpayers, would be put to an additional cost to make it possible for the vessels to be replaced by new ships to be built by the subsidized operators, with a construction subsidy to be paid for by the taxpayers. But if the owners could reacquire from the fleet after the emergency ships built by the companies theretofore specifically for certain trade routes, everyone would be better off, including the taxpayers.

I think that sums up the purpose of the bill. The committee gave careful consideration to the bill before reporting it.

I call the attention of the Senator from Ohio to pages 10 and 11 of the report, where a specific example is given of a situation involving the Lykes Brothers Steamship Co., Inc., in which that company was required to pay far more for the return of a vessel than I believe any fairminded person would believe it should have paid.

Certain amendments placed in the bill, which are noted on pages 1 and 2 of the report, meet some of the objections raised by the Secretary of Commerce.

Mr. LAUSCHE. Mr. President, I desire to read the letter of the Secretary of Commerce addressed to the chairman of the committee:

THE SECRETARY OF COMMERCE,
Washington, April 24, 1961.

Hon. WARREN G. MAGNUSON,
Chairman, Committee on Commerce,
U.S. Senate, Washington, D.C.

DEAR MR. CHAIRMAN: This is in reply to your request of March 3, 1961, for the views of this Department with repect to S. 1184, a bill to conform the provisions of section

802 of the Merchant Marine Act, 1936, with those of section 510 thereof as amended by Public Law 86–575, approved July 5, 1960, and for other purposes.

The Department recommends against favorable consideration of the bill.

Section 802 of the Merchant Marine Act, 1936, requires that all construction-differential subsidy contracts entered into under that act shall provide that if the vessel is requisitioned, the owner shall be paid the value thereof but not exceeding the depreciated cost of the vessel to the contracting shipowner, or the scrap value of the vessel, whichever is greater. This requisition price runs with the title to the vessel and applies not only during the 20- or 25-year life of the vessel, but so long long as the vessel remains a vessel.

This bill would amend section 802 of the act to provide that (*a*) the foregoing requisition price shall apply only during the 20- or 25-year life of the vesesl, (*b*) this limitation on the applicability of the requisition price shall apply retroactively to all construction-differential subsidy contracts that have been entered into under the act, and (*c*) if the vessel is requisitioned, (1) it shall, upon release from Government service, be offered for sale to the former owner at the requisition price paid by the United States, less normal depreciation (4 or 5 percent per annum of the original cost of the vessel to the contracting shipowner), and less additional depreciation of 3 percent per annum of such original cost for Government use, (2) prior to delivery to the former owner, either the vessel shall be restored to at least as good condition (ordinary wear and tear excepted) as when acquired by the United States, or the former owner shall be granted an allowance sufficient to accomplish such restoration, (3) if the vessel was subject to a mortgage to the United States when it was requisitioned, it shall be resold to the former owner "upon the same terms and conditions as those contained in such mortgage," (4) if the vessel was subject to a mortgage insured under title XI (or was elegible for such insurance) when it was requisitioned, the Secretary of Commerce shall insure a mortgage on the vessel in connection with its reacquisition by the former owner, and (5) if the vessel cannot be returned to the former owner on the termination of the emergency, such former owner shall have preference for the purchase of a similar vessel, on the foregoing terms and condition, as against everyone except the former owner of such similar vessel.

I regard the following language as important:

We are opposed to removal of the requisition price from construction-differential subsidy vessels at the end of their 20- or 25-year lives. The United States pays, by way of construction-differential subsidy, up to 55 percent of the construction cost of these vessels. The United States has two reasons for making these payments: (1) To provide for the national defense, and (2) to promote commerce. The vessel owner has the entire use of the vessel except during national emergencies which require the requisitioning of the vessel for national defense purposes. When the United States needs to requisition the vessel, we see no reason why it should pay a capital gain to the shipowner for title to a vessel in which it already has an investment.

I suppose that investment is the differential cost it paid.

I read further from the report:

The shipowner is made whole when he is paid his depreciated cost of acquisition.

When the shipowner is ready to replace the vessel, he can trade it in to the United States under section 510 of the Merchant Marine Act, 1936, and he will receive in exchange a credit, for application to his new vessel, in the amount of the fair and reasonable value of the old vessel, as determined by the Secretary of Commerce after considering: (1) The scrap value of the vessel in American and foreign markets, (2) the depreciated cost of the vessel based on its 20- or 25-year life, and (3) the market value of the vessel for operation in world trade or in the foreign or domestic trade of the United States.

In the Vessel Exchange Act (public Law 86–575) enacted July 5, 1960, Congress provided a similar requisition price on vessels traded out of the national defense reserve fleet which would apply only until the traded-out vessels become 20 years old. The purpose of limiting the requisition price in this act to this period evidently was to further the purpose of that act which was to upgrade the unsubsidized fleet. This purpose, in our opinion, has nothing to do with the requisition price on ships of subsidized operators.

With respect to the resale conditions that the bill would impose on the Government's right to requisition construction-differential subsidy vessels, we think: (1) That the Government's right to requisition these vessels during a national emergency at the formula price now provided by section 802 should remain unconditional, and (2) that the conditions the bill would impose are inequitable to the United States.

The disposition that should be made of construction-differential subsidy vessels that are requisitioned during a national emergency, and the terms and conditions under which the vessels should be disposed of, can be adequately taken care of in ship sales legislation that would be enacted upon termination of the emergency that required the requisitioning.

The conditions the bill would impose on the Government's right to requisition these vessels are inequitable in several respects. First, not all vessels that are requisitioned should be restored to their original condition. If extensive conversion work was done on the vessel to adapt it to its war use, the cost of restoring the vessel to its original condition might exceed the value of the vessel after restoration. Secondly, if the vessel is to be restored to as good condition as when requisitioned, there is no justification for the additional depreciation of 3 percent per annum that the bill provides for Government use. Thirdly, the Government should not be bound to grant a mortgage on the vessel, or to insure a mortgage on the vessel, without regard to the financial soundness of the project.

For the foregoing reasons, the Department recommends against favorable consideration of the bill.

The Bureau of the Budget advised there would be no objection to the submission of this report from the standpoint of the administration's program.

Sincerely yours,

EDWARD GUDEMAN,
Under Secretary of Commerce.

Three vital objections are made by the Department against the bill. The objections are based upon the proposition that inequity would be done to the Government and that special grants would be made to the shipowners. I should like to know what the bill does to remove those weaknesses, as pointed out by Under Secretary of Commerce Edward Gudeman in his letter.

Mr. BARTLETT. I direct the attention of the Senator from Ohio to the report; I read a paragraph beginning at the bottom of page 2, as follows:

The original subsection (b) of the bill proposed that the Government's requisition authority over vessels built with construction subsidy, as provided in section 802 of the Merchant Marine Act, 1936, be conformed to the more limited requisition authority provided in section 510 of the act as amended by Public Law 86–575, approved July 5, 1960. This subsection was deleted from the bill. However, this was done without any intent to prejudice future consideration of this proposal, but simply because your committee felt that it was a proposal affecting a basic principle of the national maritime policy as expressed in the 1936 act, and as such merited further study and consideration.

I now direct the attention of the Senator from Ohio to the description of the amendments, beginning on page 1 of the report and continuing halfway through page 2. These amendments accomplish in substantial measure—almost altogether—the desire of the committee to accommodate the objections made by the Department of Commerce, as related by the Senator from Ohio. It is my understanding and belief that the bill as it is now before the Senate accommodates almost altogether the needs of the Department in regard to the points about which the Senator from Ohio has informed us.

Mr. LAUSCHE. I should like to ask a direct question. I read from the letter written by the Under Secretary of Commerce, Mr. Edward Gudeman, found in the last paragraph on page 6 of the report, we find that he states:

The conditions the bill would impose on the Government's right to requisition these vessels are inequitable in several rsepects. First, not all vessels that are requisitioned should be restored to their original condition. If extensive conversion work was done on the vessel to adapt it to its war use, the cost of restoring the vessel to its original condition might exceed the value of the vessel after restoration.

Has that objection been cured by the bill as it is now before the Senate? In other words, if the Government requisitions a vessel for war purposes and makes extensive installations in order to make the vessel fit for war service, the Department says it is wrong, when the vessel is returned, to require that it be placed in its original condition, because the cost of doing so might be more than the cost of the entire vessel.

Mr. BARTLETT. The language which the committee inserted on page 3, line 3 of the bill, reads: " for such period or periods of war service as the Secretary of Commerce determines will make reasonable allowance for excessive wear and tear by reason of war service which cannot be or has not been otherwise compensated for under this subsection."

Continuing, on page 3, at line 16, the committee deleted the period and inserted the following in which I think the Senator will be particularly interested:

Provided, however, That in the event the United States determines that the conversion of the vessel for use in Government service was so extensive as to alter the basic physical characteristics of the vessel and that the cost of reconversion to normal commercial class and condition is excessive, and that said restoration is not justified by other national reasons, then the provisions of this subsection shall be inapplicable but the former owner shall be given a preference for the acquisition of a similar vessel pursuant to subsection (d) hereof.

I think that takes care of the situation without any doubt whatsoever, because if it is going to cost too much to

put the given vessel in service, to restore it, another one, a like vessel, is given.

Mr. LAUSCHE. I continue to read from the letter:

> Secondly, if the vessel is to be restored to as good condition as when requisitioned, there is no justification for the additional depreciation of 3 percent per annum that the bill provides for Government use.

What has been done in the bill with respect to that item?

Mr. BARTLETT. The two amendments inserted by the Committee on Commerce, of which the Senator from Ohio and I are members, takes care of that situation. On page 3, beginning in line 5, these amendatory words have been added: "for such period or periods of war service as the Secretary of Commerce determines will make reasonable allowance for excessive wear and tear by reason of war service which cannot be or has not been otherwise compensated for under this subsection."

That is the language I read before, but the Secretary of Commerce is given general and broad authority to protect the interests of the Government.

Mr. LAUSCHE. Let us go to the third point in the letter:

> Third, the Government should not be bound to grant a mortgage on the vessel, or to insure a mortgage on the vessel, without regard to the financial soundness of the project.

Mr. BARTLETT. On page 4, line 3 of the bill, as noted on page 2 of the report, the period is deleted and the following words are added——

Mr. LAUSCHE. Will the Senator again identify what he is reading from?

Mr. BARTLETT. I am reading from the top of page 2 of the report, and I am referring, more specifically, to line 3 on page 4 of the bill. This following proviso was added by the committee:

> *Provided, however,* That before the Secretary of Commerce shall issue a mortgage or insure a mortgage under provisions of title XI he shall make the statutory findings required under the Act with respect to the financial soundness of the project and that the former owner continues to possess the necessary experience and financial ability to operate the mortgaged vessel.

Mr. LAUSCHE. The only difference between the Department of Commerce and the committee's version of the bill is that the Department of Commerce thinks the bill is not needed at this time.

Mr. BARTLETT. I should say it results in that conclusion. Again, every individual in Congress and the Congress, on the one hand, and the executive department, on the other, have a right and duty to make their own determination. The Committee on Commerce, after weighing much testimony on this question, after deliberating for a considerable period on that very point, came to the conclusion that the Department of Commerce was wrong in this instance, and that the public interest would best be served by having a permanent law on the books, so there would be no need for rushing around and trying to do something when it might actually be a little late to do it, and we might legislate better in circumstances such as these.

Mr. LAUSCHE. To summarize the situation, then, in respect to the three grounds on which the Department of Commerce objected to the bill, corrections were made so as to conform with the recommendation made by the Department. Is that correct?

Mr. BARTLETT. That is correct.

Mr. LAUSCHE. The only difference now is as to the appropriateness of the time in which the bill ought to be passed, if passed at all. Is that correct?

Mr. BARTLETT. In this frame of reference, I was influenced to some extent by the illustration concerning Lykes which is incorporated on pages 10 and 11 of the report. In the conclusion of that recounting it stated that the company was denied use of the vessel—after it had tried to get it back, as I recall—for about 2 years. I do not think we ought to allow a situation like that to develop again. It seems to me everyone will be better off, including the Government, if we get something in the law now to take care of the situation.

Mr. LAUSCHE. It seems to me that the objections raised by the Department of Commerce were eliminated by the amendments made to the bill by the committee, and I have no objection to its passage.

The PRESIDING OFFICER (Mrs. NEUBERGER in the chair). The question is on agreeing to the committee amendments.

Mr. BARTLETT. Madam President, I ask unanimous consent that the committee amendments be considered and agreed to en bloc.

The PRESIDING OFFICER. Without objection, the committee amendments will be considered and agreed to en bloc, and the bill, as amended, will be treated as original text for the purpose of amendment.

The bill is open to further amendment.

Mr. KEATING. Madam 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. KEATING. Madam President, I ask unanimous consent that further proceedings under the quorum call may be dispensed with.

Mr. MORSE. Madam President, I object.

The PRESIDING OFFICER. Objection is heard. The clerk will continue the call of the roll.

The legislative clerk resumed and concluded the call of the roll, and the following Senators answered to their names:

[No. 277 Leg.]

Bartlett	Jordan, Idaho	Neuberger
Bennett	Keating	Pearson
Burdick	Kefauver	Saltonstall
Butler	Kerr	Smith, Maine
Byrd, Va.	Lausche	Sparkman
Cannon	Long, La.	Stennis
Carlson	Magnuson	Talmadge
Chavez	Mansfield	Wiley
Dirksen	McCarthy	Williams, Del.
Engle	McNamara	Young, Ohio
Hill	Morse	
Hruska	Moss	

The PRESIDING OFFICER. A quorum is not present.

Mr. BARTLETT. Madam President, I move that the Sergeant at Arms be instructed to request the attendance of the absent Senators.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Alaska.

The motion was agreed to.

The PRESIDING OFFICER. The Sergeant at Arms will execute the order of the Senate.

After a little delay, Mr. ALLOTT, Mr. ANDERSON, Mr. BEALL, Mr. BIBLE, Mr. BOGGS, Mr. BUSH, Mr. BYRD of West Virginia, Mr. CARROLL, Mr. CASE, Mr. CLARK, Mr. COOPER, Mr. CURTIS, Mr. DODD, Mr. ELLENDER, Mr. ERVIN, Mr. FONG, Mr. GOLDWATER, Mr. HART, Mr. HARTKE, Mr. HAYDEN, Mr. HICKENLOOPER, Mr. HOLLAND, Mr. HUMPHREY, Mr. JACKSON, Mr. JOHNSTON, Mr. JORDAN of North Carolina, Mr. KUCHEL, Mr. LONG of Hawaii, Mr. MCCLELLAN, Mr. MCGEE, Mr. METCALF, Mr. MONRONEY, Mr. MUNDT, Mr. MUSKIE, Mr. PASTORE, Mr. PROUTY, Mr. PROXMIRE, Mr. RANDOLPH, Mr. RUSSELL, Mr. SYMINGTON, Mr. THURMOND, Mr. TOWER, Mr. YARBOROUGH, and Mr. YOUNG of North Dakota entered the Chamber and answered to their names.

The PRESIDING OFFICER. A quorum is present.

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, read the third time, and passed.

Mr. BARTLETT. Madam President, I move to reconsider the vote by which the bill was passed.

Mr. HUMPHREY. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

The title was amended, so as to read: "A bill to amend section 802 of the Merchant Marine Act, 1936, as amended, to provide that owners of vessels requisitioned by the United States shall be accorded preference toward reacquiring these vessels when they can be released by the Government, and for other purposes."

EXTENSION OF "OBSOLETE VEHICLE" AUTHORITY UNDER MERCHANT MARINE ACT, 1936

Mr. BARTLETT. Madam President, I ask unanimous consent that the Senate proceed to the consideration of Calendar No. 1284 (S. 2801).

The PRESIDING OFFICER. The bill will be stated by title for the information of the Senate.

The LEGISLATIVE CLERK. A bill (S. 2801) to amend section 510 of the Merchant Marine Act, 1936, in order to extend for two years the time during which a certain definition of the term "obsolete vessel" shall be used.

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

There being no objection the Senate proceeded to consider the bill.

Mr. BARTLETT. Madam President, so far as I know, there is no controversy involved in the pending bill.

The Merchant Marine Act, 1936, authorizes the Secretary of Commerce, in order to promote construction of new, modern vessels, to acquire obsolete vessels in exchange for an allowance on the price of the new vessels constructed in U.S. shipyards. The 1936 act designates 17-year-old vessels as "obsolete" for trade-in purposes.

After World War II, as an incentive to owners to keep their fleets abreast of the new foreign vessels, the obsolete designation was set at 12 years, and continued at this level when the Maritime Administration's phased vessel replacement program was initiated in 1957.

The committee feels that this further extension, to June 30, 1964, will improve the U.S. merchant marine by permitting trade-in of a few World War II vessels which are less desirable than some older vessels now in service.

The PRESIDING OFFICER. The bill is open to amendment. If there be no amendment to be proposed, the question is on the engrossment and third reading of the bill.

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

Mr. BARTLETT. Madam President, I ask unanimous consent that the Senate proceed to the consideration of Calendar No. 1636, H.R. 10022, which is similar to S. 2801, and that H.R. 10022 be passed.

The PRESIDING OFFICER. The bill will be stated by title.

The LEGISLATIVE CLERK. A bill (H.R. 10022) to amend section 510(a)(1), Merchant Marine Act, 1936.

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

There being no objection, the bill (H.R. 10022) was considered, ordered to a third reading, read the third time, and passed.

Mr. BARTLETT. Madam President, I ask that Senate bill 2801 be indefinitely postponed.

The PRESIDING OFFICER. Without objection, Senate bill 2801 is indefinitely postponed.

"WHAT EVERY NEW CANDIDATE SHOULD KNOW"—ARTICLE BY JAMES A. MICHENER

Mr. PROXMIRE. Madam President, occasionally a gifted, articulate literary figure will run for public office. It rarely happens, but when it does, I think his observations may be extremely helpful to all Americans in understanding the trials and tribulations of a candidate for office.

Yesterday the New York Times published in its magazine section an article entitled "What Every New Candidate Should Know," written by James A. Michener, one of the most popular writers in America.

In the course of his article, Mr. Michener stresses the importance of the duty of meeting people. I shall quote briefly from the article before I ask unanimous consent to have it printed in the RECORD:

There is no substitute for meeting voters face to face. Some laymen are appalled at the prospect of shaking hands day after day and attending one coffee hour after another. A friend recently said, "I think it's degrading for a man like you to go into a shopping center to ask people for their votes." I replied that I could think of no substitute for this ancient tradition.

For when a man, week after week, meets with his fellow men something happens to him. A certain arrogance is knocked out of him. Some of the dross in his system is burned away. He comes to know what he deeply believes. He identifies those few positions from which nothing on earth could dislodge him, and he abandons others that he possibly had stumbled into without properly analyzing them. He learns what conciliation means, what character is, and which gnawing doubts disturbs his neighbors. Most of all, he is driven back to a basic reality. Again and again he is forced to say what he really thinks.

Madam President, I ask unanimous consent that this excellent article be printed at this point in the RECORD.

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

WHAT EVERY NEW CANDIDATE SHOULD KNOW

(By James A. Michener)

(NOTE.—James A. Michener, author, is the Democratic candidate for Congress in the Bucks-Lehigh County district of Pennsylvania.)

For 10 years I taught American government and for 10 years after that I helped write textbooks on politics, so I was not exactly a novice when one of the major parties asked me to run for Congress this year.

On Saturday, February 17, I accepted the job and bright and early the following Monday morning I started punching doorbells. Since then, I have been campaigning like a firetruck at least 5 days every week and usually 7. I try to hold three or four meetings a day and I have met with thousands of my constituents.

I have also come upon quite a few facts I have not known before. Right now, across America, several thousand men and women who are running for Congress, for Governor or for their State legislatures are also learning these facts, which the layman—even an interested one such as I was—never learns.

The incumbent has an overwhelming advantage. If you have weak nerves, you'd better not try to unseat a well-entrenched Congressman, because our elections are rigged in favor of the man who is already in. He mails his letters free. You pay for yours. For him to send a piece of literature to each family in his district costs about $6,000, paid for by the taxpayer. You cough up your own $6,000, in cash. Of course, the sitting Congressman is not allowed to use this privilege with respect to blatant electioneering propaganda, but he can get around this by flooding his district with "questionnaires," many of whose "questions" do not pertain to legislation with which he is involved.

He gets his phone calls, up to a very generous limit, free. You pay for your own. Since modern-day campaigning uses the telephone more and more, his advantage is increased.

He has at his command a staff of seven or eight secretaries and helpers, with a total yearly salary of around $45,000, paid for by the taxpayer. You find one girl and pay her yourself.

He can use the Congressional Quarterly like a smalltown newspaper and build up reams of publicity. You must get yours the hard way.

In a dozen other ways you find that the incumbent is protected, but worst of all is the fact that while you spend your own hard-earned cash to run your campaign, you must also pay taxes which enable him to run his. You pay for his mail, his secretaries, his telephone. You are subsidizing your own worst enemy, and sometimes it hurts like hell.

Curiously, I would not change the system. The solidity and continuity of our form of government require that incumbents be protected. It would not be in the national interest if a long-term, intelligent, effective Congressman could be easily thrown out of office; so even though weak-kneed, ineffective little men also find protection in our system, I still think it a good one, because the little men can be beaten.

Any man who wins an election from an incumbent has won victory against almost insurmountable odds. I know.

It is very difficult to finance a campaign. I knew this before I started, but I didn't know how difficult. The national election law limits a congressional candidate to spending not more than $5,000 of his own money in any one campaign. Since it costs not less than $30,000 to run an average race, and much more to make a first-class try, the candidate must somehow make up the difference by every fund-raising means he can invent.

It is almost impossible to convince the average American that he should help pay for the political system which protects him, and even the best planned campaigns are run in a crisis atmosphere. The money isn't available—but you pray that somehow it will come in. You worry far more about money than about your opponent's voting record.

I got the tipoff on these sad facts when I ordered some campaign materials. Back came the letter: "We have learned through sad experience that we must demand our money in advance. And a deposit will not suffice, no matter how generous. You must pay in full, for we have found that campaign committees invariably wind up broke."

This is a ridiculous situation, but there seems no substitute for hand-to-mouth financing. I will even confess that the other night, when I was presented with the latest batch of bills, I caught myself thinking, in spite of my high ideals about American politics, "I wonder if Billie Sol Estes has a Pennsylvania office?"

Public indifference to politics is disheartening. On that snowy February morning when I started ringing doorbells, the first four families I visited said bluntly, "We never vote." In my district there are about 334,000 adults eligible to vote, but of these, 92,000 do not even bother to register. Of the 334,000, only 217,000 voted in the Kennedy-Nixon election.

A recent study at the University of Michigan shows that of 100 registered adults, only 7 ever attend political meetings of any kind, only 4 have ever given money to a campaign, only 3 have ever worked for a candidate, and only 2 actually serve as working members of any political party.

The burden of running our Nation falls on the shoulders of an appallingly small number of people. As I campaign, month after month, I see these same people again and again. The other I never touch.

Political infighting is even tougher than I thought. As a layman, I only vaguely realized that, for young, aggressive men, political life can prove to be a well-paid, enviable vocation. The only raw material required is the ability to corral votes and, if one has served his party well during the winning years, he can look forward to some kind of minor job when he loses. People not connected with politics call this "taking care of the hacks," but I am strongly in favor of it, providing the man is reasonably efficient, because people who have served the Nation must be kept alive.

But because the rewards of politics can be great, the contest for those rewards is apt

to be rather brutal, and only those deeply involved with political life can know how brutal. Since I became interested in local politics, the following things have happened: (1) The leader of the opposition was publicly tried for taking bribes. Acquitted. (2) An elected official of the opposition was tried in Federal court for masterminding a counterfeting ring. Acquitted. (3) The head of my party was publicly accused of threatening to fire State highway employees unless they coughed up political contributions, which is against the law in Pennsylvania. (4) The elected heads of a local school board were charged with selling teacher promotions for cash on the barrelhead.

Since the day I accepted the nomination to Congress, I have lived in constant crisis; and since this has been the relatively quiet time preceding the election, I shudder to think of what this month and next hold.

On the other hand, I entered politics to help clean up such messes and I find the struggle exciting. Brawling is an inescapable part of the American political tradition. I was present when a group heard that one of our neighbors had decided to run for office. "Good!" an experienced politician cried. "We'll put a private detective on him right away. We'll look into that deal his brother had with the real estate development. We'll check his income tax returns. And we'll revive the rumors about his wife."

When word broke that I was going to run for Congress, the opposition served notice in the newspapers that they were going to fine-tooth comb every word I had ever written, and since I've published several million, they ought to winnow out some dillies. I have, thank heaven, always been against the recognition of Red China, in favor of strong anti-Communist measures, and very solid on the question of mother love.

I want to make two comments about this savagery of politics, lest it frighten away potential candidates, especially those from the upper middle class, who tend to be squeamish about dirty linen in public.

First, you're crazy if you think the same thing doesn't go on in most other aspects of American life. The battle for preference on a university faculty is just as bitter, the fight for the vice presidency of a great corporation is just as tough. The difference is that the political skulduggery is carried on in public.

Second, it's fun. It's part of our folkways and it rarely hurts. As a writer, and as one who has been connected with the theater, I have grown to expect that what I do will be subjected to savage criticism. By and large, such criticism has been good for me. Only children and cowards shy away from words and situations that might hurt.

There is no substitute for meeting voters face to face. Some laymen are appalled at the prospect of shaking hands day after day and attending one coffee hour after another. A friend recently said, "I think it's degrading for a man like you to go into a shopping center to ask people for their votes." I replied that I could think of no substitute for this ancient tradition.

For when a man, week after week, meets with his fellow men something happens to him. A certain arrogance is knocked out of him. Some of the dross in his system is burned away. He comes to know what he deeply believes. He identifies those few positions from which nothing on earth could dislodge him, and he abandons others that he possibly had stumbled into without properly analyzing them. He learns what conciliation means, what character is, and which gnawing doubts disturb his neighbors. Most of all, he is driven back to a basic reality. Again and again he is forced to say what he really thinks.

Long before I ran for office, I discovered these basic facts about our election system, and I used to tell my students that Warren G. Harding might have had some sense kicked into him if he had left the sanctum of his front porch in Marion, Ohio, and had beat his way across the Nation in sweaty, shirt-sleeved electioneering. A good rule for Americans will always be, "Never vote for a man who hasn't campaigned. Never vote for a man who makes all his speeches on television." (This is not a personal comment. My opponent is a very good campaigner.)

But even so, I didn't really appreciate the psychic impact door-to-door campaigning would have upon me. I used to think I knew something about America, but now I feel as if I were just beginning to understand its subtle system of balances.

I'll say this without reservation. If I could go back to last February, and if I had known then how hard campaigning was to be, I'd still accept the nomination. To battle with one's neighbors for votes is an honorable occupation, and men who have not done so should have no pretensions to government.

There are tremendous satisfactions in running for office. Last week I had a meeting scheduled for a wooded hilltop overlooking Allentown, which is the largest city in my district. At dusk it rained like mad. It was cold, muddy, ugly. Through sloshy roads I reached a dreary hall where there were seven people. At meeting time we had a huge crowd of nine, four of whom were party workers and had to be there. But as the rain abated, the crowd grew, and by 11 o'clock there were about 80 of us, and we talked about the most fundamental problems of our day. It was a privilege to be with those citizens.

Some time before, I had gotten mad at the indifference that seemed to be greeting the 1962 political campaign and I said, "Let's put it to a test." So, we hired the biggest hall in town, found an old print of one of my movies, and invited the public to spend an evening with a politician. We promised them a moving picture, free pretzels and birch beer, and a night of political argument. To weed out the merely curious, we charged everyone a dollar, and when we got to the hall we found a crowd of 1,100 people, who stayed around to argue politics until 2 in the morning. The money we made that night kept us going for 5 weeks.

Wherever I have gone I have found this fundamental reservoir of people interested in our Government. During these months, I have had some of the greatest conversation of my life, some of the best fellowship. If, as I complained before, there are 92,000 citizens in my district who won't bother to register, there are another 92,000 who are desperately concerned about the future of their Nation and the second group must do the work that the first won't. I suppose it was the same in Athens, and in Rome.

The highlight of the campaign occurred in a small restaurant at the southern end of my district. While I was dining, a group of Girl Scout Brownies—little girls of 8 and 9—spotted me and crowded around for autographs. I had signed 37 when the last little girl came up, and she was so irresistibly sweet that I gave her not only my signature but a farewell kiss as well, whereupon she rushed out into the crowd and shouted, "He kissed me."

At this the other 37 stormed back and demanded equal time. As I kissed the last one, I became aware that one of the mothers, a beautiful young woman in her twenties, had taken her place at the end of the line. "I used to be a Brownie," she confessed, and with a gallantry usually reserved for Southern candidates, I rose to the occasion.

She laughed and said, "We are all proud that you want to represent us in Congress. You may not win, but what you're doing is worthwhile." Then she added, "But I think you will win."

NEEDED: AN OPEN MIND AT TREASURY

Mr. PROXMIRE. Madam President, the British Chancellor of the Exchequer has made what to me seems to be a very intelligent and sensible proposal for stopping the tremendous demand which we have had in the past, and may have in the future, upon our gold. It is a proposal under which the convertible currencies of the major industrial countries could be deposited in a supplementary account by the countries which have balance-of-payments surpluses. This would mean that instead of merely drawing the present balances for payment in gold, they could be set aside. Mr. Maudling's proposal was given short shrift by the Treasury Department. I was astonished because I have great respect for Mr. Roosa, who dismissed the proposal so abruptly.

I was delighted to read yesterday in the Washington Post a fine editorial which discussed the merits of the plan. This is exactly the kind of thoughtful, constructive proposal which merits careful consideration, not close-minded peremptory dismissal.

Madam President, 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:

MR. MAUDLING'S PLAN

Talented men have been striving for more than a century to organize a stable international monetary system, and one of the factors that accounts for a lack of greater success in recent years is the less-than-generous spirit with which new proposals have been received. Chancellor of the Exchequer Reginald Maudling's plan for a "Mutual Currency Account," made before the Board of Governors of the International Monetary Fund, is a case in point.

Mr. Maudling's modest plan has many virtues which have not been adequately appreciated by his American critics. Under the plan the convertible currencies of the major industrial countries could be deposited in a supplementary account by countries which are running balance-of-payments surpluses. The value of these limited deposits would be guaranteed against devaluation, and they would be drawn upon by the depositing countries in settling future balance-of-payments deficits. By obviating the necessity for frequent gold transfers the plan would serve as buffer against mild balance-of-payments shocks and diminish the need for restrictive monetary policies which inhibit economic growth.

Dr. Robert V. Roosa, Under Secretary of the Treasury for Monetary Affairs, objects strongly to the gold value guarantee feature of the plan. But the guarantees are merely an extension of those already in force for the currencies that are held in the pool of the Monetary Fund. Moreover, the Treasury plan, under which the United States would accumulate foreign currencies instead of gold and dollars when it runs balance-of-payments surpluses, rests on the questionable assumption that those currencies can be freely used in times of difficulty.

In concluding his remarks to the International Monetary Fund, President Kennedy said that "We who are meeting here today do not intend to be mastered by our money or by our monetary problems. We intend to master them with unity and generosity.* * *" Certainly the task of mastering money can be made lighter by greater receptiveness to new ideas.

FEDERAL AID TO EDUCATION

Mr. HUMPHREY. Madam President, last week was a busy one for every Member of this body. A great deal was accomplished, particularly the overwhelming approval of the President's Trade Expansion Act. However, the decision to return the higher education bill to conference represents a grave turn of events for all Americans concerned with the fate of higher education in the coming decades.

I have not heard anyone claim this was a perfect bill. Very few pieces of proposed legislation deserve such a description. But it was a bill that would have achieved one vital objective.

We had better realize that in the next 20 years it will be necessary to double the physical capacity of college and university facilities in this country. This cannot be done without some help from the Federal Government. We are now at the crossroads. Either we must have a program of aid to higher education now, or else the generation 20 years from now will be denied the opportunity for higher education. If such an opportunity is denied, the United States will be crippled at a crucial point in its history.

Madam President, I thought the bill which was agreed to in conference was basically a good bill. It was a good bill because it would have achieved the vital objective of providing badly needed assistance to institutions of higher learning. I believe it would have done so in a way which was compatible with the Constitution of the United States. No constitutional problem was involved.

I compliment the senior Senator from Oregon [Mr. MORSE] and his colleagues on the conference. In particular, I compliment the senior Senator from Pennsylvania [Mr. CLARK] for the leadership he demonstrated, and I compliment the other members of the conference group as well. I know how much time and energy was expended in behalf of junior colleges, community colleges, and 4-year colleges and universities throughout the country.

Mr. CLARK. Madam President, will the Senator yield?

Mr. HUMPHREY. I yield.

Mr. CLARK. I thank the Senator from Minnesota for his kind words. I assure him that, at least so far as I am concerned, I have not given up hope yet, and I understand the Senator from Minnesota has not yet given up hope, either.

Mr. HUMPHREY. I surely have not given up hope, because I do not believe Congress can afford to conclude its work without some accomplishment in this field. I believe that if we fail in this area, we shall stand indicted before the American people as having failed in our responsibility to the young people of America and to the Nation itself.

I am aware of the problems which confronted the conferees. I am sure the Senator from Pennsylvania would be the first to admit that we have talked about this conference many times.

Mr. CLARK. The Senator is correct.

Mr. HUMPHREY. The President of the United States was deeply concerned about the conference, and the Senator from Oregon [Mr. MORSE], who gave valuable leadership to the whole problem, was deeply concerned about the conference.

Mr. CLARK. Madam President, will the Senator further yield?

Mr. HUMPHREY. I yield.

Mr. CLARK. The President of the United States himself called me to his office and asked me to do all I possibly could to see that a higher education bill was passed at this session. I hope he still feels that way. If he does, I have some hope that we can still pass a bill.

Mr. HUMPHREY. I assure the Senator from Pennsylvania that the President of the United States continues to feel that way. It is my intention to speak to our Chief Executive and to encourage even greater insistence upon this measure.

The conferees achieved something which few persons thought was possible. They reported a bill which met the basic needs, which represented a vital first step, and which finally would have infused some lifeblood into our system of higher education. Obviously, a bill hammered out in these circumstances would not please everyone. That would have been expecting the impossible.

Even though the bill was not perfect, even though it did not go as far as I would have liked it to go, I was pleased when the conference committee reached workable solutions to the many knotty problems in the House and Senate versions. I saw this as a historic day in the fight for better educational facilities for the United States. I was equally dismayed when I learned that the conference report had been rejected.

Because in the 87th Congress there has been so much confusion and because so many battles have been fought over education, I believe that many citizens did not realize the importance of this proposed legislation. I have the feeling that the many good provisions in the bill never were appreciated by the educators, the press, and the general public.

This bill authorized $1.5 billion in grants and loans over 5 years to public and private colleges for construction of classrooms and libraries, $250 million in grants to public community colleges, and about $600 million in student loans over 5 years. The student loans were to be paid through the colleges, and each school could set aside 20 percent of its loan fund for grants to exceptionally promising and needy students.

Madam President, how could anyone object to that, or say it is too much? The junior colleges are the hope of many millions of our young people who seek an opportunity for higher education. I cannot understand how the Senate or the House, or the Congress assembled, can ignore the plight of our institutions of higher education or the needs of our young people. Members of Congress talk about every conceivable problem. This is one we can do something about in 10 minutes. Instead, we spend 10 months in dilatory action, delay, and indecision, and finally in rejection.

Grants would have gone for the construction of buildings used for science, engineering, and libraries. Loans would be used for general-purpose classrooms. None of the Federal money could have been used for building chapels, divinity schools, or sports facilities for which admission would be charged.

In connection with the National Education Act there is no religious problem and no constitutional problem. The only problem is the failure of Congress to appreciate the problem. I suggest that unless Congress wakes up to the necessities of this situation, there will be many Members who, at the next session, will no longer be here—and rightly so.

I think the bill as reported from conference represented an outstanding achievement, in view of the many interests, both constitutional and otherwise, that were wrapped up in this proposed legislation.

The leadership in both Houses and on both sides of the aisle will stand indicted by the people of the country if the bill for aid to higher education is allowed to die in this Congress. I do not intend to be a part of that funeral service; and I do not intend to cease my efforts to have a program of higher education adopted by the 87th Congress.

In an excellent editorial published yesterday, the Washington Post spoke out clearly and with great wisdom when it made this observation:

> The real losers are the youth of America—which is to say, of course, America itself.

Madam President, I should like to know what Congress is up to when it ignores the basic educational needs of the youth of the Nation. It refused to pass a medicare bill for the elderly, and now it refuses to do anything for the young.

Mr. CLARK. Madam President, will the Senator from Minnesota yield?

Mr. HUMPHREY. I yield.

Mr. CLARK. Furthermore, Congress has not passed the youth opportunities bill.

Mr. HUMPHREY. Yes; it, too, is snarled up in the outmoded, antiquated, out-of-date congressional procedures; and I am growing sick and tired of the horse-and-buggy methods which are attempted to be used in this space age.

Mr. CLARK. Madam President, will the Senator from Minnesota yield again?

Mr. HUMPHREY. I yield.

Mr. CLARK. As soon as the Senator from Minnesota yields the floor, I intend to do something about that.

Mr. HUMPHREY. The purpose of my remarks is to give the Senator from Pennsylvania a little JATO, as it is called—in other words, a jet-assisted takeoff to get him into orbit in a hurry.

Madam President, as a U.S. Senator, I sincerely urge every interested party to consider the loss America sustained last week. There is still sufficient time for the same persons to reconsider what they have done. I believe there is still time to enact this vital legislation in the 87th Congress. We are to be here 2 weeks longer. So there is time for us to buckle down to the job. Let no one make any picnic plans before October 5. We shall be here long enough to pass a higher education bill. If necessary, we can even trim down the conference report which was rejected.

Today the Senator from Pennsylvania [Mr. CLARK] spoke to me about a proposal for higher education which should receive the full support of every interested Senator and Member of the House of Representatives and citizen of the Nation. I thank him for his perseverance; I thank the Senator from Pennsylvania and his associates—the Senator from Oregon [Mr. MORSE], the Senator from Michigan [Mr. MCNAMARA], and the other Senators who took part in that effort. I do not mean to leave out any of them. I wish to thank them for seeking to have the bill enacted.

Mr. CLARK. Madam President, will the Senator from Minnesota yield?

Mr. HUMPHREY. I yield.

Mr. CLARK. Let us also include the Senator from Texas [Mr. YARBOROUGH], the Senator from West Virginia [Mr. RANDOLPH], the Senator from Vermont [Mr. PROUTY], and the Senator from New York [Mr. JAVITS]. All of them worked mightily to find a reasonable compromise which would be successful. Even though some had had difficulty in their own States in obtaining acceptance of the compromise, nevertheless in the interest of the Nation they made a strenuous effort. All of them joined in that fine bipartisan effort.

Mr. HUMPHREY. I include all the conferees of both Houses.

Madam President, I ask unanimous consent that the Washington Post editorial commenting on the blow higher education has sustained be printed at this point in the RECORD.

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

[From the Washington Post, Sept. 23, 1962]

A BLOW TO EDUCATION

Education in the United States—all education—suffered a grievous loss when the House of Representatives on Thursday recommitted a compromise bill that would have provided $2,345 million in aid to colleges. So much inflexibility, so many prejudices and bitterness, so stubborn an adherence to special interest in the name of principle, were involved in the vote that the chances of any Federal aid to education, now or in the future, seem very dim indeed.

The recommitted bill which came out of a House-Senate conference committee seemed to us one of those reasonable adaptations to conflicting convictions which are the stuff of legislative action. It was not an ideal bill. It did not provide all that proponents of Federal aid to education, including this newspaper, would have liked it. It reflected a compromise between those who favor and those who oppose assistance to private institutions. But there is no doubt that it represented an important boost to higher education in the United States, an urgently needed boost; and it would at last have broken the logjam on Federal aid to education.

If it is fair to charge Catholics in Congress with having prevented Federal aid to elementary schools and high schools in the United States, it is no less fair to charge Protestants, the Southern Baptist Convention in particular, with having blocked Federal aid to colleges. The compromise college aid bill would have authorized grants to public and private institutions of higher learning alike for restricted, nonreligious categories of construction—for laboratories, scientific or engineering classrooms and libraries.

Although we have long opposed grants of Federal funds to private schools at the primary and secondary level—because these schools are devoted to religious instruction, because school attendance at this level is compulsory and because public schools available to all are the traditional American instruments of primary and secondary education—we see no constitutional or policy objection to Federal financial aid at the college level. The compromise bill, in any case, restricted the aid most carefully.

The compromise bill would, in addition, have provided grants to community colleges—an important developing element in the American educational structure—and would have provided loans to students for scholarship purposes. These are invaluable forms of assistance, now forgone.

It must be said that the National Education Association, which has long lobbied for Federal aid to elementary and secondary schools, played a considerable, and to our mind, myopic, role in defeating the college aid bill. At the eleventh hour it brought its representatives from all over the country to lobby on the Hill for recommittal. We think it will rue its narrowness and shortsightedness. The National Congress of Parents and Teachers was similarly unable to see beyond the tip of its own snub nose.

But of course these are not the real losers in Thursday's debacle. The real losers are the youth of America—which is to say, of course, America itself.

Mr. CLARK obtained the floor.

Mr. MAGNUSON. Madam President, will the Senator from Pennsylvania yield?

Mr. CLARK. I am glad to yield; but I must be brief, because I am required to return to the hustings; I am running for reelection.

Mr. HUMPHREY. Madam President, let us do all we can to enable the Senator from Pennsylvania to return there and be reelected. We need him here.

Mr. CLARK. I thank the Senator from Minnesota.

Mr. MAGNUSON. Madam President, I am in the same position.

Mr. CLARK. Both of us are.

Mr. MAGNUSON. I wish to ask a question. If the bill is not passed, it seems to me that a part of the real tragedy will be that the effect of the failure to pass the bill will be felt most heavily by the smaller colleges, including the junior colleges, rather than by the larger ones. The larger ones use the FHA, the college housing program, and so forth. But the smaller institutions are having a difficult time; yet they are the very ones that will absorb the large numbers of students who will apply for admission, following the population explosion. To me, the plight of these colleges is tragic, for I know that in the Pacific Northwest the smaller colleges that wish conscientiously to participate in the program are the ones that will be hurt the most by the failure to enact this measure.

Mr. CLARK. I think there is much truth in what the Senator from Washington says.

The situation in Pennsylvania is the same. In Pennsylvania there are 123 institutions of higher learning, but only half a dozen of them can be characterized as large. However, in many of the large institutions there is a real need for academic facilities, loans, and grants. The college housing program takes care only of dormitories and cafeterias. But I feel that there is a great need for scholarships, so as to enable the real brains of our country to attend college. Russia pays all the expenses of a bright student through 16 grades; but we cut off this assistance after 12 grades; and now the House will not even make it possible to provide scholarships and loans to take care of the needs of our brilliant students.

Mr. MAGNUSON. I do not mean to say that the larger institutions cannot make good use of this assistance; but I point out that a great many of the smaller ones were relying heavily upon this measure.

Mr. CLARK. Yes, and especially the junior colleges, which need help more than do any of the others.

Mr. MAGNUSON. Yes.

CONSTITUTIONALITY OF AMENDMENT EXEMPTING MEMBERS OF CERTAIN RELIGIONS FROM COMPULSORY SOCIAL SECURITY INSURANCE

Mr. CLARK. Madam President, on July 17, 1962, the Senate adopted by voice vote an amendment which I sponsored on behalf of myself, my colleague, the junior Senator from Arizona [Mr. GOLDWATER], and the Senators from Ohio [Mr. LAUSCHE and Mr. YOUNG], to give those with religious scruples against a compulsory social security insurance system, such as the Amish, an optional exemption from the law. The amendment was subsequently dropped in conference, and I was informed by one of the Senate conferees that the reason for this action was that it had been argued that the amendment was unconstitutional. Subsequently, I wrote to the Treasury Department and the Social Security Administration, both of which were represented in the conference meetings, and I received letters from both agencies denying that their representatives had stated any view as to the constitutionality of the amendment. Later I sent the amendment to the American Law Division of the Legislative Reference Service to obtain an opinion on the constitutionality of the proposal, and I have received a statement indicating that "we believe that this amendment is constitutional." Since I intend to offer the amendment again at the earliest opportunity, I ask unanimous consent of the Senate to have the opinion from the Library and the text of the amendment appear in the RECORD at this place.

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

THE LIBRARY OF CONGRESS,
Washington, D.C., September 19, 1962.

To: Hon. JOSEPH CLARK.
From: American Law Division.
Subject: Constitutionality of amendment adopted by Senate to H.R. 10606, exempting members of Amish faith from Social Security Act.

This amendment would exclude from social security coverage, under stated conditions, self-employed persons who are members of a religious faith whose established tenets forbid the acceptance of any insurance benefits.

We believe this amendment is constitutional. Since it establishes the same rule for all persons similarly situated throughout the United States, it meets the requirement of geographical uniformity imposed by article I, section 8, clause 1, of the Constitution.

In view of the fact that social security taxes are applied to the payment of benefits which persons excluded from coverage would not receive, this type of permissive exclusion does not appear to violate the due process clause of the fifth amendment. Unlike the 14th amendment, the 5th has no equal protection clause. However, in upholding the various exclusions in the original social security act, the Supreme Court assumed that discrimination, if gross enough, is equivalent to confiscation and hence involved under the fifth amendment. *Steward Machine Co.* v. *Davis*, 301 U.S. 548, 585, (1937).

The purpose of this amendment is a legitimate one—to give fuller meaning to the freedom of religion guaranteed by the first amendment. It would achieve this without increasing the burdens of other persons. Hence it appears to meet the test of reasonableness which is the essence of the due process clause.

MARY LOUISE RAMSEY,
Legislative Attorney.

SEC. —. (a) Subsection (c) of section 211 of the Social Security Act is amended (1) by striking out "or" at the end of paragraph (4), (2) by striking out the period at the end of paragraph (5) and inserting in lieu thereof "; or", and (3) by adding after paragraph (5) the following new paragraph:

"(6) The performance of service by an individual during the period for which an exemption approved under section 1402(h) of the Internal Revenue Code of 1954 is in effect."

(b) Subsection (c) of section 1402 of the Internal Revenue Code of 1954 is amended (1) by striking out "or" at the end of paragraph (5) and inserting in lieu thereof "; or", and (3) by adding after paragraph (5) the following new paragraph:

"(6) the performance of service by an individual during the period for which an exemption approved under section 1402(h) is in effect."

(c) Section 1402 of the Internal Revenue Code of 1954 is amended by adding at the end thereof the following new subsection:

"(h) MEMBERS OR ADHERENTS OF CERTAIN RELIGIOUS FAITHS.—

"(1) EXEMPTION.—Any individual who is a member or adherent of a recognized religious faith whose established tenets or teachings are such that he cannot in good conscience without violating his faith accept the benefits of insurance, such as those provided by the insurance system established by title II of the Social Security Act, may so certify in an application filed with the Secretary of Health, Education, and Welfare (in such form and manner as may be prescribed by regulations made under this chapter) requesting exemption from such title II insurance extended to service performed by him in his trade or business. Upon findings by the Secretary that such applications was made in good faith and that the members of such religious faith make adequate provision for elderly members of the faith to prevent them from becoming public wards in their old age, the application shall be approved and the individual exempted from coverage in the old-age and survivors insurance program.

"(2) EFFECTIVE PERIOD OF EXEMPTION.—An exemption pursuant to this subsection shall be effective for the taxable year in which it is approved and all succeeding taxable years, except that no such exemption shall be effective for any taxable year which ends before the date of enactment of this subsection."

PROFILE OF A PEACE CORPS MAN

Mr. CLARK. Madam President, I ask unanimous consent that an article from the September 8, 1962, issue of the Saturday Evening Post by Nathan A. Haverstock, entitled "Profile of a Peace Corps Man," be printed in the body of the RECORD.

The subject of this article is George Kroon, of Wallingford, Pa., a member of the Peace Corps. I believe Members of this body and subscribers to the CONGRESSIONAL RECORD will find this heartening article about the success of the Peace Corps to be well worth reading. I point out that a good part of the merit of the article comes from a series of maps printed in the Saturday Evening Post which, owing to our archaic and outmoded practices of doing business, cannot be reprinted in the CONGRESSIONAL RECORD.

I have pending a proposal, which has passed the House, and which I hope will be given favorable consideration by the Senate Committee on Rules and Administration before we adjourn, which would make it possible to print visual material of this sort in the CONGRESSIONAL RECORD.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Pennsylvania?

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

PROFILE OF A PEACE CORPS MAN

(By Nathan A. Haverstock)

At 5 o'clock in the morning the bulldozer pulls out of the village square dragging eight long new poles. The unfamiliar noise of the machine shakes the townspeople out of their sleep.

Like children anticipating a birthday they slip into their sandals, put on their patched pants, freshly laundered shirts, and double-breasted suit jackets to work on the widening of the old bridge. It is cold in the rainy season in the Colombian mountains, so they cover their working clothes with serape-like ruanas—heavy slit-necked wool blankets.

Peace Corps Man George Kroon (pronounced "Crone") and his Colombian coworker, Faustino Trujillo Morales, are up early too. Together they walk across the muddy square to the pensione to have breakfast and discuss the work ahead. On the way they pause frequently to exchange the involved greetings that form an important part of each day: "How did you greet the dawn?" "Did you pass an untroubled night?" "Is your family well and happy today?" As the Peace Corps Man explained, " 'Good morning' is just not adequate here."

Kroon is an easygoing young man who has had the advantages of life in an upper-middle-class American family. Out-of-the-ordinary experiences have not marked his 22 years. He and his contemporaries are all too young to have tasted the bitter war years. But today George is a part of an adventure that has seized the imagination of young Americans everywhere. A member of the first Peace Corps unit to reach the field. George says, "The people here treat me like one of Kennedy's sons."

Recently, Post Photographer John Bryson and I visited George at his post in Fúquene, Colombia, a poor town with 400 inhabitants, which overlooks the lake that local people say conceals the fabled riches of El Dorado. We found George busy making arrangements for the bridge widening, another of the down-to-earth incidents that make up the reality of his Peace Corps adventure.

George applied for the Peace Corps after graduation from Claremont Men's College in California as a business administration major. He was selected from among thousands of applicants to train at Rutgers University. Along with others who were slated for Colombia, he studied Spanish, Colombian history and methods for community development. As a byproduct of the Corps special emphasis on physical toughening, George shed 50 pounds. Today his khakis hang loosely on his 6-foot-5, 254-pound frame.

When he arrived in Colombia a year ago, George was given 6 week's on-the-spot instruction in Spanish and on the ways to interest people of a rural community in achieving common goals, such as the building of schools, health centers, and roads.

Chris Sheldon, director of the Peace Corps program in Colombia, and Mert Cregger, CARE-Peace Corps director for Colombia, had introduced George to some of the local officials and influential citizens of Fúquene, and he was then on his own.

His first task was to sell the idea of community action on a door-to-door basis. George told me that he was extremely lucky: "The people of Fúquene overwhelmed me with friendship from the start." They opened their doors willingly to the young American and invited him in for a cup of rich Colombian coffee or a bottle of beer. He discussed with them their ideas on what Fúquene needed and how they felt the needs could be filled. But his shaky command of the language kept him in constant terror. "I remember asking, 'When does the train arrive?' when I meant to ask, 'Do you have a cup of tea?' " He looked up each new word in the heavy dictionary he brought with him. Now George rattles off Spanish like a native Colombian.

HELP FOR A PEACE CORPSMAN

After George had been in Fúquene for a few weeks, the Colombian Government assigned Faustino Trujillo Morales to the town as promotor. The Spanish promotor means roughly the same as the similar English word: a person who "promotes" community action.

Trujillo is a member of the Colombian Goverment's own program for community development, which antedates the arrival of the U.S. Peace Corps. Now Peace Corpsmen and promotores work hand in hand to find out what the people of small backward communities think they need. Together they pitch in to help organize the people to accomplish those objectives.

Trujillo is 26 years old. After finishing the equivalent of high school in his native Santander, Trujillo put in 4 years as a construction worker in Venezuela, near Caracas. Upon returning to Colombia, Trujillo was selected by the Colombian Government for training at the National University in Bagotá. Just before arriving in Fúquene, he had completed a 4-month course which dealt with principles of community development, paralleling to a certain extent the Peace Corps training.

George and Trujillo complement each other. Of Trujillo, George says, "I would be lost without him." Trujillo is a born leader and a good extemporaneous speaker at meetings of town councils and workers' groups. He is an effective intermediary between the townspeople and a government that is frequently sluggish. Trujillo and George now share a bedrom, an office (which has a writing table, a map, and Trujillo's diploma from the National University's program for promotores) and a bathroom.

By the end of their first 2 months George and Trujillo had organized several committees for action. The committees had agreed on goals, but the goals—apart from the fact that they had been discussed—were as far away from realization as ever. As George says, "All that we were able to do was talk

with the people about what needed doing. Basically it was all talk, talk, talk.

THE PADRE DROPS A BOMB

The talk might have gone on indefinitely had it not been for the bomb that Padre Ciro Gomez dropped before mass on St. Joseph's Day. Fúquene does not have a full-time priest. Either Padre Ciro Gomez, the head of the parish, or his energetic assistant, Padre Ernesto Maecha, comes each Sunday to hold mass. The younger priest, who wears a flight jacket and a beret, is a familiar figure, bouncing up the road in his jeep for christenings or burials.

"Unless you live with these people, it is difficult to understand the role of the padre," says Protestant Kroon. "The padre is interested in every facet of the community, not just the spiritual life.

"Well, I was practically lifted off my seat by the padre's words on St. Joseph's Day. He said that the community-action program being developed by Trujillo and me was the kind of thing St. Joseph would be engaged in if he were living in Fúquene, because St. Joseph was interested in his community."

The padre went on to say that from then on, Sunday or not, the people of Fúquene should pitch in after mass and help out the program. "That was the beginning of our success here in Fúquene," said George. "We had 111 people out working the next day. The following Sunday we had 150 people."

The townspeople agreed that they would give 2 days out of each week to community projects—Sundays and Thursdays. During the bad months of the winter rainy season, or when they aren't able to plant or look after their crops, they work additional days.

"We restricted our projects to those we could realize within a reasonably short time," says the level-headed American. "We decided on two objectives, both much needed: a road and a community health center."

Fúquene's only medical facility is a healer who has a few aspirins and some homemade remedies for stomach upsets. If a newborn baby comes down with diarrhea, the baby is likely to die. If an adult cuts himself with his machete, someone must ride on horseback 30 miles for medical help. Only occasionally does a doctor pay a visit to Fúquene.

The town now plans to have a doctor in the proposed health center 3 days a week on a regular schedule. There will be a full-time trained nurse. The site for the health center has been selected—a large tract of land overlooking the lake. The land was donated by five public-spirited farmers who live nearby.

The people of Fúquene are using a machine called a CINV–RAM to make the building blocks with which the health center will be constructed. The device makes oversized bricks out of a mixture of 90 percent low-grade sand (or dirt) and 10 percent cement. So far the people have made 8,000 of the 10,000 bricks required for the center.

The second project underway is the building of a road that will cut in half the 30-mile distance to the market in Ubaté. As George said in explaining the importance of the road, "Right now business just doesn't exist here." People must pack their crops—chiefly corn, potatoes, and Spanish chick-peas—in cardboard boxes and sling them on the back of the bus that leaves each Friday at 7 a.m. Then they have to be lucky enough to sell their produce before 2 o'clock in the afternoon, when the bus returns. "That's why," George added, "it's important to finish the road, to give people direct access to the market. With the new road we can link up with better bus service, as well as shorten the distance."

People are enthusiastic about working on the road, partly because they are fascinated by the bulldozer that George and Trujillo borrowed from the Colombian Government. "That bulldozer is a modern machine that is really capable of putting them to work," said George. "They realize the value of it, and they are very tender with it, the way parents are with a new baby. You can watch, if you like. We're going to widen one of the bridges on the road now."

PICNIC MOOD FOR PROJECT

Little by little the men of the town make their way toward the bridge site. Children bring the town's tools—mattocks, crowbars and shovels—by burro.

The field-kitchen contingent passes them along the grassy shoulders of the road, led by Elvira, a stocky, childless woman who has taken on herself the job of feeding the men when they are working on a community project. The day before, Elvira and her many women friends had taken up a collection from all the townspeople. Someone had donated a bag of potatoes, another some rice.

Near the bridge the road is clogged with people, all in a bright picnic mood. The bulldozer stands idling, the building logs tied behind it. Each group of men carries on an animated discussion of what should be done first.

Without being ordered to, one group clusters around the logs. Then there is a chant: "Don Jorge, Don Jorge, Don Jorge." For George—or "Don Jorge," as he is called in Spanish—is much respected by the people of Fúquene for his physical strength. His height makes him a giant among short, slight, wiry townspeople.

He takes up the center position as each log is lifted to the side of the road. Then he and others stop to smoke and to contemplate the next step.

Commotion surrounds each detail of the work. There is much laughing and joking and tremendous good nature everywhere. One man says, "It's a waste to use eight timbers to widen a bridge over such a tiny trickle of a stream." George takes in the scene with a patient eye. No more than 20 percent of the men are working at once. The others are energetically quarterbacking the job.

Finally rocks are rolled into place at either end of the bridge and, after much pulling and tugging, the men are satisfied that the rocks will support the logs properly. It is time to place the precious timbers, purchased at great expense.

Again the people chant, "Don Jorge, Don Jorge." With a smile and a shrug George bends down and heaves at the center of one of the huge logs. On either end cluster four or five men grabbing at the log in bizarre ways. Much discussion centers on which end of the log should be placed at which end of the bridge.

PROCESSION OF OFFICIALS

At 10 o'clock a line of officials comes over the hill from the direction of the town. The mayor in his sun helmet is in the middle. He is flanked by the treasurer, who wears a khaki shirt and a black necktie, and one of the town's three uniformed policemen. While the workmen continue to adjust the logs, the mayor and his subordinates stop to exchange a friendly greeting with those who are unoccupied.

Victor Manuel Pinilla, owner of the only truck in Fúquene, accompanies the mayor. Victor has always been of great assistance in the work of the community, making trips for cement and sand whenever his truck is not busy on regular business. He has an intelligent, roundish face which beams brightly between a clean white shirt and a green hat. But he doesn't like what he sees. He objects in no uncertain terms to the waste of materials. He says that they have built the bridge too high. They should have taken the old bridge apart first to see how many good logs it concealed. Perhaps they could have rebuilt and widened the bridge with the old timbers and saved the new timbers for another bridge later on.

Victor is an effective thinker and a hard worker. His views command the respect of the community, and in this instance his logic prevails. At 11 o'clock in the morning the old bridge is taken apart. George views the operation with the patience he says is "the most important thing I have learned." He doesn't try to dissuade the townspeople, because he doesn't feel he is there in Fúquene to convince anybody of anything. He is there to help them do the things they want to do for themselves.

Soon the new wings of the bridge are dismantled. Victor finds that most of the supporting timbers are too old and rotten to serve as the basis for a new bridge. Several of the salvable original logs are shifted around. Then it is 1 o'clock, time for lunch.

Elvira and her helpers have prepared a feast: soup first, with noodles and chunks of beef, followed by plates heaping with rice and chicken, corn, cornbread, salad and hot boiled potatoes. The ladies serve the meal by circulating among the men, passing out plates, utensils and napkins. Everything is well cooked. Beer and a thin strawberry soda are the drinks.

After lunch the men regroup at the bridge. Victor is again in the middle of things. He prods them on to rebuild the bridge much the same way they had it built in the early hours of the morning. The mayor mutters, "You see, you fools, it's just the way it was before you tore it apart. What have you accomplished with all this delay? Nothing."

The sun has now passed behind a sheaf of clouds. There is a threat of rain. Then suddenly, as if by spontaneous generation all of the logs are in place. Across the way the bulldozer has cut away the hill and piled up the earth where the curve in the road used to be. Men and women and children line up on the bridge and cheer as the bulldozer poises on the mound of freshly torn earth. With a roar the dozer pushes the earth before its blade, down on the bridge. At each thrust of the dozer the line of watchers recedes just enough to allow the machine to push the dirt a little farther over the logs. The heavy tracks of the dozer pack the earth down. The bridge is ready for traffic. "It always happens like that," says George. "We fiddle around for hours and hours, and then in 10 minutes the job gets done."

To the U.S. taxpayer the cost of the bridge has been small—the less than $5 a day it costs to pay George. George cannot call on Washington for the materials or machinery Fúquene needs. CARE, the private American relief agency which administers the Peace Corps program in Colombia, supplies him from time to time with essential tools such as the two brickmaking machines that Fúquene is using to build the health center. Frequently the Colombian Government helps out, as with the bulldozer. But basically George and Trujillo draw on their own resourcefulnesss and on the resources made available by the proud people with whom they work.

LEARNING ABOUT PATIENCE

George shares the town's pride in its achievements. "I want to come back here in a couple of years to see if they have finished the projects that we've started. It's awfully important that these people see things get finished."

Meanwhile, the details of life in a small community fill George's day. In talking about his experiences, George said, "I don't think I will ever be the same again. I have learned here the value of everything—a nail, a bag of cement, a piece of rope. But above all, I have learned to be patient with the people, with the weather, with the mail, with myself."

George's day begins at about 7 in the morning. He walks with Trujillo to the pensione across the muddy flat that is the town square. There he stoops low to pass

through the door into the interior court, where children and dogs play. Off to the right of the court he stoops again to enter the square dining room, which has one cloth-covered table. On the walls of the plain room are a few photographs from magazines and a garish picture of Jesus.

Usually the mayor and some of his fellow officials are already there having their morning eggs. George joins them. Then, over coffee, he and Trujillo line up the day's work. His lunch and dinner are eaten in the same room, at a cost of 70 cents a day for the three meals. Lunch consists of a bowl of hot soup, followed by meat and vegetables and a plate of rice with an egg on top. Neither George nor the townspeople trust the spring-borne local water supply. Weak beer is the usual beverage.

When George returns to his room from dinner, shortly after twilight, the town's electric generator goes on and stays on for 4 hours. As the generator warms up, the light in George's bedroom burns more brightly.

George brought with him the standard issue of each Peace Corps Man—khaki clothing, three pairs of boots and a camp stove. In Colombia he bought a gasoline lantern and a compact shortwave radio. The radio is in constant demand. When George isn't playing it, someone borrows it. He brought several dozen books with him, and he buys others on his twice-a-month trips to Bogotá, about 70 miles away. "I find," he says, "that I read more than I ever did before."

PLANS FOR THE FUTURE

Sometimes George's thoughts stretch to his home in Wallingford, Pa., and to the things he might have been doing had he not joined the Peace Corps. "When I finish my 2 years, I'm going back to school to do graduate work in business. You know, what bothers me is what my next prospective employer will say when he reads on my application, "Peace Corps, Fúquene, Colombia, 1961–63; salary $1,500 per year." He'll probably ask, "Well, what did you do in the Peace Corps?" What am I going to say? "Drank beer with the mayor, lived with 400 people at 9,500 feet, taught them how to use a brickmaking machine?"

"The way that bridgebuilding was all fouled up shows that I can't claim to be qualified as a bridge expert even at this altitude. As a matter of fact, a bridge expert would go nuts working with the people of Fúquene. That's why liberal arts majors do all right in the Peace Corps."

George believes that his Peace Corps assignment is definitely a man's job. He doesn't see how a woman could get along in a small community like Fúquene. For one thing, in Colombia women have a standing that is different from what they have in the United States. It would be extremely difficult for a woman to gain the confidence of local male officials. George figures that some of his most valuable hours are spent drinking beer with the mayor in one of Fúquene's four tiendas.

Entertainment is extremely limited. Occasionally George has a free night in Bogotá. In the city there is always some kind of social event, such as a dance or a party. But it's not the same as it is in the States.

What would he like to have if it were possible? That's easy: a good old-fashioned American date. A girl to sit and talk to for several hours. Nothing passionate. Just a few hours of small talk.

"But you know, after this hitch, I'd like to go to Africa," George said. "I've always wanted to see Africa. Trouble is, Peace Corps policies discourage that kind of thing. The Peace Corps is not a career service. The Corps figures that after 2 years you've had it. So I guess I'll reenter the orbit of life in the United States. But I'll never be the same as I was before. I hope Fúquene won't be the same as it was before either."

JOINT COMMITTEE ON ORGANIZATION OF CONGRESS FOR THE MODERNIZATION OF CONGRESSIONAL PROCEDURES

Mr. CLARK. Madam President, I send to the desk for appropriate reference a concurrent resolution to establish a Joint Committee on the Organization of the Congress for the modernization of congressional procedures. This joint committee proposal, similar to the one passed by the 79th Congress which led to the Legislative Reorganization Act of 1946, has been cosponsored by a bipartisan group of Members of the Senate and the House. In this body the Republicans are THOMAS H. KUCHEL, of California; JOHN SHERMAN COOPER, of Kentucky; and CLIFFORD P. CASE, of New Jersey.

The Democrats, in addition to myself, are Senators HUBERT H. HUMPHREY, of Minnesota, and CLAIR ENGLE, of California.

Two distinguished Members of the House of Representatives, HENRY S. REUSS, Democrat, of Wisconsin, and JOHN V. LINDSAY, Republican, of New York, are introducing identical resolutions on their side today.

Madam President, I ask unanimous consent that the concurrent resolution may be printed at this place in the RECORD and that it lie on the desk until the close of business on Wednesday of this week, in order that additional Senators may have an opportunity to cosponsor it, and I hope a large number, including the present occupant of the chair [Mrs. NEUBERGER], will do so.

The PRESIDING OFFICER. The concurrent resolution will be so printed, received and appropriately referred and; without objection, will lie on the desk as requested.

The concurrent resolution (S. Con. Res. 93) was referred to the Committee on Rules and Administration, as follows:

Resolved by the Senate (the House of Representatives concurring), That there is hereby established a Joint Committee on the Organization of the Congress (hereinafter referred to as the committee) to be composed of seven Members of the Senate (not more than four of whom shall be members of the majority party) to be appointed by the President of the Senate, and seven Members of the House of Representatives (not more than four of whom shall be members of the majority party) to be appointed by the Speaker of the House of Representatives. The Committee shall select a chairman and a vice chairman from among its members. No recommendation shall be made by the Committee except upon a majority vote of the Members representing each House, taken separately.

SEC. 2. The committee shall make a full and complete study of the organization and operation of the Congress of the United States and shall recommend improvements in such organization and operation with a view toward strengthening the Congress, simplifying and expediting its operations, improving its relationships with other branches of the United States Government, and enabling it better to meet its responsibilities under the Constitution. This study shall include, but shall not be limited to, the organization and operation of each House of Congress; the relationship between the two Houses; the relationships between the Congress and other branches of the Government; the employment and remuneration of officers and employees of the respective Houses and officers and employees of the committees and Members of Congress; the structure of, and the relationships between, the various standing, special, select, and conference committees of the Congress, the rules, parliamentary procedure, practices, and/or precedents of either House, the consideration of any matter on the floor of either House, and the consolidations and reorganization of committees and committee jurisdictions.

SEC. 3. (a) The committee, or any duly authorized subcommittee thereof, is authorized to sit and act at such places and times during the sessions, recesses, and adjourned periods of the Congress, to require by subpena or otherwise the attendance of such witnesses and the production of such books, papers, and documents, to administer such oaths, to take such testimony, to procure such printing and binding, and to make such expenditures as it deems advisable.

(b) The committee is empowered to appoint and fix the compensation of such experts, consultants, technicians, and clerical and stenographic assistants as it deems necessary and advisable.

(c) The expenses of the committee, which shall not exceed $———, shall be paid one-half from the contingent fund of the Senate and one-half from the contingent fund of the House of Representatives, upon vouchers signed by the chairman.

(d) The committee shall report from time to time to the Senate and the House of Representatives the results of its study, together with its recommendations, the first report being made not later than 4 months after the committee is established. If the Senate, the House of Representatives, or both, are in recess or have adjourned, the report shall be made to the Secretary of the Senate or the Clerk of the House of Representatives, or both, as the case may be. All reports and findings of the committee shall, when received, be referred to the Committee on Rules and Administration of the Senate and the Committee on Rules of the House.

Mr. CLARK. I state for the RECORD that the Senator from Colorado [Mr. CARROLL] has already asked to be added as a cosponsor.

The six Members of the Senate and the two Members of the House, who are sponsoring this resolution, have issued a joint statement in support of the measure. I shall read it now, because under our ridiculous and obsolete rules, if I do not read it, it will appear in small type, whereas if I read it, it will appear in large type.

The statement reads:

"General procedural and organizational problems have not been considered by the Congress since the La Follette-Monroney Legislative Reorganization Act of 1946. That act, useful as it was, failed to accomplish many needed reforms. Some of the reforms it achieved have been undone.

"The volume and complexity of Federal legislation has increased enormously in the last 16 years. Science and technology have involved the Congress in subjects unheard of in 1946—or even in 1956."

For one matter, by way of interpolation, atomic energy; for another matter, the exploration of space.

"Two new States and 50 million additional persons are now represented in Washington. The responsibilities of the

Federal Government have grown substantially.

"Adjournment has come at progressively later dates in recent years. More and more serious legislative proposals have failed to receive consideration.

"It is increasingly evident to all serious students of Congress that the rules, procedures, and customs under which both Chambers now operate must be modernized. Until this happens, Congress will not be able to meet effectively its constitutional responsibilities.

"In our view, specific reforms will be urgently needed at the opening of the 88th Congress. A broad scale review and reform of our procedures is also overdue. These two efforts are complementary, not contradictory. We urge widespread public attention to the need for Congress to put its own Houses in order."

I see present in the Chamber my good friends the Senator from California [Mr. KUCHEL] and the Senator from Kentucky [Mr. COOPER]. I invite their attention for a moment. I thank them for cosponsoring this resolution. The Senator from Minnesota [Mr. HUMPHREY] has already spoken in favor of it. I should be glad to have any comments from the Republican sponsors they may care to give at this time.

I yield to the Senator from California [Mr. KUCHEL].

Mr. KUCHEL. Madam President, I thank the Senator from Pennsylvania. Ten years ago, when I was first appointed to the U.S. Senate by the then Governor Earl Warren, the first vote I cast was against the filibuster rule in the Senate. Not very many Senators stood up and said, "We do not want the filibuster to continue"—half a dozen on this side of the aisle, half a dozen or more on the other side of the aisle.

Over the years, Senators who have considered that rule to be a miserable, vicious anachronism have grown in number. Next year I prophesy that the filibuster will die in this Chamber.

Having said that, I am delighted to join my colleague the Senator from Pennsylvania, in his resolution which now brings as coauthors both Republican and Democratic Members of the Senate under his leadership, because the very vicious rule to which I referred, which has abused the labors of the Senate on too many occasions this year, is but one of the regrettable parliamentary procedures by which the Congress of the United States continues to operate on a horse-and-buggy basis.

I say to my friend that it is no idle gesture on the part of any of us to join in cosponsoring his resolution—perhaps I should say our resolution, because I want to play my part.

The American people will approve a housecleaning by which we in this body—and those in the House of Representatives as well—can shear away those procedures which prevent the will of the people from being expressed. I am delighted to be present in the Chamber as the Senator makes his comments today.

Mr. CLARK. I thank my friend for his strong support. As the Senator knows, he, as the minority whip, is the principal Republican cosponsor of this bipartisan move. I shall do my best during the next few days—and I am sure the Senator from California will do his best—to assure as large a number of cosponsors of the resolution as is possible, in order that the Senate as a whole and the country as a whole may know that we take seriously our responsibilities with respect to procedure.

Mr. KUCHEL. I thank my friend.

Mr. COOPER. Madam President, will the Senator yield?

Mr. CLARK. I yield to the Senator from Kentucky.

Mr. COOPER. I am glad to join in sponsoring the resolution with the Senator from Pennsylvania [Mr. CLARK], the Senator from California [Mr. KUCHEL], the Senator from Minnesota [Mr. HUMPHREY], and other Senators.

When one has not served continuously in the Senate for a long period, a question always arises as to whether such a person is sufficiently acquainted with the processes of the Senate to suggest changes in rules.

As one who first served 15 years ago, as one who has seen the increase in the volume of the business of the Senate and the emergence of new issues, which were never previously dreamed of but are now of such critical importance, I believe it is fair to say that there is a desire on the part of all of us to have the work of the Senate made as effective as possible.

Since 1946 there has not been a study of the rules of the Senate, as well as of the House as the resolution contemplates. If the resolution were agreed to and if its purpose were carried out, I think we could have recommendations, and even changes which would be as important in our day as were the changes made under the La Follette-Monroney Act.

This year, for the first time during my service, it was interesting to see cloture applied. The distinguished Senator from Arizona [Mr. HAYDEN] is the only person who now serves in this Chamber who had any previous experience of the effect of the application of cloture.

The rule respecting cloture, is the one which generally attracts interest for great issues are involved. It is essential that legislative issues be open for full debate and examination; there is the interest of securing ultimately a decision by the Senate; and it is essential that the rule protect minorities, and also that it not be used to discriminate against minorities.

I have not favored a majority rule provision on cloture, but I have felt that the number of Senators who could invoke cloture should be reduced to three-fifths of the membership.

I observed for the first time this year, the effect of cloture on subsequent debate. It seemed to me that, after cloture was invoked, the limitation of 1 hour to a Member to debate and to explain an amendment was too short. Perhaps the time allowance could be adjusted in such a way that, although the total number of hours would remain the same, there could be an allocation of time which would insure effective explanation of amendments and debate once cloture was invoked.

I have given thought to another problem in connection with our debates. It would be a great thing if a rule of relevancy or germaneness were applied once a bill or a legislative proposal became the pending business of the Senate.

Mr. CLARK. I thoroughly agree with the Senator. I point out that if there were such a sensible rule I could not be making this speech now, because it is a nongermane speech.

Mr. COOPER. I understand. It seems to me that when a legislative proposal becomes the pending business of the Senate, the attention of the Senate should be addressed to the pending business, and the rule of relevancy should apply.

Mr. CLARK. Does not the Senator agree with me that ample opportunity could be given under a rule of relevancy for Senators to speak on nongermane matters at times when the Senate was in session but when the pending business was not before the Senate for discussion and passage?

Mr. COOPER. That is the point I am making. There would be ample opportunity for Senators to speak in the morning hour, or late at night, after the Senate determined it wished to stop debate on the pending business. There would be ample opportunity for the discussion of other subjects.

I think that a rule of germaneness would create greater interest and direct the full attention of the Senate to pending business.

It seems to me that certain changes could be made in Senate procedure even without the necessity of a formal change of a rule. For example, we know from experience that at the beginning of each session Senators must run from committee hearings to the Senate Chamber and then back to the committee rooms. The work of the committees is interrupted again and again; witnesses cannot make an orderly presentation, and the practice prevents full attendance on the Senate floor.

At the beginning of a session—in fact, for several months—the leadership on both sides of the aisle could agree that certain days of the week would be devoted wholly to committee work, and certain days would be devoted wholly to work in the Senate. Since the committee meetings would not be interrupted, thorough consideration could be given to the testimony presented by people who come to testify before the committees of the Senate—both representatives of the executive branch and private citizens.

Such procedure would enable Members to know that a legislative program could be carried on in the Senate on specific days, and that it demanded their full attention.

There is one other matter which I mention with some trepidation, yet I think action in this regard might be helpful. I think consideration should be given to the question of limiting written speeches. I think it is proper for a Senator who is in charge of a bill, a Senator who brings a bill before the Senate, to

have the opportunity by means of a written speech to detail the facts. The bill is his prime responsibility. Perhaps the Senators who offered amendments could be permitted short written statements upon which they could elaborate. Perhaps Senators who were charged with the duty of leading opposition to a bill might be permitted the same practice. But I think it would be much better for debate if all, with the exceptions I have noted, were on the same level in the debate and written speeches eliminated or limited. I think that would provide livelier debate. It would put us all on the same level, the good speakers and the bad speakers. We would find out who are the good speakers and who are the bad speakers, and we might learn who really had studied the bill.

The suggestion regarding written speeches would require changes in the rules. But the allocation of time between Senate work and committee work in the early days of the session—at least the first 3 months—could be provided by agreement of the leadership.

I say these things because I believe that the greatest responsibility of a Member of the Senate is his legislative work—the interest, and the study, he can bring to bear upon matters which actually come before the Senate and which, today, affect the life of our country and bear upon the questions of war and peace.

I cannot, or will not give the time we should to our greatest responsibility as Senators, unless a better arrangement and allocation of time as between committees and meetings of the Senate is made. I believe the study proposed by the resolution is imperative.

Mr. CLARK. I thank my friend for his support of that resolution, of which he is the principal cosponsor.

I should like to call the attention of Senators to the strong support that was given earlier this month by the American Political Science Association to the *kind of study* which the resolution contemplates. On September 5, the first day of their annual meeting in Washington, the Association members of that well-known civic organization, composed of so many able students of government, urged the appointment of such a high-level commission to study the problem of the continuing conflict between the two branches of government, which is an inherent part of the proposed study of congressional procedures which has been introduced. I should like to call particular attention to the fact that James McGregor Burns, professor of political science at Williams College, and a biographer of President Kennedy, told the Association's business meeting that he strongly supported the need for legislative procedural reform, and that President Kennedy himself is concerned about it.

I should also like to call attention to a broadcast by Peter Clapper, substituting for Edward P. Morgan, on the American Broadcasting Co. broadcast on August 30, in which he pointed out that Congress was plodding on out of pace with the changing tempo, that legislative procedural reform was badly needed, that the Congress needs some more reorganizing to cope with its mushrooming workload.

I ask unanimous consent that excerpts from that broadcast may be printed in the RECORD at this point in my remarks.

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

Times change. The Nation grows. The world becomes more complicated. Problems mount. But Congress plods on, out of pace with the changing tempo. Something's got to be done to speed up the actions of the National Legislature to make it more responsive to public need. Too many vital questions are going unresolved.

It's been 16 years since Congress turned inward and made an effort to streamline itself. In 1946 the LaFollette-Monroney Legislative Reorganization Act was passed. Since then have emerged the cold war, the farm problem and the hydrogen bomb. We've added two States and millions of new citizens. Federal expenditures have soared, and Congress has been swamped.

It's time Congress did some more reorganizing to cope with the mushrooming workload. But some schemes for modernizing Congress can be expected to run into a brick wall of congressional resistance. For instance, it's been suggested the House could save half an hour on every vote by voting electrically. Trouble is, the Congressmen need half an hour just to get to the floor from farflung Capitol Hill offices, committee rooms, and hideaways. And it's been suggested the Senate could save time by adopting the rule of relevancy in speeches on the Senate floor. In other words, Senators would have to keep to the point. Trouble is, that's just asking too much of Senators.

There are, however, many other improvements more possible to achieve and more timesaving. All focus on the committees of Congress. Woodrow Wilson once said, "I know not how better to describe our form of government than by calling it a government by the chairmen of the standing committees of Congress." It still is. The real work of Congress is done in the committees, and the real time is wasted there. This year we've been handed two outstanding examples.

* * * * *

To ease the workload of committees, a number of suggestions have been made. All include closer cooperation between House and Senate. None is new, but the use of all could be expanded. First is the joint committee—Members from both Houses meeting together. Dr. George Galloway, of the Legislative Reference Service at the Library of Congress, has written that joint committees are timesavers, substituting a single hearing for two. He points out the joint committee helps keep the executive branch from playing the Senate off against the House. He adds that measures matured by joint action are unlikely to require much adjustment after passage by Senate and House. The jealousy of House and Senate to maintain independence from each other, however, has kept the idea of the joint committee from getting very far. An alternative is the joint hearing followed by separate Senate and House committee action. The joint hearing at least would save half the time members of the executive branch must spend testifying and would cut the cost of printing the testimony. Separate committee action then would preserve each body's prized sense of independence. The problem here, however, is in scheduling the hearing at a time convenient to both committees. That leaves the joint staff as a proven timesaver. A single staff of experts funneling legislation to two committees provides a coordinated approach which has been valuable already in such limited fields of taxation and atomic energy.

Whether these specific devices are expanded, the key to modernizing Congress is in closer coordination between the House and Senate. Like a swimmer on a cold morning, Congress has sampled the icy but invigorating waters of joint action. Perhaps it will take an aroused public, though, to push Congress in.

This is Pete Clapper saying good night from Washington.

Mr. CLARK. Madam President, I turn now to a series of suggestions which are mine alone, and for which the seven cosponsors bear no responsibility. These are suggestions in addition to the nine which I introduced earlier in the session, and to which I shall refer later.

My first additional suggestion is designed to require that all standing committees report, affirmatively or negatively, all legislative requests of the President of the United States submitted within a reasonable time prior to July 4 of each year, so that the Senate as a whole will have an opportunity to consider these proposals and the recommendations of the committee prior to adjournment.

As of July 4, 1962, 75, or 26.31 percent of the 285 legislative requests submitted by President Kennedy up to that time in the 87th Congress had received no action at all in either the House or the Senate.

Madam President, I send to the desk for appropriate reference a resolution intended to attack this problem.

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

The resolution (S. Res. 400) was referred to the Committee on Rules and Administration, as follows:

Resolved, That it is the sense of the Senate that each standing committee of the Senate shall consider any legislative proposal of the executive branch of the Government referred to it within a reasonable time prior to July 4 of any year and report its recommendations for or against enactment to the Senate, so that the Senate as a whole will have an opportunity to consider the proposal and the recommendations of the Committee prior to adjournment of the session at which the recommendation was made.

Mr. CLARK. Madam President, it is true we do not have a parliamentary form of government in our country. Therefore the legislature is under no compulsion to consider or, indeed, to act upon legislative recommendations made by the coequal branch of our Federal Government—the executive. Yet as time marches on and the problems of the modern day become more complex, it is my strong view that the President, as our Chief Executive officer, and also as Commander in Chief of our Armed Forces, is entitled to have the merits of every proposal which he sends down to Congress in a timely season in each session at least made available for consideration by this body. Under this proposal, of course, committees could schedule consideration of the President's requests as they come from the White House. They might want to hold hearings. They might decide to recommend the proposal be rejected in its entirety. They might decide to modify it. But they would have to report it, with affirmative or negative recommendations, so that a vote on the merits of the pro-

posal could be had in ample time before adjournment if the Senate desired. No longer would it be possible to pickle legislation on civil rights. No longer would it be possible to pickle proposed legislation on a host of other subjects which are of vital importance to the well-being and, indeed, to the safety of our Nation.

My second proposal would permit the Senate and the House Appropriations Committees to hold joint hearings on all appropriations bills, and then authorize each committee to initiate executive action on half the bills. It is abundantly clear to all that one reason why we are still here on the 24th day of September arguing about proposed legislation is that a hassle developed between the Appropriations Committees of the two Houses. That resulted in a delay by at least 2 months in the consideration by this body of appropriation bills. There is no provision in the Constitution which requires the House of Representatives to initiate appropriation bills. The provision in the Constitution deals only with revenue-raising bills, and not at all with appropriation bills.

Madam President, I am firmly of the belief that much time which is now wasted would be saved if joint hearings on all appropriation bills were conducted from the beginning of the session forward. Then the Senate should act first on half of those bills and the House should act first on the other half. That is one reform which alone might well save us between 30 to 60 days in the length of each session. In addition in my opinion, once the appropriation bills were reported to the floor, the committee members having acted on identical testimony, the bills would be far more in accord with the national interest than they are under the present cumbersome procedure.

Madam President, I send to the desk for appropriate referral a concurrent resolution carrying those suggestions into effect.

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

The concurrent resolution (S. Con. Res. 94) was referred to the Committee on Rules and Administration, as follows:

Resolved by the Senate (the House of Representatives concurring), That section 133 of the Legislative Reorganization Act of 1946 (relating to Committee Procedure) is amended by adding at the end thereof the following new subsection:

"(g) In each session of the Congress one-half of the bills making appropriations of the revenue for the support of the Government shall be introduced in the House of Representatives, and one-half of such bills shall be introduced in the Senate. The chairman of the Committees on Appropriations of the Senate and of the House of Representatives shall determine by agreement which of such bills shall be introduced in each House. No such bill shall be introduced in more than one House of the Congress. Hearings upon each such bill shall be conducted jointly by the Committees on Appropriations of the two Houses, or by subcommittees of those committees. A member of the Committee on Appropriations of the House in which any such bill was introduced shall preside at all joint hearings upon that bill."

Mr. CLARK. Madam President, my third suggestion would direct the members of each standing committee of the Senate to choose their chairman by secret ballot at the opening of each new Congress. Such action in effect would do away with the automatic rule of seniority for that post and would permit a majority of the members of a committee, whose ideological views were not in accord with those of a chairman, to replace the chairman with a member that a majority of the members of the committee felt was more in accord with prevailing views in the committee.

I send to the desk for appropriate referral a resolution which would amend the text of rule XXIV of the Standing Rules of the Senate to bring into effect the reform which I have just outlined.

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

The resolution (S. Res. 401) was referred to the Committee on Rules and Administration, as follows:

Resolved, That the text of rule XXIV of the Standing Rules of the Senate is amended to read as follows:

"1. At the beginning of each Congress the Senate shall proceed by ballot to appoint the members of each standing committee, and unless otherwise ordered of each other committee of the Senate. All members of each such committee so appointed shall be appointed by one ballot. A plurality of the votes cast shall be required for the appointment of the members of each such committee.

"2. Upon the appointment of the members of each such committee pursuant to paragraph 1, the members thereof shall elect by secret ballot one member of that committee to be chairman thereof. A majority of the whole number of votes given shall be required for the election of a chairman of any such committee."

Mr. CLARK. Madam President, my fourth proposal would place a ceiling of 70 years of age on service as chairman of a standing committee. This would extend to the legislative branch the same rule which we have only recently enacted for chief judges of the U.S. district and appeal courts. This rule would not, of course, contemplate that a Senator would have to retire from service on the committee at age 70; it would merely provide that another would assume the added, heavy duties of chairing the committee.

So, Madam President, I send to the desk for appropriate referral an amendment to rule XXIV of the Standing Rules of the Senate intended to carry into effect the suggestion I have just made.

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

The resolution (S. Res. 402) was referred to the Committee on Rules and Administration, as follows:

Resolved, That rule XXIV of the Standing Rules of the Senate is amended by adding at the end thereof the following new paragraph:

"3. No Member of the Senate may serve as chairman of a standing committee of the Senate after he has attained the age of seventy years. When any such chairman attains the age of seventy years, his successor shall be appointed in the manner prescribed by paragraph 1."

Mr. CLARK. Madam President, my fifth suggestion has to do with the jurisdiction of the Committee on Finance. I do not believe anyone can read rule XXV of the Standing Rules of the Senate and see the extensive jurisdiction given to the Committee on Finance without wondering how in the world a committee which was set up originally to deal with revenue measures has through the years acquired jurisdiction over so many, largely unrelated measures. The inordinately heavy burden on the members of the Finance Committee this year in particular has dramatized the need for a fairer and more logical division of subjects between committees.

I suggest that jurisdiction over social security measures should clearly be vested in the Committee on Labor and Public Welfare. That committee is far better set up to deal with welfare matters. To be sure there are employee and employer taxes under social security, but they are not public revenue raising measures. Perhaps a question may arise as to whether the Finance Committee should not at some point take a look at a bill before it goes to the floor for final action. However, I suggest that the Committee on Finance is not the place where we should deal with social security legislation, whether it has to do with health care or medical care for the elderly under social security or any amendment to the Social Security System.

Similarly, it seems to me that matters related to reciprocal trade legislation, and those dealing with tariffs and quotas, are only incidentally related to matters dealt with by the Committee on Finance and are primarily matters of foreign policy.

My proposed rule would transfer such jurisdiction from the Finance Committee to the Committee on Foreign Relations.

In rule XXV there are several other matters which are presently assigned to the Finance Committee, which my proposal would undertake to shift to other committees.

Among them are the bonded debt of the Nation, which clearly should be the responsibility of the Committee on Banking and Currency. The same thing can be said of the deposit of public moneys, which I think should be a matter within the jurisdiction of the Committee on Banking and Currency.

I send to the desk for appropriate referral a resolution intended to carry these changes and others into effect.

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

The resolution (S. Res. 403) was referred to the Committee on Rules and Administration, as follows:

Resolved, That rule XXV of the Standing Rules of the Senate is amended in the following respects:

(a) Section 1(h) (relating to the jurisdiction of the Committee on Finance) is amended by striking the following listed subjects: "2. The bonded debt of the United States; 3. The deposit of public moneys; 5. Reciprocal trade agreements; 6. Transportation of dutiable goods; 8. Tariffs and import quotas, and matters related thereto; and 9.

National social security." and renumbering the remaining subjects:

(b) Section 1(d) (relating to the jurisdiction of the Committee on Banking and Currency) is amended by adding at the end thereof: "10. The bonded debt of the United States; 11. The deposit of moneys.";

(c) Section 1(i) (relating to the jurisdiction of the Committee on Foreign Relations) is amended by adding at the end thereof: "14. Reciprocal trade agreements; 15. Tariffs and import quotas, and matters related thereto";

(d) Section 1(j) (relating to the jurisdiction of the Committee on Interstate and Foreign Commerce) is amended by adding at the end thereof: "19. Transportation of dutiable goods"; and

(e) Section 1(e) (relating to the jurisdiction of the Committee on Labor and Public Welfare) is amended by adding at the end thereof: "20. National social security".

Mr. CLARK. Madam President, there are other matters with respect to which I have submitted no particular resolution, but which, it occurs to me, should be clearly gone into by the proposed joint committee, which the concurrent resolution offered earlier is intended to create.

I have just left a session of the Committee on Post Office and Civil Service, which deals with postal pay. I discovered what I perhaps should have known already, because I have served on that committee for several years; namely, that the salaries of legislative employees can be fixed to some extent by the Committee on Post Office and Civil Service, just as salaries can be fixed for the classified civil service and postal employees by the same committee, but the Appropriations Committee can and has established certain legislative employee pay ceilings.

We find also that the basic pay standards of our employees are divorced from reality. These basic pay rates bear no resemblance to what the actual salaries are. I do not know why the system came into being initially, unless it was established so that the country would not know that legislative employees were getting a much higher salary than they were shown to be receiving. Now, however, these salaries are published in an official document of Congress, and any possible or alleged need for survival of the archaic dual system seems to be completely gone.

I wonder, when we now handle many of these matters in the Appropriations Committee, why the Committee on Post Office and Civil Service still retains jurisdiction to determine these basic rates.

Mr. MONRONEY. Madam President, will the Senator yield?

Mr. CLARK. I yield.

Mr. MONRONEY. The reason why the basic pay scales are still in the present system is that during the war years price increases came so rapidly that, to meet the cost-of-living increase we merely added a percentage raise to the basic salary. The gross amount became a matter of great inflation. We did that particularly to make certain that the lower paid employees were properly compensated in conformity with the cost-of-living index. I agree with the Senator that the need for it no longer exists, but, as he knows, it was most difficult to try to get it all into one reorganization bill.

Mr. CLARK. I thank my friend for his lucid explanation. I commend him as one of the great authors of the Legislative Reorganization Act of 1946. I hope, after he has given the matter his careful attention, he will be willing to join as a cosponsor with several other Senators who have already cosponsored the concurrent resolution, to establish another Joint Committee on the Organization of the Congress.

Madam President, another matter which I believe the joint committee should look into—and I see on the floor of the Senate the Senator from Nebraska [Mr. CURTIS]—is the matter of the minority staffing. I do not believe we are doing the right thing in minority staffing in all committees. I know of no better way to see to it that justice is done to the minority in the matter of staffing of committees than to refer to the joint committee the matter of staffing, so that the joint committee may report an equitable arrangement in that connection.

Madam President, earlier this year I submitted other proposed changes in the Senate rules. They were referred to the Committee on Rules and Administration, where they met with something less than enthusiastic reception. In order that this picture may be complete, I merely wish to state for the record that they were, first, to authorize cloture of debate by majority action, or alternatively, to permit "moving the previous question" after reasonable debate.

Ours is the only civilized legislative body in the free world which does not have a procedure for terminating debate by moving the previous question. This device is the converse of a motion to table, which has come into greater and greater favor in our body in the last few years. In other words, it is now possible to cut off debate in a second by moving to table. I believe that a similar procedure should be made available to those who want action and not inaction with respect to legislation which they believe to be of such importance to the country that the Senate should be required to vote on it as a matter of record if a majority agrees to do so.

Secondly, one of my rule reforms would require a majority of the Senate conferees to agree with the prevailing viewpoint of the Senate on matters in dispute between the two Houses. Far too often the views of senior conferees on a bill who have been appointed by this body have not favored the floor action taken by the Senate, and they have not been in sympathy with such action. I have seen instances in which a proposal which the Senate had adopted by a yea-and-nay vote was discarded in minutes after the conferees had met, because a majority of the conferees had opposed the action which the Senate had taken in the first place. As I have said before, an attorney must believe in his client's case. If he does not, he should not take the case.

I hope that this reform will be adopted in the foreseeable future.

My third proposal was to authorize committees to meet during Senate sessions unless a majority of the Senate voted to prohibit it. There is hardly a Senator who has not been annoyed and frustrated by the action of a single Senator in preventing all committees from sitting and doing important work in the country's interest because that Senator objected to the granting of unanimous consent for committees to meet while the Senate was in session.

It has been urged that such objection has been made in order to have more Senators come to the Chamber and listen to the debate. But one does not have to be a Member of this body for any longer than the 6 years I have been a Senator to appreciate that such a desire is completely unrealistic. In my opinion, not one Senator will come to the floor and listen to debate merely because his committee has not been granted unanimous consent to sit while the Senate is in session. In my opinion, this is one of the most badly needed reforms of Senate procedure, if the business of this body is to be expedited and we are not to find ourselves every year still in session on the 24th of September, having been in session since the early days of January, and not being able to complete our business and go home before another 2 weeks.

My next suggestion was to require that Senate debate be germane to the pending measure after a majority of Senators had voted to invoke a rule of germaneness. As I stated earlier, I would not have the right to make the speech I am now making if such a salutary rule had been in effect.

My next suggestion was to authorize in addition to existing procedures a majority of the members of each standing committee to convene meetings, call up business, and terminate debate after reasonable discussion. Such modernization is needed to provide up-to-date modern rules for committee action. It would make it possible to act on proposed legislation before a committee and thus overcome the difficulty which is now confronted in certain committees when action is sought to be taken on bills which the President of the United States intensely desires to have passed.

My next suggestion was to limit speeches on the floor of the Senate to 3 hours for each Member. I point out that I have covered, with some degree of clarity, I hope, this rather complex, difficult problem in somewhat less than 1 hour. I suggest that it is almost always possible to complete a speech in less than 3 hours, and Senators almost always do so, except when the Senate is engaged in a filibuster and then the normal customs go out the window.

I should like to recall what Justice Holmes said when he was serving on the Supreme Judicial Court of Massachusetts:

> I apologize to my colleagues for speaking at such length; I have not had time to write a shorter opinion.

Such a statement is applicable to Senate speeches, as well.

My next suggestion for reform is to limit morning hour business. My suggestion would be to rewrite this rule so as to bring it into accord with reality.

Another suggestion was to permit Senators to insert written speeches in the RECORD in large type without having to read every word. I think this would abolish the present hypocrisy which permits many Senators, including myself, to read the first sentence of a long speech, to skip through it for 5 minutes, then to read the last sentence, and then rely on the good nature of the Official Reporters to make certain that the whole speech will appear in large type in the CONGRESSIONAL RECORD the next day.

Why go through that hypocrisy? Or if one is more straitlaced than I am, why should he stand here and drone on, hour after hour, while the Senate Chamber is empty, in order to insure that he complies with the rule, to make certain that the next day the speech will appear in the RECORD just as though the Senator had spoken to crowded galleries who were hanging onto his every word?

Earlier this year the Senate adopted a proposal of mine dealing with the procedure to be followed when a Senator was about to be rebuked for violating rule XIX, section 2, in debate. I am glad that that minor change has been made.

My final proposed change in the rules would dispense with the reading of the Journal unless a majority voted otherwise. We saw earlier this session how the Journal rule could be abused—in my opinion, abused; perhaps not in the opinion of other Senators—in connection with filibusters. In that particular instance, the filibuster did not prevail, but valuable time of the Senate was taken as the result of an absurd requirement of an outmoded, archaic procedure, the reading of the Journal, which Senators hardly ever listen to.

Mr. YARBOROUGH. Madam President, will the Senator from Pennsylvania yield for a question?

Mr. CLARK. I yield.

Mr. YARBOROUGH. Is it the Senator's theory that the space satellite bill should have passed?

Mr. CLARK. I voted for cloture. I did not feel happy about doing so, but I do not believe that the procedure which was followed helped us one whit. I do not believe the reading of the Journal helped the Senator from Texas and me one iota in calling the attention of the country to the many serious defects in the bill, with respect to which I am in accord with the Senator from Texas.

Madam President, I have concluded my proposals, having perhaps held the Senate too long. I hope many Senators will undertake to join the Senators from California [Mr. KUCHEL and Mr. ENGLE], the Senator from Kentucky [Mr. COOPER], the Senator from Minnesota [Mr. HUMPHREY], the Senator from Colorado [Mr. CARROLL], the Senator from Oregon [Mrs. NEUBERGER], and me in cosponsoring a resolution which would permit a modern-day Monroney and a modern-day LaFollette to do for the present practices of the Congress what those two eminent Members of Congress did with such great success in 1946.

I yield the floor.

INVESTMENT OF WAR-RISK INSURANCE FUND

Mr. BARTLETT. Madam President, I move that the Senate proceed to the consideration of Calendar No. 1537, S. 3244.

The PRESIDING OFFICER. The bill will be stated by title.

The LEGISLATIVE CLERK. A bill (S. 3244) to amend section 1208(a) of the Merchant Marine Act, 1936, to authorize investment of the war-risk insurance fund in securities of, or guaranteed by, the United States.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Alaska.

The motion was agreed to; and the Senate proceeded to consider the bill.

Mr. BARTLETT. Madam President, so far as I know, there is no controversy at all with respect to the bill. It would merely authorize the Secretary of the Treasury, at the request of the Secretary of Commerce, to invest funds so that they might become interest-bearing in relationship to money accumulated in the war-risk insurance fund.

The PRESIDING OFFICER. The bill is open to amendment. If there be no amendment to be proposed, the question is on the engrossment and third reading of the bill.

The bill (S. 3244) was ordered to be engrossed for a third reading, read the third time, and passed.

Mr. BARTLETT. Madam President, I ask unanimous consent that the action by which the bill was passed be rescinded and that the Senate proceed to the consideration of Calendar No. 1865, H.R. 11728, an identical bill.

The PRESIDING OFFICER. Without objection, the action by which the Senate bill was passed is rescinded. The House bill will be stated by title.

The LEGISLATIVE CLERK. A bill (H.R. 11728) to amend section 1208(a) of the Merchant Marine Act, 1936, to authorize investment of the war-risk insurance fund in securities of or guaranteed by the United States.

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

There being no objection, the bill (H.R. 11728) was considered, ordered to a third reading, read the third time, and passed.

The PRESIDING OFFICER. Without objection, Senate bill S. 3244 is indefinitely postponed.

COMMITMENT OF CONSTRUCTION RESERVE FUNDS

Mr. BARTLETT. Madam President, I move the Senate proceed to the consideration of Calendar No. 1702, S. 3396.

The PRESIDING OFFICER. The bill will be stated by title.

The LEGISLATIVE CLERK. A bill (S. 3396) to amend section 511(h) of the Merchant Marine Act, 1936, as amended, in order to extend the time for commitment of construction reserve funds.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Alaska.

The motion was agreed to; and the Senate proceeded to consider the bill.

Mr. BARTLETT. Madam President, at issue is some $11 million of the available assets of the American-Hawaiian Steamship Co. which, under present law, must be committed for new ship construction by December 31, 1962, or subject to tax.

The company has made several efforts to invest in vessels for intercoastal operation. Originally they invited bids for 10 automated container ships, but the bid prices were exorbitant. In 1959 it asked mortgage insurance on four—later reduced to three—vessels of the same type, but the Martime Commission refused approval because another operator offered to use some existing vessels in the proposed service.

Then the Secretary of Commerce invited the company to reapply for the insurance on the three ships. The company did so, whereupon the Maritime Commission decided to hold public hearings, which will continue into the fall, and decision may not be reached in time for the company to commit its funds by December 31.

The committee has informal assurance of Maritime Commission and Department of Commerce approval of the bill. I know of no opposition to it.

The PRESIDING OFFICER. If there be no amendment to be proposed, the question is on the engrossment and third reading of the bill.

The bill (S. 3396) was ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the proviso at the end of section 511(h) of the Merchant Marine Act, 1936, as amended, is amended to read as follows: *"Provided,* That until January 1, 1963, in addition to the extensions hereinbefore permitted, further extensions may be granted ending not later than December 31, 1963."

SEC. 2. The amendment made by the first section of this Act shall take effect December 31, 1962, or on the date of enactment of this Act, whichever date first occurs.

REIMBURSEMENT OF CERTAIN VESSEL CONSTRUCTION EXPENSES

Mr. BARTLETT. Madam President, I move that the Senate proceed to the consideration of Calendar No. 177, Senate bill 1183.

The motion was agreed to; and the Senate proceeded to consider the bill (S. 1183) to amend the Merchant Marine Act, 1936, in order to provide for the reimbursement of certain vessel construction expenses, which had been reported from the Committee on Commerce, with an amendment, on page 1, after the enacting clause, to strike out—

That section 502 of the Merchant Marine Act, 1936 (46 U.S.C. 1152), is amended by striking out the fifth sentence in subsection (f) and inserting in lieu thereof the following: "In the event that a contract is made providing for a price in excess of the lowest responsible bid which otherwise would be accepted, (1) such excess shall be paid by the Federal Maritime Board as a part of the cost of national defense, (2) The Federal Maritime Board shall reimburse the applicant the amount, if any, by which expenses incurred by him for inspection and supervision of the vessel during construction and

delivery of the vessel to its home port exceed the estimated expenses for the same services which would have been incurred if the vessel had been constructed by the lowest responsible bidder, and (3) such excess price and excess expenses shall not be considered as a part of the construction differential subsidy."

And, in lieu thereof, to insert:

That section 502(f) of the Merchant Marine Act, 1936, as amended (46 U.S.C. 1152(f)), is amended by inserting at the end thereof the following:

"If as a result of allocation under this subsection the applicant incurs expenses for inspection and supervision of the vessel during construction and for the delivery voyage of the vessel (which delivery voyage shall be deemed terminated when the vessel reaches its home port or a point on its subsidy route equally distant) in excess of the estimated expenses for the same services that he would have incurred if the vessel had been constructed by the lowest responsible bidder the Federal Maritime Board (with respect to construction under title V, except section 509) shall reimburse the applicant for such excess, less any gross income the applicant receives that is allocable to the delivery voyage minus the extra expenses incurred to produce such gross income, and such reimbursement shall not be considered part of the construction-differential subsidy. If the vessel is constructed under section 509 the Secretary of Commerce shall reduce the price of the vessel by such excess, less any gross income (minus the extra expenses incurred to produce such gross income) the applicant receives that is allocable to the delivery voyage. If as a result of such allocation the expenses the applicant incurs with respect to such services are less than the expenses he would have incurred for such services if the vessel had been constructed by the lowest responsible bidder the applicant shall pay to the Federal Maritime Board (with respect to construction under title V, except section 509) an amount to the Secretary of Commerce (with respect to construction under section 509) an amount equal to such reduction and such payment shall not be considered a reduction of the construction-differential subsidy."

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 section 502(f) of the Merchant Marine Act, 1936, as amended (46 U.S.C. 1152(f)), is amended by inserting at the end thereof the following:

"If as a result of allocation under this subsection the applicant incurs expenses for inspection and supervision of the vessel during construction and for the delivery voyage of the vessel (which delivery voyage shall be deemed terminated when the vessel reaches its home port or a point on its subsidy route equally distant) in excess of the estimated expenses for the same services that he would have incurred if the vessel had been constructed by the lowest responsible bidder the Federal Maritime Board (with respect to construction under title V, except section 509) shall reimburse the applicant for such excess, less any gross income the applicant receives that is allocable to the delivery voyage minus the extra expenses incurred to produce such gross income, and such reimbursement shall not be considered part of the construction-differential subsidy. If the vessel is constructed under section 509 the Secretary of Commerce shall reduce the price of the vessel by such excess, less any gross income (minus the extra expenses incurred to produce such gross income) the applicant receives that is allocable to the delivery voyage. If as a result of such allocation the expenses the applicant incurs with respect to such services are less than the expenses he would have incurred for such services if the vessel had been constructed by the lowest responsible bidder the applicant shall pay to the Federal Maritime Board (with respect to construction under title V, except section 509) an amount to the Secretary of Commerce (with respect to construction under section 509) an amount equal to such reduction and such payment shall not be considered a reduction of the construction-differential subsidy."

SEC. 2. The amendment made by this Act shall be effective with respect to any contract entered into under the provisions of section 502 of the Merchant Marine Act, 1936, as amended, and the Federal Maritime Board shall, with the consent of the other parties thereto, modify any such contract entered into prior to the date of the enactment of this Act to the extent authorized by the amendment made by this Act.

The amendment was agreed to.

Mr. BARTLETT. Madam President, under section 502(f) of the Merchant Marine Act, 1936, as amended, the Federal Maritime Board or Administrator may allot contracts for construction of vessels to other than the lowest bidder, if it is determined to be necessary to "remedy an existing inadequacy" in shipyard capabilities at a strategic point. The excess cost resulting from such allocation shall be paid as a part of the cost of national defense, the statute provides.

However, the statute has been interpreted as covering only the actual contract for construction of the vessel. Other additional costs to the vessel owners, thus not covered, include inspection and delivery of the vessel. In the case of the four vessels switched from the low-bid Atlantic coast yards to Pacific coast yards, the entailed extra costs to the operators on the east coast are estimated at $160,000 to $175,000 per vessel.

S. 1183 would provide for reimbursement of the net costs on such contracts entered into hitherto, and in the future. The Commerce Department reported no objection to covering such additional costs in the future, but opposed the retroactive feature of the bill. Also, the Commerce report argued, the Government should be given the benefit of any savings resulting to an operator from such allocation. Although almost meaningless, such an amendment has been incorporated in the bill.

However, the subcommittee is of the view that all extra costs incident to such allocations of contracts are solely in the interest of national security, and that none of them should be saddled upon the operators involved.

The PRESIDING OFFICER. If there be no further amendment to be proposed, the question is on the engrossment and third reading of the bill.

Mr. LAUSCHE. Madam President, the bill should not be passed; it is a bad bill. It would give away $700,000 of the money of the taxpayers without justification; and I shall proceed to demonstrate that fact.

Under existing law the operating ship companies are not entitled to one penny from our Government. The bill contemplates retroactivity back to 1958; and if the bill is enacted, its provisions will be made to apply to contracts executed in 1958. Two companies will be the beneficiaries—each in the sum of $350,000. These companies want to obtain certain subsidies from the Federal Government in connection with the construction of ships. The subsidies amount to 50 percent of the cost of the ships. With regard to those four ships our Government provided, by way of subsidy, $20 million. Two of the applicant companies came to the Federal Government and said, "We want to build certain ships to sail the high seas, and we want aid under the Federal law." They made their applications, and the applications were granted; and the companies became—by force of existing law—beneficiaries of a subsidy equal to the difference between the cost of building the ships in the United States and the cost of building them abroad. When I say they were subsidized in an amount equal to 50 percent, and that the amount was fixed at $20 million, those figures are not entirely accurate, but they are substantially correct.

The department of the Government which is familiar with this problem objects to enactment of this bill. It submitted its report in which it specifically pointed to the weakness and the impropriety of making the bill retroactive.

The bill states on its face that it was introduced "by request." I thought it was by request of the Government. But I find it was by the request of the two operating ship companies which would be the beneficiaries of the bill. Frankly, Madam President, I do not like the habit of marking on a bill "introduced by request," whereby one is led to believe that it was by request of one of the departments of the Government, although the fact was that it was by request of a person who would be benefited richly by the bill.

Madam President, let us consider how this claim arose. First of all, I ask unanimous consent to have printed at this point in the RECORD a letter which I wrote on June 2, 1961, to Hon. Walter C. Ford, vice admiral (retired), Deputy Maritime Administrator, asking him five questions about this bill.

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

JUNE 2, 1961.

Hon. WALTER C. FORD,
Vice Admiral, Retired, Deputy Maritime Administrator, Maritime Commission, Washington, D.C.

DEAR ADMIRAL FORD: With respect to the above captioned bill, I would like to have you furnish me with answers to the following questions:

1. What was the name of the low-bidder company and the amount of their bid for the construction of each of the vessels that precipitated the introduction of S. 1183?

2. After it was decided not to give the contracts to the low bidder, did you have to increase the payment made for the ships built on the east coast and, if so, by what amount?

3. When the carrier companies that are now asking for reimbursement of expenses incurred in bringing the ships from the west to the east coast asked for authority to have these ships built was there any commitment made to them that the Maritime Commission or the Administrator would

support them in their request before the Congress to obtain reimbursement of the expenses incurred?

4. Were these aforementioned carrier companies cognizant of the fact that at the time their applications were approved that these additional expenses would be an incident of the awarding of the contracts under section 502(f) of the Merchant Marine Act of 1936?

5. Did either the Maritime Commission or the Administrator initiate the movement for the introduction and promulgation of S. 1183? If not, when did the Commission and Administrator first learn of the movement to seek reimbursement?

In your testimony you stated: "We are opposed, however, to any retroactive amendment with respect to these costs. Our contract with American President Lines cannot now be changed without their consent. In view of this, we do not think it is equitable that the contracts with the other two operators should now be changed to the detriment of the Government."

With respect to the aforementioned statement, will you explain how making the bill retroactive would affect the American President Lines inasmuch as its home office is located on the west coast and the contract for its vessels was awarded to the Bethlehem Steel Co. in San Francisco and, therefore, no additional costs to the American President Lines were involved?

Sincerely yours,

FRANK J. LAUSCHE.

Mr. LAUSCHE. Madam President, I also ask unanimous consent to have printed at this point in the RECORD the reply of the Maritime Administrator, dated June 8; my letter, of June 12, addressed to the Maritime Administrator; and his answer, dated June 16.

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

U.S. DEPARTMENT OF COMMERCE,
MARITIME ADMINISTRATION,
Washington, D.C., June 8, 1961.

Hon. FRANK J. LAUSCHE,
U.S. Senate, Washington, D.C.

DEAR SENATOR LAUSCHE: This is in reply to your request of June 2, 1961, for information with respect to S. 1183. Your questions and our replies thereto are listed below:

"(1) What was the name of the low-bidder company and the amount of their bid for the construction of each of the vessels that precipitated the introduction of S. 1183?"

The low bidder on the two ships for American Export lines which were allocated to National Steel & Shipbuilding Corp. at San Diego was New York Shipbuilding Co. There were four ships to be built for American Export Lines at that time. The bids of New York Shipbuilding Co. were as follows: For one ship, $12,366,756; for two ships, $11,410,983, each; for three ships, $10,998,217, each; for four ships, $10,843,005, each.

Of the four ships to be built for American Export Lines at that time, two were awarded to New York Shipbuilding Co., the low bidder; and two were allocated to National Steel & Shipbuilding Corp. at San Diego.

The low bidder on the two ships for Moore-McCormack Lines which were allocated to Todd Shipyards at San Pedro was Sun Shipbuilding Co. There were four ships to be built from Moore-McCormack Lines at that time. The bids of Sun Shipbuilding Co. were as follows: For one ship, $11,512,394; for two ships, $10,711,738, each; for three ships, $10,444,638, each; for four ships, $10,327,748, each.

Of the four ships to be built for Moore-McCormack Lines at that time, two were awarded to Sun Shipbuilding Co., the low bidder; and two were allocated to Todd Shipyards at San Pedro.

"(2) After it was decided not to give the contracts to the low bidder, did you have to increase the payment made for the ships built on the east coast and, if so, by what amount?"

The increased cost per ship of building the ships on the east coast that were built there was the difference in the low bid per ship on a two-ship basis and the low bid per ship on a four-ship basis. With respect to the two ships for American Export Lines that were built on the east coast this is $11,410,983—$10,843,005=$567,978 per ship. With respect to the two ships for Moore-McCormack Lines that were built on the east coast this is $10,711,738—$10,327,748=$383,990 per ship.

"(3) When the carrier companies that are now asking for reimbursement of expenses incurred in bringing the ships from the west to the east coast asked for authority to have these ships built was there any commitment made to them that the Maritime Commission or the Administrator would support them in their request before the Congress to obtain reimbursement of the expenses incurred?"

The records of the Federal Maritime Board and Maritime Administrator have been examined. On February 12, 1958, the Federal Maritime Board and the Maritime Administrator approved a maximum engineering allowance eligible for subsidy for both American Export Lines and Moore-McCormack Lines. This approval was based on the engineering costs of constructing four ships in one yard and also based on constructing two ships in two yards for each of the aforementioned operators. The records do not indicate that either American Export Lines or Moore-McCormack Lines had presented their views in writing on the additional allocation costs which would result in building each group of ships in two yards or delivering the ships from the west coast. There are staff recollections however that costs were informally discussed and that the Board had indicated a willingness to permit the operators to pick up cargo in the west coast to assist in covering the cost of delivering the ship to its home port. It was the further recollection that the Federal Maritime Board and Maritime Administrator offered to undertake a larger share of the inspection and engineering work in the second yard in order to reduce the additional costs to the owner. Actually, both owners maintained a normal inspection and engineering staff in these yards. The record appears clear that there would be additional costs involved under allocation, but there is no indication that the Federal Maritime Board or the Maritime Administrator had committed themselves other than to assist the operators by means then available to the Board and the Administrator.

"(4) Were these aforementioned carrier companies cognizant of the fact that at the time their applications were approved that these additional expenses would be an incident of the awarding of the contracts under section 502(f) of the Merchant Marine Act of 1963?"

See the answer to "(3)" above.

"(5) Did either the Maritime Commission or the Administrator initiate the movement for the introduction and promulgation of S. 1183? If not, when did the Commission and Administrator first learn of the movement to seek reimbursement?"

The answer is no. We first learned of the movement to obtain reimbursement shortly before the bill, S. 1183, was introduced. We do not have the exact date.

You quote our testimony before the Senate Commerce Committee as follows:

"We are opposed, however, to any retroactive amendment with respect to these costs. Our contract with American President Lines cannot now be changed without their consent. In view of this, we do not think it is equitable that the contracts with the other two operators should now be changed to the detriment of the Government."

We stated earlier in our statement that allocation can be either beneficial or detrimental to an operator, with respect to inspection and delivery costs, depending on the location of the yard of the lowest responsible bidder, the location of the yard to which the allocation is made, and the location of the home port of the operator. We also stated that we would have no objection to a prospective amendment that would require the Government to pay these additional costs resulting from allocation if the amendment also gave the Goverment the benefit of any savings in these costs resulting from allocation. Allocation was beneficial to American President Lines, but there would be grave doubt as to the constitutionality of an amendment that would retroactively require them to pay these savings to the United States. Since the United States cannot retroactively obtain the savings when savings resulted, we do not think it should be required retroactively to pay the additional costs when additional costs resulted.

Sincerely yours,

THOS. E. STAKEM,
Maritime Administrator.

JUNE 12, 1961.

Hon. THOMAS E. STAKEM,
Maritime Administrator, U.S. Department of Commerce, Maritime Administration, Washington, D.C.

DEAR MR. STAKEM: With further reference to my letter of June 2 and your answer of June 8 regarding certain aspects of S. 1183, will you give me the answers to the following questions?

In my letter of June 2, I asked as set forth in question No. 4, the following:

"(4) Were these aforementioned carrier companies cognizant of the fact that at the time their applications were approved that these additional expenses would be an incident of the awarding of the contracts under section 502(f) of the Merchant Marine Act of 1936?"

You answered that question by stating:

"See the answer to '(3)' above."

The answer to question (3) justifies fully the inference that when the application for authority to build the ships was filed and granted, the applicants thoroughly understood that with respect to the ships to be built on the west coast for operators on the east coast additional expenses would result to the applicants if the contracts were awarded to the west coast builders; and that these applicants—in the face of that knowledge—nevertheless pressed their applications.

Is this aforementioned inference and conclusion correct?

I again direct your attention to the retroactive provisions with respect to inspection and delivery costs. Again I quote your testimony before the Senate Commerce Committee as follows:

"We are opposed, however, to any retroactive amendment with respect to these costs. Our contract with American President Lines cannot now be changed without their consent. In view of this, we do not think it is equitable that the contracts with the other two operators should now be changed to the detriment of the Government."

You clearly point out that whenever under the Merchant Marine Act of 1936, under section 502(f), a contract is awarded to a non-low bidder such an award can be "either beneficial or detrimental to an operator, with respect to inspection and delivery costs, depending on the location of the yard of the lowest responsible bidder, the location of the yard to which the allocation is made, and the

location of the home port of the operator"; that you would have no objection to a prospective amendment to the present law that would require the Government to pay these additional costs resulting from allocation if the amendment also gave the Government the benefit of any savings in these costs resulting from allocation.

I now come to the questions I want answered on this subject.

In your letter you state: "Allocation was beneficial to American President Lines, but there would be grave doubt as to the constitutionality of an amendment that would retroactively require American President Lines to pay these savings to the United States."

1. Inasmuch as this entire transaction from its retroactive standpoint involves four ships to be built for American Export Lines, and four for the Moore-McCormack Lines, how does the American President Lines enter the transaction?

At no place in your letter do I see the American President Lines connected with the transaction of building eight ships, except in the mention that you make of it in answer to my question No. 5 in my letter of June 2.

2. Will you explain by illustration, taking the American President Lines, how the allocation to the nonlow bidder was beneficial to that company with respect to inspection and delivery costs?

I deeply appreciate your sincere willingness to be of help to me in my efforts to elicit information on S. 1183.

Sincerely yours,

FRANK J. LAUSCHE.

U.S. DEPARTMENT OF COMMERCE,
MARITIME ADMINISTRATION,
Washington, D.C., June 15, 1961.

Hon. FRANK J. LAUSCHE,
U.S. Senate,
Washington, D.C.

DEAR SENATOR LAUSCHE: This is in reply to your request of June 12, 1961, for further information with respect to S. 1183.

The answer that we gave to your question No. 4 in your letter of June 2, 1961, justifies the inference that at the time the applications by Moore-McCormack Lines and American Export Lines for construction-differential subsidy received their final approval by the Board, the applicants knew that additional inspection and delivery costs to them would be involved in allocation under section 502(f). The applicants, however, were at that time bound by their operating-differential subsidy contracts to build these ships, and at the time these operating-differential contracts were entered into no determination had been made with regard to allocation.

With respect to your questions relating to our objection to retroactivity, six ships have thus far been allocated under section 502(f): two for American Export Lines, two for Moore-McCormack Lines, and two for American President Lines. With respect to inspection and delivery costs, this allocation was beneficial to American President Lines, and detrimental to American Export Lines and Moore-McCormack Lines.

The low bidder on the American President Lines ships was Puget Sound Bridge & Dredging Co. of Seattle, Wash. However, Puget Sound defaulted and had the contract then been awarded under the Merchant Marine Act, 1936, without allocation on the basis of the remaining bids, it would have gone to Todd Shipyards at Los Angeles. The ships were allocated to Bethlehem Steel Co. at San Francisco. The home port of American President Lines is at San Francisco. This allocation was beneficial to American President Lines, therefore, in that delivery costs from Los Angeles to San Francisco were avoided, inspectors travel costs were avoided, as well as effecting other administrative economies.

I hope this information will be of assistance to you.

Sincerely yours,

THOS. E. STAKEM,
Maritime Administrator.

Mr. WILLIAMS of Delaware. Madam President, will the Senator from Ohio yield?

Mr. LAUSCHE. I yield.

Mr. WILLIAMS of Delaware. I join the Senator from Ohio in expressing opposition to the bill. I understand that, in addition, the Department of Commerce expresses strong opposition to the bill, on the ground that it would provide retroactive payments to a company, without any justification whatever. The contract was awarded in line with the existing law, and I see no reason why the bill should be enacted.

So I join the Senator from Ohio in taking the position that the bill is unjustified.

Mr. LAUSCHE. I appreciate very much the position taken by the Senator from Delaware. I am glad he concurs with my views.

When the bill was under consideration I gave it considerable time. The letters which I just included in the RECORD contain probably 12 questions which I put to the Maritime Administrator, in an effort to ascertain why we are going to give $700,000 away. I repeat—it is a giveaway. There is no justification whatever in law for it. The bill was not requested by the administration. The bill was requested by the shipbuilding companies that are to be the beneficiaries.

Mr. WILLIAMS of Delaware. If the Senator will yield further, I agree that it has been said that this is a private claim bill, but it cannot be a private claim bill, because there is no claim against the U.S. Government, or any basis for a claim. I agree that it is an outright gift to those companies with no basis whatever.

Mr. LAUSCHE. Where is it labeled as a private relief bill? If it is so labeled, I would like to know.

Mr. WILLIAMS of Delaware. It has not been labeled so officially, but, unofficially, it has been referred to as such. Officially it is not referred to as a private bill. The bill would not come under the category of a private bill, because there is no basis for any claim. Under existing law, there is no basis under which the beneficiaries could file a claim, for they would have no right to make such a claim.

Mr. LAUSCHE. It is, correctly, a private relief bill, or what is called a private bill, but it is not so identified in the bill.

Mr. WILLIAMS of Delaware. That is correct, but in the general discussion I have heard it referred to as a private bill—but not officially at all.

Mr. LAUSCHE. But, Madam President, it is a private relief bill. It contemplates giving $700,000 to people who have asked for it, but the bill is not so identified. If a citizen were to read the record concerning the bill, he might think the bill was sponsored by the Government. If it is a private relief bill, let us approach it in that way; but if it is not, we ought to understand it.

At times we operate peculiarly in the U.S. Senate. In connection with the project which gave rise to the building of the ships and this bill, two situations exist, one in which it is claimed that the two shipbuilding companies that are to be beneficiaries were harmed in the amount of $700,000 because the contracts for the building of the ships were sent to the coast 3,000 miles away from their base of operations. In the same project, contracts went not to the low bidder, but to the coast where the ship operator was situated. He saved $175,000. Under this bill the ones who are allegedly harmed are to be paid by the Government; the ship company that was benefited will keep the benefit and not reimburse the Government.

Senators may want to know how this transaction arose. Two ship operators asked for subsidies. They knew what the law was. The application was granted. My recollection is that their base of operations was on the west coast. The low bidder was on the opposite coast. The Government did not award the contract to the low bidder, but awarded it, by allocation, to the higher bidder, and that higher bidder was across the land, 2,900 miles away. It is claimed by these two companies that in building the ships, they had to send their engineers from their home base across the land to where the ships were being built and thereafter they had to bring the ships along the coast, through the Panama Canal, and back home.

Those are the facts. When they made application for this money, they knew what the law contained.

They agreed that if they would get the subsidy they would abide by the law. But, after the ships have been built, they now come forth with the idea that they ought to be reimbursed by this amount of money.

I now read the letter of the Under Secretary of Commerce to the chairman of the Committee on Commerce, the Senator from Washington [Mr. MAGNUSON]:

DEAR MR. CHAIRMAN: This letter is in reply to your request of March 3, 1961, for the views of this Department with respect to S. 1183, a bill to amend the Merchant Marine Act, 1936, in order to provide for the reimbursement of certain vessel construction expenses.

I point out that the law has been in effect since 1936. The ship operators knew it. They promised to abide by it, but now they ask that it be changed.

I continue to read from the letter:

Section 502(b) provides that the construction-differential subsidy may equal, but not exceed, "the excess of the bid of the shipbuilder constructing the proposed vessel" (less the cost of national defense features, which shall be paid by the United States) over the fair and reasonable estimate of the "cost of the construction of the proposed vessel" (less the cost of national defense features) in a representative foreign shipyard.

Section 502(b) means that our Government will pay to a shipbuilding company the difference between the cost of building a ship in the United States with U.S. labor and the cost of building it in a foreign country with foreign labor; but in no event, at the time these applica-

tions are granted, should the differential exceed 50 percent of the cost of the ship.

Now we come to section 502(f), and I read from the letter:

Section 502(f) of the Merchant Marine Act, 1936 (a) authorizes the Federal Maritime Board (under title V) and the Secretary of Commerce (under title VII) to allocate ship construction, reconstruction, and reconditioning if certain findings are made with respect to mobilization requirements and (b) provides that the excess of the contract price, under the allocated contract, over the lowest responsible bid shall be paid as a national defense cost.

I continue to read from the letter by the Under Secretary of Commerce:

The bill would amend this subsection to provide that the vessel owner shall be reimbursed by the Government for the excess of expenses he incurs for inspection and supervision during construction of the vessel and for delivery of the vessel to its home port over the expenses for these items that he would have incurred if the lowest responsible bid had been accepted. The bill would apply retroactively to all contracts that have been allocated under section 502(f).

I observe from the report that the bill would apply retroactively to all contracts allocated under section 502(f). Is it not a fact that section 502(f) has been in existence for 26 years?

Mr. BARTLETT. For more than 20 years.

Mr. LAUSCHE. How many ships have been allocated under section 502 (f)?

Mr. BARTLETT. Only the four under consideration in the bill.

Mr. LAUSCHE. Am I correct in saying that the cost would be $700,000?

Mr. BARTLETT. I think not. I think there is a rather serious error in that figure. My addition would make it $530,000, but some of that total would have to be deducted. There is an amount, unknown to me at the moment, as a consequence of freight hauled by one of the vessels from the west coast to the home port on the east coast. I do not know how much that was, but a profit was involved.

The figure would be somewhat less than $530,000 as a total, rather than $700,000.

Mr. LAUSCHE. In the report it is stated:

In the case of the two American Export Lines vessels, and the two Moore-McCormack Lines vessels, allocated under the provisions of section 502(f) to shipyards on the Pacific coast, the excess costs for inspection and supervision, plus costs of delivery to the east coast, including transportation of the crew across country and tolls paid for transit of the Panama Canal, are estimated at $160,000 to $175,000 per vessel.

The Senator from Alaska says that from that sum there must be deducted the earnings which might have been made as the ship was moved from one coast to the other.

Mr. BARTLETT. I am told that one of the four vessels did carry freight. That is correct, in reference to the one ship.

My figures, taken from page 7 of the report, reflect a cost of about $270,000 in respect to the American Export Line vessels, for those two ships, and about $260,000 for Moore-McCormack or a total of $530,000 instead of $700,000.

Mr. LAUSCHE. Whatever sum it may be, either $530,000 or $700,000, neither of the companies is entitled to the money under existing law.

Mr. BARTLETT. Neither of the companies is entitled to this money under existing law.

As a member of the committee which conducted hearings in regard to the bill, I was in the forefront of those who wanted to see to it that a retroactive feature was added, for reasons I shall be glad to state, either now or later.

Mr. LAUSCHE. Very well. The report made by the Under Secretary of Commerce further states:

The Department is opposed to the retroactive feature of the bill, but has no objection to the prospective feature if the bill is amended to give the Government the benefit of any savings with respect to these costs that come to an operator from allocation.

Mr. BARTLETT. It was.

Mr. LAUSCHE. Would the bill now give to the Government the benefits which would go in certain instances to the ship operating company, because the contract was allocated to a port close to its base?

Mr. BARTLETT. Close to its base, or distant from its base?

Mr. LAUSCHE. Let us assume that the contract should have been awarded to the east coast, where the low bidder was situated, but instead of being awarded to the east coast it was allocated to the west coast, close to the base of the owner. There he would have the benefit of not being obliged to send his engineers and his workers to the east coast, but instead could keep them at home.

Mr. BARTLETT. I do not quite understand the purport of the Senator's question in that connection.

Mr. LAUSCHE. In instance A the operator would be harmed, and in instance B he would be benefited.

Mr. BARTLETT. I respond to the Senator's question by saying that it would not matter whether the ship were constructed at a point close to the home port or distant from the home port, because this factor would be taken care of, so far as the interests of the Government were concerned, by added language in the bill, which the Senator will find starting on line 4 of page 3. The language is:

If as a result of such allocation the expenses the applicant incurs with respect to such services are less than the expenses he would have incurred for such services if the vessel had been constructed by the lowest responsible bidder the applicant shall pay to the Federal Maritime Board (with respect to construction under title V, except section 509) an amount to the Secretary of Commerce (with respect to construction under section 509) an amount equal to such reduction and such payment shall not be considered a reduction of the construction-differential subsidy.

Mr. LAUSCHE. The language reads:

If as a result of such allocation the expenses the applicant incurs with respect to such services are less than the expenses he would have incurred for such services if the vessel had been constructed by the lowest responsible bidder the applicant shall pay to the Federal Maritime Board—

The difference.

As of what date would this provision become effective?

Mr. BARTLETT. It would become effective when the act became effective.

Mr. LAUSCHE. The section is to be retroactive?

Mr. BARTLETT. No. It is not to be retroactive.

Mr. LAUSCHE. The section is not to be retroactive?

Mr. BARTLETT. The section is not to be retroactive.

Mr. LAUSCHE. Why should one section for benefits for the ship operating companies be made retroactive, when the other section, which would benefit the Government, is not to be made retroactive? If the Senator can answer that question satisfactorily, I will vote for the bill. The shipowner has a contract with the Government. Neither the shipowner nor the Government can violate that contract without violating the law.

That is the very point I wish to make. Those who are asking for the $550,000 have a contract with the Government. They bound themselves to comply with that contract. By law and morality they ought to comply with it. But someone has conceived the idea of disregarding the contract. It is proposed to give $550,000 of the taxpayers' money to those two companies.

Mr. BARTLETT. Certainly someone had the idea, or that language would not be in the bill. I know I subscribe to it. I do so for several reasons.

First, both of these companies over a period of many years have had long-standing construction subsidy contracts with the Federal Government. My information is that the allocation law did not become effective until 1955. The contracts between the Government and those two lines already were effective. The lines have nothing to say about where the ships should be built. Both are east coast firms. They did not want the ships to be built on the west coast. They would rather have had the ships constructed at a yard close to their home port.

These companies are not the beneficiaries of the construction subsidy. It is an elemental part of our merchant marine policy that the subsidy is not granted for the benefit of shipowners or operators, but for the benefit of the shipyards, so that shipyards may be maintained for national defense and related purposes.

Moore-McCormack and American Export Lines were not benefited by the construction subsidy. They did not want to have the ships built clear across the continent. But what happened is that Government, through the power conferred upon it by the Congress in 1955, in effect, said "It does not matter where you want these ships to be built. You think that for national defense purposes they must be built on the west coast, so the yards there may be kept in operation. If these four ships are not constructed there, the yards will not have enough work and they may have to close."

Undoubtedly against the desires of the companies involved, the operators had to subject themselves to all the bother, trouble, and nuisance of having their ships built on the west coast. That involved supervision, travel, and inspection costs. Then, as the Senator has pointed out, the ships had to be brought from the yard on the west coast at which they were built clear through the Panama Canal to the home port. That travel was not beneficial to either American Export or Moore-McCormack. On the contrary, it was a hindrance to them. They were slowed. Undoubtedly they would rather have had the ships constructed closer to home. But for national defense purposes, it was required that the ships be constructed on the west coast.

From the beginning I endorsed that proposal in the bill. I do not know who originated it. I know that I have introduced bills by request that were not offered by the Government.

I do not know who originated the proposed legislation, and I do not care. But I say that if it is good policy to give a company which has no option in the matter the actual reimbursement for its added cost when its ship or ships must be built far from home, it is fair that such extra costs be reimbursed because the allocation was made for national purposes and not for private enterprise purposes. If the proposed action is the right thing to do, as I believe it to be, why should not the two companies involved have a similar right to be compensated for the added expense to which they were put for the four vessels?

I do not believe that the proposal is a giveaway. I think it represents equity and justice.

Mr. LAUSCHE. Madam President, first, I cannot agree with the Senator from Alaska that these operating ship companies have not been the beneficiaries of the subsidy. The money is paid to the shipbuilding company, but the beneficiary is the ship operating company.

Mr. BARTLETT. The shipyards; yes.

Mr. LAUSCHE. I should like to illustrate the point. The ships about which we have been speaking cost about $11 million apiece. Instead of paying $11 million, the operator of the ship would pay 50 percent of the $11 million.

Mr. BARTLETT. The Senator is correct.

Mr. LAUSCHE. The Government would pay 50 percent of the $11 million, but the Government would not pay it to the shipbuilding company.

Mr. BARTLETT. The Senator is correct.

Mr. LAUSCHE. So the beneficiary is not the shipbuilding company. It is the ship operating company that pays only $5,500,000 for a ship that costs $11 million.

Mr. BARTLETT. I respectfully disagree with my friend. The reason I do so is that the ship operating company could have gone abroad and had the vessel constructed in some foreign country. Let us assume that the price of the ship in the United States was $10 million. The same ship built abroad would have cost $5 million, or some figure close to that one.

Mr. LAUSCHE. I agree with that statement.

Mr. BARTLETT. Let us say there is a differential of exactly 50 percent. The ship operator could have used his own $5 million to build the ship abroad, and the U.S. Government would not have had to pay out a cent. But the Government did. The Government paid $5 million of a total cost of $10 million, so that we could have a shipbuilding industry. But when the shipowner gets that vessel for operating purposes, he does not have a vessel worth $10 million. He has a vessel worth $5 million on the world market, and not a penny more. Everything else is for defense and related purposes, and the operator does not benefit.

Mr. LAUSCHE. The fact is that when the application was made, all who were interested became participants in it and knew what the terms of the allocation were.

Mr. BARTLETT. No.

Mr. LAUSCHE. I wish to get back to the following proposition for a moment. The Senator has said that it is equitable to reimburse these companies for their additional costs.

Mr. BARTLETT. At least it is fair.

Mr. LAUSCHE. Let us assume that it is equitable. Would it not also be equitable to reimburse the Government when the Government has been financially harmed because of the allocation?

Mr. BARTLETT. Who would reimburse the Government? The Government is the overall umpire in the situation. The Government, through action of the Congress in 1955, has stepped in and determined that there shall be an allocation, whether or not those engaged in the free enterprise system of shipbuilding like it or not. So ships that ordinarily would be constructed at Newport News would be constructed at some point on the west coast. By that means the shipbuilding industry would be maintained there. Why should the Government be reimbursed? The Government has determined such to be the law of the land.

Mr. LAUSCHE. I now read from the letter of the Under Secretary of Commerce. It reads:

> The Department is opposed to the retroactive feature of the bill, but has no objection to the prospective feature if the bill is amended to give the Government the benefit of any savings with respect to these costs that come to an operator from allocation.

I take it that the Secretary of Commerce is impartial and objective in this matter.

Mr. BARTLETT. Yes; but somewhat confused, I believe.

Mr. LAUSCHE. I want to see the Government dealt with on the same basis that these companies will be dealt with. The pending bill does not achieve that objective.

Mr. BARTLETT. I believe it does.

Mr. LAUSCHE. We are in disagreement on that point .

Mr. BARTLETT. Yes; I dislike to be in disagreement with my friend, because I always like to be in agreement with him. What I cannot understand, in all honesty, is why the Department of Commerce states that it is all right for the future but it is not all right for the past, when the circumstances are identical. My information is that these two companies were all written up in the contract procedure for the construction differential subsidy long before the allocation became effective.

Mr. LAUSCHE. The letter will answer the question of the Senator from Alaska, if he will permit me to continue to read from it:

> Contracts for the construction of six ships have thus far been allocated under section 502(f).

A moment ago I understood there were only four ships. The letter states there were six ships.

Mr. BARTLETT. I believe there were four. I will try to respond to that point a little later.

Mr. LAUSCHE. The letter states that six ships are involved.

Mr. BARTLETT. There are six. I am sorry for giving the wrong impression.

Mr. LAUSCHE. I continue to read:

> Two of these ships were for American President Lines and were allocated to Bethlehem Steel Co. at San Francisco. Since San Francisco is the home port of American President Lines, no additional costs to American President Lines for inspection and delivery were involved in this allocation.
>
> Two of the ships were for American Export Lines and were allocated to the National Steel & Shipbuilding Corp. at San Diego. The invitation for bids involved four ships for American Export Lines, but only two ships were allocated. The lowest responsible bidder was New York Shipbuilding Co. The home port of American Export Lines is New York City. This allocation required American Export Lines to maintain two separate inspection staffs. We estimate that the additional inspection cost to American Export Lines caused by the allocation of the two ships is approximately $150,000 and that the additional delivery costs is approximately $120,000, making a total additional cost for the two ships of approximately $270,000.
>
> The other two ships that were allocated were for Moore-McCormack Lines. These ships were allocated to Todd Shipyards at San Pedro. The invitation for bids again involved four ships, of which only two were allocated. The lowest responsible bidder was Sun Shipbuilding Co., and the allocation required Moore-McCormack Lines to maintain two separate inspection staffs. Moore-McCormack Lines' home port is New York City. We estimate that the additional inspection costs to Moore-McCormack Lines caused by the allocation is approximately $140,000 and that the increased delivery cost is approximately $120,000, making a total increased cost for the two ships of approximately $260,000.
>
> With respect to vessel delivery and inspection costs, allocation under section 502(f) can be either beneficial or detrimental to the operator, depending on the location of the yard of the lowest responsible bidder, the yard to which allocation is made, and the home port of the operator. Allocation was, with respect to these costs, beneficial to American President Lines, and detrimental to American Export Lines and Moore-McCormack Lines.

If I may summarize that paragraph, one company benefited by the allocation, and two of them suffered. It is my understanding of the bill that the

company that benefited will be allowed to keep its benefits, and not pay the benefits to the Government; whereas the companies that were harmed will be reimbursed for the harm they suffered.

Mr. BARTLETT. I am not familiar with the precise situation to which the Senator has alluded.

Mr. LAUSCHE. The point I am trying to make is that under the pending bill we will pay to the company that suffered, but we will not collect from the company that benefited by the allocation. So we have two yardsticks in measuring rights. When the Government is concerned, the yardstick is short. When the shipbuilding companies are involved, the yardstick is long. In that formula of justice I do not concur.

I read further from the letter:

> If the act is to be amended to require the Government to pay whatever additional costs of inspection and delivery an operator incurs from allocation, it should also be amended to give the Government the benefit of whatever savings in these costs result to an operator from allocation.

That is the point I am trying to make. If the bill were made equally operative upon the Government and the companies, I would be willing to vote for it. The letter continues:

> Although the amounts involved are not large in relation to the total project, we would have no objection if the law were amended to provide this arrangement for future contracts.
>
> We are opposed, however, to any retroactive amendment with respect to these costs. Our contract with American President Lines cannot now be changed without their consent. In view of this, we do not think it is equitable that the contracts with the other two operatiors should now be changed to the detriment of the Government.

Madam President, to me this whole issue is very clear. We are giving these companies $550,000 to which they are not entitled. If they are entitled to it, the Government is entitled to collect from the American President Lines approximately $130,000 for each ship on which they were benefited by having the contract allocated to a shipbuilder near their home base, and not to the shipbuilder who was the lowest bidder.

Mr. BARTLETT. How did they benefit?

Mr. LAUSCHE. They benefited because if the contract had been awarded to the low bidder on the east coast, it would have had to send its inspectors to the east coast. The contract not having been awarded there, it had its inspectors at the home base.

Mr. BARTLETT. I certainly will not guarantee that my information is correct, but I am advised that it was not an east coast yard which made the low bid. Instead, it was the Puget Sound Bridge & Drydock Co. that submitted the low bid on the American President Lines vessels. The Puget Sound Bridge & Drydock Co. obviously is a west coast company. Subsequently, that company discovered it had made a mistake, and it paid the Government $250,000 for the privilege of withdrawing its bid.

Thereafter, bids were negotiated by the Secretary of Commerce for the construction of the vessels in another west coast yard. Thus the situation which the Senator from Ohio describes actually did not exist.

Mr. LAUSCHE. If that is the position of the Senator from Alaska, why not amend the language on page 3 and make it retroactive, just as we have made retroactive the language that benefits the company. A moment ago, it was stated that both these provisions are not retroactive. If both provisions are made retroactive, I will support the bill.

Mr. BARTLETT. I thoroughly agree with the Senator. Let us protect the Government as well as help the private companies which are entitled to assistance.

Mr. LAUSCHE. That is agreeable. Let us see if we cannot agree upon satisfactory language.

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

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

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Bartlett, one of its reading clerks, announced that the House further insisted upon its disagreement to the amendments of the Senate numbered 7, 8, and 119 to the bill (H.R. 12711) making appropriations for sundry independent executive bureaus, boards, commissions, corporations, agencies, and offices, for the fiscal year ending June 30, 1963, and for other purposes; agreed to the further conference asked by the Senate on the disagreeing votes of the two Houses thereon, and that Mr. THOMAS, Mr. YATES, Mr. CANNON, Mr. OSTERTAG, and Mr. TABER were appointed managers on the part of the House at the further conference.

ENROLLED BILL SIGNED

The message also announced that the Speaker had affixed his signature to the enrolled bill (S. 1037) to amend the provisions of the Perishable Agricultural Commodities Act, 1930, relating to practices in the marketing of perishable agricultural commodities, and it was signed by the President pro tempore.

REMOVAL OF CERTAIN LIMITATIONS WITH RESPECT TO WAR RISK INSURANCE

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. 1285, Senate bill 2829.

The PRESIDING OFFICER (Mr. JORDAN of North Carolina in the chair). Is there objection? Without objection, it is so ordered.

The Senate proceeded to consider the bill (S. 2829) to amend title 12 of the Merchant Marine Act, 1936, in order to remove certain limitations with respect to war risk insurance issued under the provisions of such title.

REVISION OF BOUNDARIES OF VIRGIN ISLANDS NATIONAL PARK, ST. JOHN, V.I.

Mr. ANDERSON. Mr. President, I ask that the Chair lay before the Senate the amendments of the House of Representatives to Senate bill 2429 to revise the boundaries of the Virgin Islands National Park, St. John, V.I., and for other purposes.

The PRESIDING OFFICER laid before the Senate the amendments of the House of Representatives to the bill (S. 2429) to revise the boundaries of the Virgin Islands National Park, St. John, V.I., and for other purposes, which were, on page 6, strike out lines 12 and 13, inclusive, and insert "lands, waters, and interests therein by purchase, exchange, or donation or with donated funds."; on page 6, line 16, strike out "by residents of the Virgin Islands," and on page 7, strike out lines 1 through 3, inclusive, and insert:

> SEC. 4. There are hereby authorized to be appropriated such sums, but not more than $1,250,000, as are necessary to acquire lands pursuant to section 2 of this Act.

Mr. ANDERSON. Mr. President, S. 2429 passed the Senate on June 29, 1962, in amended form. The House has further amended the bill by placing a limitation of $1,250,000 on the sums that may be authorized to acquire inholdings within the Virgin Islands National Park pursuant to section 2 of the bill. This amount appears to be adequate when added to the amount of funds donated for that purpose.

The second major change made by the House was to delete from section 2 authority for the Secretary of the Interior to acquire inholdings through condemnation action. The Senate had included that specific provision because it is a common and necessary feature of legislation of this character. A good deal of misunderstanding has arisen about the condemnation feature; and it has been deemed wise to pass the bill without it, although I am sure that if sufficient time remained in this session to hold a conference on S. 2429, some provision to fill the void left by the deletion of condemnation authority would be recommended. In earlier bills, those establishing Cape Cod and Point Reyes parks, we have been able to provide protection for the inholders as well as the United States; and it may be that a similar device will fill the gap created by the deletion of the condemnation in the present bill. I believe it is incumbent on the Park Service and the Department of the Interior to submit to the Congress, early in 1963, proposed legislation to amend section 2 of S. 2429 in such fashion that the lands within the Virgin Islands National Park which cannot be obtained through donation, exchange, or purchase at a fair and reasonable price may be acquired by other means.

Mr. President, with that explanation, I move that the Senate concur in the amendments of the House to S. 2429.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from New Mexico.

The motion was agreed to.

REMOVAL OF CERTAIN LIMITATIONS WITH RESPECT TO WAR RISK INSURANCE

The Senate resumed the consideration of the bill (S. 2829) to amend title 12 of the Merchant Marine Act, 1936, in order to remove certain limitations with respect to war risk insurance issued under the provisions of such title.

The PRESIDING OFFICER. The bill is open to amendment.

If there be no amendment to be proposed, the question is on the engrossment and third reading of the bill.

Mr. LAUSCHE. Mr. President, I wish to ask some questions about the bill. I understand that it is opposed by the administration.

Mr. BARTLETT. That is true. It was the judgment of the committee that the bill should be reported and passed, the objections of the administration notwithstanding.

Mr. LAUSCHE. Mr. President, I understand that the bill contemplates changing existing law.

The following general statement on the bill has been prepared by the staff of the Commerce Committee:

Under present law, owners of vessels built with construction subsidy may secure war risk insurance coverage for such vessels only at their depreciated value. S. 2829 would permit coverage up to fair domestic market value as determined by the Secretary of Commerce. This would place vessels built with construction subsidy on the same basis as American and foreign-flag vessels built without construction subsidy, and with subsidized vessels purchased under the Ship Sales Act of 1946.

At the present time, the Maritime Administration requires operators of subsidy constructed vessels to carry commercial insurance equal approximately to the vessels' fair domestic market value. The SS *America*, for instance, could be covered under war risk insurance for only its residual value, $450,000, even though Maritime requires it to be insured commercially now for $8,600,000.

I should like to read the statement by Donald W. Alexander, Maritime Administrator, on behalf of the Maritime Administration and the Department of Commerce. The statement discloses why the Department is opposed to the bill, and reads as follows:

Title XII of the Merchant Marine Act, 1936, authorizes the Secretary of Commerce to furnish war-risk insurance on American-flag ships, and certain foreign-flag ships, whenever such insurance cannot be obtained on reasonable terms and conditions from companies authorized to do an insurance business in a State of the United States. Commercial war-risk insurance policies now in effect contain automatic termination clauses which cause such insurance to terminate upon the outbreak of war (whether there is a declaration of war or not) between any of the following countries: United States of America, United Kingdom (or any other member of the British Commonwealth), France, the Union of Soviet Socialist Republics, and the Peoples Republic of China. These automatic termination clauses also exclude from the coverage of the commercial policies any loss, damage, or expense arising out of any prior hostile act by any of the foregoing countries which within 90 days of its happening results in the outbreak of such a war.

The Maritime Administration, under delegation of authority from the Secretary of Commerce, has made the statutory finding that upon such termination of commercial coverage commercial war-risk insurance is not available. We have issued binders which will place Government war-risk insurance in effect upon termination of the commercial coverage.

Section 1209(a)(2) of the 1936 act limits the amount of Government war-risk hull insurance that may be issued with respect to any vessel. With respect to a vessel that has not been built with the aid of construction subsidy, this amount is the just compensation that would be payable if the vessel had been requisitioned for title under section 902(a) of the act. This is equivalent to the current domestic market value of the vessel.

With respect to a vessel that has been built with the aid of construction differential subsidy, section 1209(a)(2) provides one limit on the amount for which it can be insured for the period prior to the time that it is requisitioned for use; and a different limit on the amount for which it can be insured for the period after it is requisitioned for use. The first limit (for the period prior to requisitioning for use) is the current domestic market value of the vessel reduced by the proportion that the construction subsidy paid bears to the entire cost of the vessel. The second limit (for the period after requisitioning for use) is the amount that would be paid if the vessel were requisitioned for title under section 902 and valued under section 802 of the act. This latter amount is the current domestic market value of the vessel but not exceeding the depreciated acquisition cost of the vessel to the original private owner, or scrap value, whichever is greater.

Now we come to what the bill would do:

The bill would amend section 1209(a)(2) by striking out the provisos that provide for different valuations on construction subsidy ships than on other ships. We understand that the intention is to provide that the stated valuation of construction subsidy ships shall be their current domestic market value. We are opposed to this change in the law. We think, however, for the reasons hereinafter stated, that the law with respect to the stated valuation of construction subsidy ships for the period prior to their requisition for use should be amended to provide that such valuation shall not be less than the amount that would be payable if the vessel had been requisitioned for title under section 902 and valued under section 802 of the act.

I wish to ask the Senator from Alaska a question at this point. Has the recommendation made by the Maritime Administration which I have just read been carried into effect in the bill?

Mr. BARTLETT. No.

Mr. LAUSCHE. That amendment is not in the bill.

Mr. BARTLETT. That is my recollection.

Mr. LAUSCHE. Very well.

I continue to read:

The existing law is that for the period after the vessel has been requisitioned for use, its stated valuation shall be the amount that would be payable under section 802 if the vessel had been requisitioned for title. Since at any time that a vessel is requisitioned for use, it could be requisitioned for title, we see no reason why the United States should pay more if a vessel that is requisitioned for use is lost through a war risk than we would have paid if the vessel had been requisitioned for title. We think the owners are not equitably entitled to the entire current domestic market value as the stated valuation for the period prior to or after requisition for use in view of the Government's contribution to the capital costs of constructing the vessel. The increased premium would be a cost of operating the ship after it is requisitioned for use and would thus ultimately be paid by the United States in its charter hire.

Even if the bill were amended to provide that, as a condition to providing this increased insurance, the owner must agree that the increased premium cost would not be passed on to the Government, the United States could not be sure that it would be made whole with respect to premiums collected and losses paid. Whether it would in fact be made whole would depend on a number of factors, one of which is the duration of the war, i.e., that any large initial loss might be recouped through continuing premium collections which are not absorbed by continuing losses. Section 1202(b) of the act provides that any insurance issued under the act "shall be based, insofar as practicable, upon consideration of the risk involved."

DEPARTMENT OF AGRICULTURE AND RELATED AGENCIES APPROPRIATION BILL, 1963—CONFERENCE REPORT

Mr. MANSFIELD. Mr. President, if the Senator will yield, I ask unanimous consent that the business under discussion be laid aside for the time being.

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

Mr. MANSFIELD. The Senator from Georgia [Mr. RUSSELL] has a request to make.

Mr. RUSSELL. Mr. President, I submit a report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill—H.R. 12648—making appropriations for the Department of Agriculture and related agencies for the fiscal year ending June 30, 1963, and for other purposes. I ask unanimous consent for the present consideration of the report.

The PRESIDING OFFICER. The report will be read for the information of the Senate.

The legislative clerk read the report.

(For conference report, see House proceedings of Sept. 18, 1962, pp. 19708–19710, CONGRESSIONAL RECORD.)

The PRESIDING OFFICER. Is there objection to the present consideration of the report?

There being no objection, the Senate proceeded to consider the report.

Mr. RUSSELL. Mr. President, I move that the conference report be agreed to.

The PRESIDING OFFICER. The question is on agreeing to the conference report.

The report was agreed to.

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 12648, which was read as follows:

IN THE HOUSE OF REPRESENTATIVES, U.S.,
September 19, 1962.

Resolved, That the House recede from its disagreement to the amendments of the Senate numbered 4, 25, and 40 to the bill (H.R.

12648) entitled "An Act making appropriations for the Department of Agriculture and related agencies for the fiscal year ending June 30, 1963, and for other purposes", and concur therein;

Resolved, That the House recede from its disagreement to the amendment of the Senate numbered 38, and concur therein with an amendment, as follows: In lieu of the word "may" insert the word "shall";

Resolved, That the House insist upon its disagreement to the amendments of the Senate numbered 1, 2, 6, 19, 44, 47, 48, 49, 50, 51, 52, 53, and 54 to aforesaid bill.

Mr. RUSSELL. Mr. President, I move that the Senate concur in the amendment of the House to the amendment of the Senate numbered 38 to the bill.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Georgia.

The motion was agreed to.

Mr. RUSSELL. Mr. President, a number of amendments to the bill are in disagreement. Before we conclude I intend to move that the Senate insist on all of them and ask for a further conference. I wish to point out to Members of the Senate that the principal amendments in disagreement are amendments 2 and 6, which have to do with research items in the bill.

Mr. President, I ask unanimous consent that amendments 2 and 6 may be considered en bloc.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

Mr. RUSSELL. Mr. President, I desire to have a yea-and-nay vote on those amendments, but I now move that the Senate insist on the other amendments in disagreement, numbered 1, 19, 44, 47, 48, 49, 50, 51, 52, 53, and 54.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Georgia.

The motion was agreed to.

Mr. RUSSELL. Mr. President, Senators will recall that the committee recommended an increase of $25 million to accelerate utilization research and development. In the conference meetings the conferees representing the other body insisted that the present level of utilization research of $18,800,000 was adequate. They insisted that additional results could be obtained by the same personnel through shifts in research projects. They were also opposed to the expansion of research facilities to conduct an accelerated utilization research program.

The general tenor of their opposition was to oppose, and not agree to, any of the Senate amendments providing for construction of any research facilities of any character or to conduct any particular phase of the work.

In the statements and notes sent to both the Senate and House conferees the Secretary of Agriculture made the following statement:

> The Department recognizes the potential of utilization research for developing new food, feed, and industrial uses for farm products. An expansion of this research as recommended by the Senate could be used effectively to promote the welfare of the farmer and the consumer and to reduce the burden of agricultural surpluses.
>
> The Department would use the increase in three areas: (1) To provide additional facilities for this research; (2) to completely staff existing facilities; and (3) to expand utilization research and development through the use of cooperative agreements, contracts, and by initiating a program of grants for research.
>
> The current utilization research laboratories can accommodate only about a 10-percent expansion in personnel. Additional facilities and specialized equipment would be needed to carry out a greatly expanded research program. The present laboratory and pilot plant facilities could be essentially doubled. In the first year a part of these facilities would be provided.

Mr. President, there is a great need for adequate agricultural research in the field of utilization and new uses, because agricultural research and utilization research in particular, is lagging far behind research and development investigations in other program activities. To illustrate the relative situation which obtains, I shall cite a few facts and figures.

The 1963 budget document lists the estimated expenditures for fiscal year 1963 for research and development by major program classifications as follows:

For the Department of Defense, for military programs, $7,148 million.

For research by the National Aeronautics and Space Administration $2,400 million.

For the Atomic Energy Commission, the research and development cost set forth in the budget is $1,408 million.

For the Department of Health, Education, and Welfare the Congress had appropriated $680 million for research and development.

Since this tabulation was issued, the 1963 appropriation bill has been acted upon. The budget requested new obligational authority of $780.4 million. The House bill provided $840.8 million, the Senate recommended $900.8 million, and the conference report provided $880.8 million—an increase of $215.5 million over 1962 for this Department.

For the Department of Agriculture, including forestry research as well as payments to the State experiment stations, the sum of $171 million is involved.

For the National Science Foundation the figure is $164 million.

For all other agencies the sum is $395 million.

These expenditures for research and development add up to $12,365 million. The share of agricultural research and development, amounting to $171 million, is only 1.4 percent of the total of the $12,365 million.

The item for utilization research as it passed the other body constituted only three-tenths of one percent of the $5.5 billion in the Agriculture Department appropriation bill alone. If we were to break it down mathematically, as against the total amount for research by the Government of $12,365 million, there would be a string of zeroes from here to the door before we ever got to the infinitesimal part that agricultural utilization research costs the Federal taxpayers.

After there was a reduction in the total appropriation of $700 million, there was an increase of $25 million as provided by an amendment for utilization research in the bill that passed the Senate—and that is, the bill involved in the conference report now before the Senate. This amount is less than 1 percent of the total appropriation.

In the fiscal year 1961, the State experiment stations spent a total of $152 million for research, of which less than $7 million could be classified as utilization research. I ask Senators to bear in mind that more than three-fourths the money spent by the State experiment stations was appropriated by the several States and was not derived from Federal funds.

The State experiment stations concentrate principally upon research investigations upon farm crops and products, and the marketing of these products. It is very evident—and experience through the years demonstrates—that any acceleration of the utilization research program must be undertaken by the Federal Government and financed by Federal appropriations.

Mr. President, when we bear in mind the fact that we have spent in the past 10 years some $26.2 billion in an attempt to deal with the question of farm surpluses, it should be abundantly evident to any impartial and objective person that the $25 million to develop new uses for agricultural crops and products and to avoid the enormous sums we are paying for storage, handling and transportation of these commodities is a very minute increase in expenditures. It can justify itself many times over if by unlocking the door and revealing new information with respect to only one commodity and a new use to which that commodity might be put.

We had printed a supplement to the Senate hearings which clearly demonstrates the worth and accomplishments stemming from the very modest current program.

The Department reports that during the past 5 years the value of agricultural commodities has been enhanced $1¾ billion as a result of the very modest program of about $18 million a year for utilization research.

We have been advised by the Department that the Department proposes to use the $25 million provided by the Senate amendment as follows:

First, $17.5 million would be used to initiate construction of research facilities needed to carry out the accelerated program.

Second, contract research to qualified research firms would be stepped up rapidly from the current rate of $750,000 to an estimated $3 million annually.

Third, full use would be made of existing laboratory capacities by accelerating the research investigations therein by $4.5 million annually. In subsequent years the increased level of funds would be used to further accelerate research investigations as the construction requirements decrease.

Senate amendment No. 2 also carries the construction items for research facilities. The committee separated these into two items in the 1961 bill. This year we combined them again as they were heretofore carried, and as is noted in amendment No. 6.

The committee of the other body denied a budgeted item for soil and water conservation research which is carried in Senate amendment No. 2. As I indicated when the Senate was debating the bill, the Senate conferees would yield on the proposed addition to the laboratory at East Lansing, Mich., requested to accelerate research on avian leukosis in poultry. This facility could be provided under amendment No. 2, through the use of funds earmarked for the Ames, Iowa, laboratory, and within the total amount allowed in the Senate amendment.

Amendment No. 2 also carries other construction items for soil and water conservation research and other needed research facilities.

The Senate committee endeavored to be prudent in dealing with these requests for research facilities. The total figures, which I stated earlier, show the very modest amount used for research by the Department of Agriculture compared with amounts used by other departments, which indicates that we were prudent to the point of frugality in providing for needed agricultural research facilities in this country. We allowed less than 25 percent of the funds that were requested with respect to other research items and for which witnesses testified, and in which Senators indicated a great interest.

The Senate conferees are the servants of the Senate. They serve as their agents in conferring with the Representatives of the other body. I hope Senators will carefully consider the vote, which I will ask to be a yea-and-nay vote, in order that we may consider the action of the Senate as our instruction. If Senators wish to insist upon its amendment providing for a $25 million appropriation for utilization research and the other items carried in the motion, they will vote "Yea."

If the motion to insist on the amendment is rejected, I shall then move that the Senate recede on the utilization items related to the $25 million appropriation, and then we can return to conference on the other smaller items contained in the amendment.

Personally, if I have ever seen an illustration of a "penny wise and pound foolish" course, it is to deny adequate facilities for research to find new uses for the staggering surpluses of agriculture stored throughout our land for which we are paying $1.5 billion a year in storage, transportation, and related costs alone.

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

Mr. RUSSELL. I yield.

Mr. MANSFIELD. Mr. President, before the Senator makes his motion, I wish to state that I am wholeheartedly in accord with what the distinguished chairman of the committee has advocated. I hope that the Senate, in no uncertain terms, will uphold the hand of the chairman of the committee, because he represents our point of view and deserves our support.

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

Mr. RUSSELL. I yield.

Mr. DIRKSEN. I think the distinguished Senator from Georgia has made a very impressive case, particularly in his comparison of funds available for agriculture research as distinguished from research in other fields. The amount devoted to agriculture research is an almost infinitesimal amount. Yet if we are ever to find a solution to the problem, it must be in further research to reduce costs, to reduce the storage problem, and to find new uses for farm products. We have developed one of the most productive plants that have been created at any time anywhere in the world. So the position of the chairman of the subcommittee ought to be sustained in the conference.

Mr. YOUNG of North Dakota. Mr. President, will the Senator yield?

Mr. RUSSELL. I am glad to yield to the distinguished Senator from North Dakota, who is the ranking minority member of the committee.

Mr. YOUNG of North Dakota. I support the position taken by the distinguished chairman of the Senate Agriculture Appropriations Subcommittee. We have been wrestling with farm surpluses for many years. Several times in the past the Senate has provided a greatly increased utilization research fund. Approximately 3 or 4 years ago the Senate established a special research committee composed of some of the best research people in the United States, both in the Department of Agriculture and in private industry, to look into the need for more utilization research. They came forth with a report which would indicate that untold new uses could be found for agricultural surpluses.

This is one of the better answers to our farm surplus problem. As the Senator has pointed out, we appropriate billions of dollars for research into almost very other phase of endeavor in our country. But when it comes to agriculture, it is almost impossible to obtain the necessary funds for research, not only for utilization but for other types of research.

The Senator knows there is a modest sum provided in the bill for nutrition. I believe the amount was $20,000. It would have permitted the making of plans over a 3-year period for the construction of some nutrition laboratories. This was disapproved in conference.

Research into nutrition is almost as important as research into heart disease, cancer, and other diseases.

That item was denied. We have had a continuing battle to obtain even meager funds for research from the House committee.

I can see no other course that the Senate can follow than to disapprove the conference report and insist on those research items.

Mr. RUSSELL. Mr. President, I ask for the yeas and nays on the question of agreeing to the motion to further insist on Senate amendments Nos. 2 and 6.

The yeas and nays were ordered.

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

Mr. RUSSELL. I am glad to yield.

Mr. KUCHEL. What the distinguished Senator from Georgia [Mr. RUSSELL] has said is precisely correct. The Senate will follow his leadership completely. I come from a State which has a peculiar interest in the possibilities of research development with respect to agriculture as we know it in my State. But the problem is not a parochial one. The problem is national in scope. The Senator from Georgia [Mr. RUSSELL], the Senator from North Dakota [Mr. YOUNG], and others have conducted the battle year in and year out. They have led the way with respect to research in the important field of agriculture. I hope that the position of the Senator from Georgia will be sustained by the Senate, and I hope that his position may be vindicated in the public interest in the next few days.

Mr. RUSSELL. I thank the Senator.

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

Mr. RUSSELL. I am glad to yield to the Senator from South Carolina.

Mr. JOHNSTON. I join Senators who have been saying that the proposed research is needed.

Senators will recall that only a few years ago I and several other Senators, including the Senator from North Dakota [Mr. YOUNG] and the Senator from Nebraska [Mr. CURTIS] were sponsors of a similar measure, which was passed by the Senate, which would provide for an extension into the field of agricultural research. We would spend millions of dollars in order to try to find more uses for agricultural commodities.

As I recall, the Senate voted unanimously for the provision. At this time I think the Senate would do the right thing in following our leader, the chairman of the subcommittee, the Senator from Georgia [Mr. RUSSELL] in asking for the proposed research. We should do so now, and not put it off any longer.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Georgia to further insist on Senate amendments Nos. 2 and 6. On this question the yeas and nays have been ordered, and the clerk will call the roll.

The legislative clerk called the roll.

Mr. HUMPHREY. I announce that the Senator from Pennsylvania [Mr. CLARK], the Senator from Illinois [Mr. DOUGLAS], the Senator from Mississippi [Mr. EASTLAND], the Senator from Arkansas [Mr. FULBRIGHT], the Senator from Tennessee [Mr. GORE], the Senator from Indiana [Mr. HARTKE], the Senator from Rhode Island [Mr. PELL], the Senator from Virginia [Mr. ROBERTSON], the Senator from Florida [Mr. SMATHERS], and the Senator from Massachusetts [Mr. SMITH] are absent on official business.

I further announce that the Senator from Idaho [Mr. CHURCH], the Senator from Alaska [Mr. GRUENING], the Senator from Wyoming [Mr. HICKEY], and the Senator from West Virginia [Mr. RANDOLPH] are necessarily absent.

I further announce that, if present and voting, the Senator from Idaho [Mr. CHURCH], the Senator from Pennsylvania [Mr. CLARK], the Senator from Illinois [Mr. DOUGLAS], the Senator from Mississippi [Mr. EASTLAND], the Senator

from Arkansas [Mr. FULBRIGHT], the Senator from Tennessee [Mr. GORE], the Senator from Alaska [Mr. GRUENING], the Senator from Indiana [Mr. HARTKE], the Senator from Wyoming [Mr. HICKEY], the Senator from Rhode Island [Mr. PELL], the Senator from West Virginia [Mr. RANDOLPH], the Senator from Virginia [Mr. ROBERTSON], the Senator from Florida [Mr. SMATHERS], and the Senator from Massachusetts [Mr. SMITH] would each vote "yea."

Mr. KUCHEL. I announce that the Senator from Colorado [Mr. ALLOTT] is absent on official business as a U.S. representative to the General Assembly of the United Nations.

The Senator from South Dakota [Mr. BOTTUM], the Senator from Indiana [Mr. CAPEHART], the Senators from New Hampshire [Mr. COTTON and Mr. MURPHY], the Senator from New York [Mr. JAVITS], the Senator from Iowa [Mr. MILLER], the Senator from Kentucky [Mr. MORTON], and the Senator from Pennsylvania [Mr. SCOTT] are necessarily absent.

If present and voting, the Senator from Colorado [Mr. ALLOTT], the Senator from South Dakota [Mr. BOTTUM], the Senator from Indiana [Mr. CAPEHART], the Senator from New York [Mr. JAVITS], the Senator from Iowa [Mr. MILLER], the Senator from Kentucky [Mr. MORTON], and the Senator from Pennsylvania [Mr. SCOTT] would each vote "yea."

The result was announced—yeas 77, nays 0, as follows:

[No. 278 Leg.]

YEAS—77

Aiken	Hart	Monroney
Anderson	Hayden	Morse
Bartlett	Hickenlooper	Moss
Beall	Hill	Mundt
Bennett	Holland	Muskie
Bible	Hruska	Neuberger
Boggs	Humphrey	Pastore
Burdick	Jackson	Pearson
Bush	Johnston	Prouty
Butler	Jordan, N.C.	Proxmire
Byrd, Va.	Jordan, Idaho	Russell
Byrd, W. Va.	Keating	Saltonstall
Cannon	Kefauver	Smith, Maine
Carlson	Kerr	Sparkman
Carroll	Kuchel	Stennis
Case	Lausche	Symington
Chavez	Long, Mo.	Talmadge
Cooper	Long, Hawaii	Thurmond
Curtis	Long, La.	Tower
Dirksen	Magnuson	Wiley
Dodd	Mansfield	Williams, N.J.
Ellender	McCarthy	Williams, Del.
Engle	McClellan	Yarborough
Ervin	McGee	Young, N. Dak.
Fong	McNamara	Young, Ohio
Goldwater	Metcalf	

NAYS—0

NOT VOTING—23

Allott	Fulbright	Murphy
Bottum	Gore	Pell
Capehart	Gruening	Randolph
Church	Hartke	Robertson
Clark	Hickey	Scott
Cotton	Javits	Smathers
Douglas	Miller	Smith, Mass.
Eastland	Morton	

So Mr. RUSSELL's motion that the Senate further insist on Senate amendments Nos. 2 and 6 was agreed to.

Mr. RUSSELL. Mr. President, I move that the Senate request a further conference with the House on the items in disagreement between the two bodies, and that the Chair appoint the conferees on the part of the Senate.

The motion was agreed to; and the Presiding Officer appointed Mr. RUSSELL, Mr. HAYDEN, Mr. ELLENDER, Mr. YOUNG of North Dakota, and Mr. MUNDT conferees on the part of the Senate at the further conference.

REMOVAL OF CERTAIN LIMITATIONS WITH RESPECT TO WAR RISK INSURANCE

Mr. MANSFIELD. Mr. President, I move that the Senate resume the consideration of Calendar No. 1285, S. 2829, and that it be made the pending business.

The motion was agreed to; and the Senate resumed the consideration of the bill (S. 2829) to amend title XII of the Merchant Marine Act, 1936, in order to remove certain limitations with respect to war risk insurance issued under the provisions of such title.

THE CALENDAR

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of certain bills on the calendar to which there is no objection.

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

Mr. MANSFIELD. The first bill is Calendar No. 2067, H.R. 12907.

DR. MEHMET VECIHI KALAYCIOGLU

The Senate proceeded to consider the bill (H.R. 12907) for the relief of Dr. Mehmet Vecihi Kalaycioglu which had been reported from the Committee on the Judiciary, with amendments, on page 2, after line 5, to insert a new section, as follows:

SEC. 3. For the purposes of the Immigration and Nationality Act, Antonio Gutierrez Fernandez and Sheu Chwan Shaiou shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this Act, upon payment of the required visa fees. Upon the granting of permanent residence to such aliens as provided for in this Act, the Secretary of State shall instruct the proper quota-control officer to deduct the required numbers from the appropriate quota or quotas for the first year that such quota or quotas are available.

The amendment was agreed to.

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

The bill was read the third time, and passed.

The title was amended, so as to read: "An Act for the relief of Doctor Mehmet Vecihi Kalaycioglu, Antonio Gutierrez Fernandez, and Sheu Chwan Shaiou."

AMENDMENT OF DISTRICT OF COLUMBIA INCOME AND FRANCHISE TAX ACT OF 1947 AND THE DISTRICT OF COLUMBIA BUSINESS CORPORATION ACT

The Senate proceeded to consider the bill (H.R. 8074) to amend the District of Columbia Income and Franchise Tax Act of 1947, as amended, and the District of Columbia Business Corporation Act, as amended, with respect to certain foreign corporations which had been reported from the Committee on District of Columbia, with an amendment, to strike out all after the enacting clause and insert:

That section 2(b) of title III of the District of Columbia Income and Franchise Tax Act of 1947, as amended (D.C. Code 47–1557a(b)), is amended by adding at the end thereof the following new paragraph:

"(17) a. FOREIGN CORPORATIONS.—Income derived by a foreign corporation authorized to invest in loans secured by real estate, which does not maintain any office or employee in the District of Columbia and whose activities in the District of Columbia are limited exclusively to one or more of the following:

"(1) the acquisiton of loans (including the negotiation thereof) secured by mortgages or deeds of trust on real property situated in the District of Columbia pursuant to commitment agreements or arrangements made prior to or following the organization or creation of such loans;

"(2) the physical inspection and appraisal of property in the District of Columbia as security for mortgages or deeds of trust;

"(3) the ownership, modification, renewal, extension, transfer, or foreclosure of such loans, or the acceptance of substitute additional obligors thereon;

"(4) the making, collecting, and servicing of such loans through a District of Columbia concern engaged in the business of servicing real estate loans for investors;

"(5) maintaining or defending any action or suit or any administrative or arbitration proceeding arising as a result of such loans;

"(6) the acquisition of title to property which is the security for such a loan in the event of default on such loan;

"(7) for a period not exceeding ninety days following acquisition, the operation, maintenance or rental of real property which was security for the corporation's loan and which was acquired by it under foreclosure, sale or agreement in lieu thereof if, during such ninety-day period, such corporation is actively engaged in the liquidation of its investment and if such liquidation is accomplished by or before the end of such ninety-day period.

"b. A foreign corporation claiming an exclusion from gross income pursuant to this paragraph shall file with the Commissioners a statement of the income which it claims is excludable, a statement of its activities within the District, and such other information and in such form as the Commissioners may prescribe. In the absence of such a statement the exclusion provided by this paragraph shall not apply.

"c. No exclusion of gross income under this paragraph shall be allowed to a foreign corporation unless all of the income claimed to be excludable is, nevertheless, subject to tax and is reported to and is taxed by either the State or other jurisdiction in which such corporation is incorporated, or the State or other jurisdiction in which such corporation has its principal places of business. A report of the amount of tax paid, together with such other information relative thereto as the Commissioners may require, shall be made to the Commissioners as a condition for an exclusion.

"d. No foreign corporation shall be entitled under this paragraph to an exclusion from gross income unless the laws of each State or jurisdiction (other than the District) in which such foreign corporation is engaged in investing in loans secured by real estate provide to similar corporations incorporated under the laws of the District of Columbia substantially the same benefits as are afforded to foreign corporations by this paragraph."

SEC. 2. Section 99 of the District of Columbia Business Corporation Act (D.C. Code,

sec. 29-933) is amended by adding at the end thereof the following new subsections:

"(c) No foreign corporation whose only income earned within the District of Columbia is excludable from gross income under paragraph 17 of section 2(b) of title III of the District of Columbia Income and Franchise Tax Act of 1947, as amended (D.C. Code, 47–1557a(b)), shall be subject to the provisions of this Act.

"(d) Nothing in subsection (c) of this section shall be construed as affecting the amenability of any foreign corporation to the service of any process, notice, or demand to which such corporation would be amenable without reference to the provisions of such subsection (c).

"(e)(1) Any foreign corporation exempt under subsection (c) of this section shall be deemed to have waived any immunity to service of process and suit in the courts of the District of Columbia. Any such foreign corporation shall appoint and maintain in the District of Columbia an agent for service of process, and shall register with the Commissioners of the District of Columbia the address of its principal office and the name and address of its agent for service of process in the District of Columbia, including any changes in such addresses.

"(2) Whenever any such foreign corporation does not have an agent for service of process or such agent cannot be found with reasonable diligence at his registered address, then the Commissioners of the District of Columbia shall be the agent for service of process for such corporation. Service of process on the Commissioners shall be made by delivery to, and leaving with them, or with any person having charge of their office duplicate copies of the process. In the event of such service the Commissioners shall immediately cause one of such copies to be forwarded by registered or certified mail, addressed to such foreign corporation at its principal office as it appears on the records of the Commissioners. Any such service shall be returnable in not less than 30 days, unless the rules of the court issuing such process prescribe another period, in which case such prescribed period shall govern.

"(3) Nothing contained in this subsection shall limit or affect the right to serve any process, notice or demand required or permitted by law to be served on a foreign corporation in any other manner now or hereafter permitted by law.

"(4) Any foreign corporation which fails to comply with the requirements of paragraph (1) of this subsection shall be guilty of a misdemeanor and shall be fined not more than $500.

"(5) The Commissioners of the District of Columbia are authorized to make such rules and regulations as may be necessary to carry out the purpose of this subsection."

SEC. 3. The amendment made by the first section of this Act shall take effect with respect to taxable years beginning on and after December 31, 1962.

The amendments were agreed to.

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

The bill was read the third time, and passed.

Mr. MANSFIELD. Mr. President, I ask unanimous consent to have printed in the RECORD an excerpt from the report (No. 2106), explaining the purposes of the bill.

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

The twofold purpose of this bill, as amended, is (1) to exempt income derived by foreign corporations from real estate loans made in the District of Columbia, from the District of Columbia income and franchise tax, and (2) to provide that the typical transactions connected with such loans do not constitute "doing business" within the District of Columbia.

Prior to the introduction of H.R. 8074, there was considerable uncertainty among mortgage bankers and brokers as to whether or not a foreign corporation performing only those activities outlined in the bill, was subject to the District of Columbia business corporation law, or Income and Franchise Act.

As a result of this uncertainty, a number of savings institutions—particularly the New York saving banks—would not run the risk of making mortgage loans in the District for fear that they would be subject to double taxation on the income from such loans and that they would be required to comply with the provisions of the District of Columbia Business Corporation Act.

Testimony taken before the Judiciary Subcommittee of this committee tends to establish a need to encourage foreign lenders to make money available within the District of Columbia for financing urban renewal and general building activities. The District of Columbia Bankers' Association and the Mortgage Bankers' Association of Washington both testified in favor of the bill and cited the need to encourage participation of foreign lenders in District building activities.

It therefore seems apparent that if new capital is to be attracted to the District of Columbia, the uncertainty of District law must be cleared up, and the possibility of taxation in two jurisdictions ended.

After H.R. 8074 passed the House of Representatives, one of the members of this committee obtained an opinion from the office of the Corporation Counsel of the District of Columbia, as to whether such a foreign corporation performing the activities in the bill would be subject to the tax and corporate laws of the District of Columbia. The following language, quoted from this opinion, summarizes the Corporation Counsel's viewpoint:

"As a consequence, it is my opinion that a foreign corporation engaging in a consistent pattern of activity as described in the bill would be liable for District franchise taxes in the absence of the exemption proposed in the bill."

Subsequent to this opinion, the Commissioners of the District of Columbia withdrew their prior opposition to the enactment of H.R. 8074, providing the measure be amended so as to require compliance with certain conditions believed necessary in the interest of the District of Columbia. The proposed amendments offered by the Commissioners were agreed to by the commtitee and are incorporated in the bill as reported. The amendments are explained in a letter addressed to the chairman of the committee from the Board of Commissioners dated July 17, 1962, which is hereby made a part of this report:

JULY 17, 1962.

Hon. ALAN BIBLE,
Chairman, Committee on the District of Columbia, U.S. Senate, Washington, D.C.

MY DEAR SENATOR BIBLE: On August 28, 1961, the Commissioners submitted a report to this committee on H.R. 8074 entitled an "Act to amend the District of Columbia Income and Franchise Tax Act of 1947, as amended, and the District of Columbia Business and Corporation Act, as amended, with respect to certain foreign corporations."

In their report the Commissioners expressed their opposition to the enactment of H.R. 8074 and, in addition, requested an amendment in the event the bill received favorable consideration. Since submitting their report of August 28, 1961, the Commissioners have reconsidered their position and have reached the conclusion that they will not oppose enactment of H.R. 8074, provided the act is amended so as to require compliance with certain conditions the Commissioners believe are necessary in the interest of the District of Columbia.

The Commissioners are of the opinion that foreign lending corporations conducting activities within the District in accordance with the provisions of H.R. 8074 should not be exempt under the District of Columbia Income and Franchise Tax Act of 1947, as amended, but instead, such corporations should be entitled only to exclude from gross income under the Income and Franchise Tax Act of 1947, the income derived by such corporations as a consequence of their activities in the District under H.R. 8074.

The act as presently drawn would permit foreign corporations taking property by foreclosure, sale, or lay agreement in lieu thereof, to hold and operate such property for a reasonable time, pending liquidation of its investment, without incurring any District tax liability. As the Commissioners pointed out in their previous report, they believe that the phrase "reasonable time" is so indefinite that enforcement of this provision would be extremely difficult, if not impossible. The Commissioners are of the view that, in the event the act receives favorable consideration, the acquiring corporation should be allowed to operate, maintain, rent, sell, or dispose of such property without tax liability only during the time, not to exceed 90 days, that the corporation is actively engaged in liquidating its investment in such property and only if liquidation is completed within 90 days after the acquisition.

The Commissioners are also of the view that the act should contain a provision to the effect that the tax relief afforded by the act will be granted only to foreign corporations of States which grant similar privileges to District of Columbia corporations.

In addition, the Commissioners recommend that the act contain a provision to the effect that income derived by a foreign lending corporation in the District will be excludable from gross income only if such income is subject to tax and is reported to and taxed by either the State or other jurisdiction in which the foreign corporation is incorporated, or the State or other jurisdiction where it has its principal places of business.

Finally, the Commissioners recommended that foreign corporations, as a condition for exclusion of gross income, be required to report to the Commissioners the income claimed to be excludable, together with a report of the activities of such corporations within the District. Language to accomplish the changes recommended by the Commissioners is attached.

Time does not permit securing the views of the Bureau of the Budget as to the relationship of this legislation to the program of the President.

Sincerely,

———— ————,
President, Board of Commissioners, District of Columbia.

REGISTRATION AND PROTECTION OF TRADEMARKS USED IN COMMERCE

The bill (H.R. 4333) to amend the act entitled "An act to provide for the registration and protection of trademarks used in commerce, to carry out the provisions of certain international conventions, and for other purposes," approved July 5, 1946, as amended, was considered, ordered to a third reading, read the third time, and passed.

Mr. MANSFIELD. Mr. President, I ask unanimous consent to have printed in the RECORD an excerpt from the report (No. 2107), explaining the purposes of the bill.

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

PURPOSE

The purpose of this legislation is to make a number of miscellaneous changes in the Trademark Act of 1946 so as to clarify the meaning of several of its provisions. The provisions of the bill affect details of registration, administrative and court procedure, internal organization of the Patent Office regarding trademark matters, and refinements in language that experience has shown to be desirable. It also corrects typographical errors in the Trademark Act of 1946.

STATEMENT

The facts and legislative history regarding this legislation are contained in House Report 1108, and are as follows:

"Views of Government agencies and interested private organizations

"The Department of Justice, in its report dated August 14, 1961, states that the subject of the legislation is not a matter as to which the Department of Justice has primary responsibility, and accordingly makes no recommendation as to the enactment of the bill.

"The Department of Commerce, in a report dated August 15, 1961, recommends enactment of the bill with certain technical and clarifying amendments.

"The Department of State, in a report dated September 2, 1959, on a predecessor bill, perceived no objection to the enactment of this legislation, and in fact, expressed its support for section 20 thereof as it concerns the applicability of the act to nationals of foreign countries.

"The Treasury Department, in its report of August 14, 1959, on a predecessor bill, stated that it had no recommendations to make because the proposed legislation related to matters primarily within the jurisdiction of the Department of Commerce.

"The Federal Trade Commission, in its report on the instant bill, dated August 11, 1961, suggests that the jurisdiction of the Commission be expanded to permit it to file petitions for cancellation of registered marks which become, prior or subsequent to registration, the common descriptive name of an article or substance. This would include registrations issued under the Trademark Acts of 1881 and of 1905 as well as registrations issued under the Principal Register established under the Trademark Act of 1946. The committee does not think it appropriate to consider charges of this nature at this time, since the instant bill is in large part a housekeeping measure, making minimal substantive changes in the trademark law. The Federal Trade Commission's suggestions, on the other hand, would bring about a substantive change in policy. In addition, the committee has been advised that there is no present need for this particular change.

"The Federal Trade Commission also objected to the proposed change in the definition of 'service marks' appearing in section 45 of the Trademark Act. The committee, however, feels that the proposed change should be adopted, as it does nothing more than codify the present practice of the Patent Office in this regard.

"The instant bill has the approval and support of the U.S. Trademark Association, the American Bar Association, the National Association of Manufacturers, the District of Columbia Bar Association, the Philadelphia Bar Association, the New York County Lawyers Association, and the bar of the city of New York.

"Legislative history

"Similar legislation passed the Senate in the 83d Congress and again in the 86th Congress. However, the House took no action on each occasion.

"Hearings were held on predecessor bills on March 25, 1954. In addition, your committee held hearings on the instant bill on August 16, 1961.

"It might be well to relate some of the history of the trademark laws of the United States which led up to the instant legislation. On July 5, 1946, the trademark laws of the United States were revised by Public Law 489, 79th Congress (ch. 540, 2d sess., 60 Stat. 427), known as the Lanham Trademark Act. It became effective on July 5, 1947, 1 year after its enactment, and completely rewrote the trademark laws of the United States and made a large number of substantial changes. During the period (about 14 years) that this act has been in operation the need of some revision has become evident.

"In 1948 representatives of some 26 legal and trade associations concerned with trademark matters were formed into a committee to study and recommend what changes in the Trademark Act could be agreed upon as necessary or desirable. As a result thereof, S. 1957 of the 82d Congress, incorporating proposed changes in the trademark laws as recommended by this committee, was introduced. That bill was the subject of considerable study and of further suggestions from individuals, associations, and Government departments. On July 31, 1953, a bill representing many of such suggestions was introduced in the 83d Congress. This bill was S. 2540. As stated, that bill was the subject of hearings; amendments were made, and a bill as an amendment in the nature of a substitute was drafted. The hearings were held on March 25, 1954, and representatives of interested associations recommended enactment of the legislation. The various Government departments interested in the subject matter of the bill submitted reports of their views. The bill was then favorably reported on August 5, 1954, and was passed by the Senate on August 11, 1954, but was not acted upon by the House of Representatives prior to adjournment.

"Again, in the 84th Congress, a bill was introduced which was in the wording of S. 2540, being S. 215 of the 84th Congress, but no action was taken thereon. In the 86th Congress a bill (S. 2429) similar to the previous bills but not covering all of the features contained in the prior legislation, passed the Senate. This bill has been termed as a 'housekeeping' bill and was considered to be not controversial. The various departments of Government had, with the exception of certain technical amendments, no objection to this legislation.

"Hearings were held on the instant bill (H.R. 4333) on August 16, 1961. The bill makes numerous amendments to the Trademark Act of 1946. They are set forth later in this report under a heading entitled 'Analysis of Legislation.' Some of the amendments merely correct typographical errors which appeared in the 1946 act; some involve matters of clarification of meaning, and some make desirable changes in substance as well as in details of procedure.

"Analysis of legislation

"An analysis of the provisions of H.R. 4333 follows:

"Section 1 of the bill proposes to amend, in several respects, section 1(a)(1) of the act, which relates to the statements required of an applicant for registration of a trademark.

"The first amendment proposes to amend the phrase which now reads: 'that no other person, * * * has the right to use such mark in commerce either in the identical form thereof or in such near resemblance thereto *as might be calculated to deceive*' by canceling the italicized words and substituting—'as to be likely, when applied to the goods of such other person, to cause confusion, or to cause mistake, or to deceive. The purpose of this amendment is to make the required allegation of the applicant more nearly complete and more accurate.

"The second amendment is the cancellation of the words 'or services', which appear in the proviso to section a(a)(1. This is for uniformity of drafting and does not affect the meaning.

"Section 2 of the bill proposes to make a number of changes in section 2 of the act.

"The first clause of section 2(d) of the act provides that a mark is to be refused registration if it so resembles a mark registered in the Patent Office or a mark previously used by another, as to be likely when applied to the goods of the applicant, 'to cause confusion or mistake or to deceive purchasers.' The bill proposes to revise the quoted expression to read 'to cause confusion, or to cause mistake, or to deceive.' The purpose of the proposed change is to coordinate the language here with that used elsewhere and to omit the word 'purchasers,' since the provision actually relates to potential purchasers as well as to actual purchasers. The word 'purchasers' is eliminated so as to avoid the possibility of misconstruction of the present language of the statute.

"Section 2(d) of the act contains a long proviso relating to so-called concurrent registrations of trademarks. The bill, as amended, proposes to rewrite this proviso, amending it in a number of respects. The principal amendment is to enlarge the limiting dates after which rights to concurrent registrations cannot accrue. The amendment will increase the possibility of a concurrent registration insofar as the dates involved are concerned.

"The act now states that concurrent registrations are to be granted when confusion or mistake or deceit of purchasers is not likely to result from the continued use of the marks—'under conditions and limitations as to the mode or place of use or the goods in connection with which such registrations may be granted.' There is considerable confusion in the interpretation of this language, which is far from clear. The bill proposes to amend the particular phrase to read: 'under conditions and limitations as to the mode or place of use of the marks or the goods in connection with which such marks are used, * * *.' This language is much clearer than the original language.

"A few simplifications over the language of the present proviso additionally are made.

"Section 3 of the bill proposes to rewrite section 6 of the act relating to disclaimers.

"Section 4 of the bill would revise section 7(a) of the act relating to the formalities of issuing a registration. The proposed language is simpler than the present wording of the statute and would enable the Patent Office to effect economies in printing the registrations.

"Section 4 of the bill would also rewrite section 7(d) of the act, effecting considerable clarification and at the same time making several changes. First, the requirement for a fee in connection with the voluntary surrender or cancellation of a registration by the registrant is removed. Such surrenders or voluntary cancellations are very rare and the fee may have deterred others which would have been made. Second, it is proposed to omit the words 'in whole or' from the clause in the present section which now states that the Commissioner may 'permit any registered mark to be disclaimed *in whole or* in part.' The italicized words are not seen to be necessary.

"Section 4 of the bill would further make certain language changes in section 7(e) of the act to provide consistency throughout the act and would desirably provide for any

duly designated employee, rather than only a chief of a division, to certify copies of Patent Office records.

"Section 4 of the bill would eliminate the present requirements in section 7(f) of the act that the Commissioner sign all certificates of correction, and would make certain language changes to provide consistency throughout the act.

"Section 5 of the bill proposes to amend section 9 of the act relating to the renewal of trademark registrations. The act now requires the registrant, prior to renewal, to file an affidavit stating that the mark is still in use in commerce. The proposed change permits the registrant to obtain the renewal of the registration even if the mark is then being used, provided that the nonuse is due to special circumstances which excuse the nonuse and is not due to any intention to abandon the mark.

"The affidavit now required by this section of the act must state that the mark is in use in commerce, but there is no requirement that the affidavit specify the goods on which the mark is used. Since the proposed amendment provides for an excuse for nonuse due to special circumstances, the amendment also provides that the affidavit (verified application) must set forth those goods recited in the registration on which said mark is still in use in commerce. There must also be attached a specimen or facsimile showing current use of the mark. These additional provisions are particularly desirable. Renewals are extensions of the registrations for 20 years, and the Patent Office records should reflect the goods on which the marks are then being used.

"Section 6 of the bill proposes to amend section 10 of the act by canceling the following proviso:

" '*Provided,* That any assigned registration may be canceled at any time if the registered mark is being used by, or with the permission of, the assignee so as to misrepresent the source of the goods or services in connection with which the mark is used.'

"The purpose in canceling this proviso is to incorporate it in broader form, as a requirement applying to any registrant, in section 14, which is a more appropriate part of the act.

"The bill would also revise the language of the sentence dealing with records of assignment, but there is no change in substance proposed.

"Section 7 of the bill proposes to amend section 12(a) of the act by adding the following proviso:

" '*Provided,* That in the case of an applicant claiming concurrent use, or in the case of an application to be placed in an interference as provided for in section 16 of this Act, the mark, if otherwise registrable, may be published subject to the determination of the rights of the parties to such proceedings.'

"The purpose of this addition is to effect a minor simplification in the Patent Office procedure.

"Section 7 of the bill would also revise and clarify the last sentence of subsection (c) of section 12.

"Section 8 of the bill would add a sentence to section 13 of the act to permit an opposition to be amended, and it would strike the words 'notice of', each occurrence, thereby making the section refer to 'opposition' rather than 'notice of opposition.'

"Section 14(c) of the act provides, as one of the grounds for canceling a registration at any time—'if the registered mark becomes the common descriptive name of an article or substance on which the patent has expired'—the amendment in the bill cancels the words—'on which the patent has expired.' Section 14(c) of the act also provides as a ground for cancellation at any time—'if the registered mark has been assigned and is being used by, or with the permission of, the assignee so as to misrepresent the source of the goods or services in connection with which the mark is used.' This language is replaced by the following broader language of the bill: 'if the registered mark is being used by, or with the permission of, the registrant so as to misrepresent the source of the goods or services in connection with which the mark is used.'

"Section 10 of the bill would make a change in section 15 of the act required by the revision and relettering of paragraphs in section 14.

"Section 10 of the bill also proposes to amend section 15 of the act by canceling from item 4 the italicized words in the following quotation:

" '(4) no incontestable right shall be acquired in a mark *or trade name* which is the common descriptive name of any article or substance.'

"The italicized words should be canceled since trade names, as such, are not registered.

"Section 11 of the bill proposes a change in section 16 of the act corresponding to a change made in section 2(d).

"Section 12 of the bill proposes to rewrite completely section 21 of the act dealing with appeals to the U.S. Court of Customs and Patent Appeals and other judicial review of Patent Office decisions. The act now incorporates by reference the procedure of appeals to the Court of Customs and Patent Appeals and review by civil action in patent cases. The proposed amendment incorporates, with necessary changes in language, the various provisions of title 35 relating to such appeals and review.

"Section 23 of the act, referred to in section 13 of the act, requires that in order for a mark to be eligible for registration on the Supplemental Register it must have been in lawful use for the year preceding the filing of the application. However, this section further provides that where an applicant required domestic registration as a basis for foreign protection of his mark, upon a proper showing that he has begun the lawful use of his mark in foreign commerce, the Commissioner may waive the requirement for a full year's use and may grant registration forthwith. Section 13 of the bill proposes to amend section 23 of the act to eliminate the requirement that the mark be in use in foreign commerce before the Commissioner can waive the requirement for a full year's use in order to be eligible for registration. This proposal does not eliminate the fundamental requirement that the mark actually be in use before it can be registered. The section as amended merely provides for waiving the length of time of use.

"Section 14 of the bill proposes to amend section 24 of the act by adding the phrase: ', upon payment of the prescribed fee and the filing of a verified petition stating the ground therefor,' in order to make the language corresponding to that used in the amendment to section 14 of the act.

"Section 15 of the bill would clarify section 29 of the act relating to marking requirements.

"Section 16 of the bill would amend section 30 of the act by changing the mandatory requirement of establishing internal classification of goods to a discretionary provision; and it would clarify language dealing with multiple applications.

"Section 17 of the bill proposes to rewrite section 32(1) of the act, making several changes and rearranging the language.

"One change is the omission of the italicized words from the following quotation from clause (a): 'on or in connection with which such use is likely to cause confusion or mistake or to deceive *purchasers as to the source or origin of such goods or services*'.

"This change is parallel to a similar change made in section 2(d) of the act.

"Section 17 of the bill also proposes to amend section 32(2) of the act to correct a typographical error.

"Section 18 of the bill would make amendments in subsections (a) and (b) of section 33 of the act. The amendments to subsection (a) and the opening paragraph of subsection (b) are an improvement in accuracy. The amendment to paragraph (3) of subsection (b) is parallel to amendments to sections 10 and 14. The amendments to paragraphs (5) and (6) of subsection (b) change a limiting date.

"Section 19 of the bill proposes to correct a typographical error in section 35 of the act.

"Section 20 of the bill proposes to amend section 44(b) of the act by adding a reference to a country which extends reciprocal rights to nationals of the United States by law and by revising the language to a more understandable form. This amendment is considered desirable.

"Section 20 of the bill also proposes to amend section 44(e) of the act and effects considerable improvement therein.

"Section 21 of the bill proposes six amendments to section 45 of the act which contains definitions.

"The first of these amendments, to the sixth paragraph of the section, amends the definition of 'applicant' and 'registrant' to include 'predecessor.'

"The ninth paragraph is amended to correct a typographical error in the omission of a comma.

"The 11th paragraph, the definition of service mark, is amended to permit titles of radio and television programs to be registered as service marks even though they advertise goods.

"The amendments to the 15th paragraph amplify the definition of use in commerce with respect to service marks.

"The definition of colorable imitation, in the 17th paragraph of the act, is amended to cancel the word "purchasers," in line with the amendment to section 2(d) of the act.

"The last amendment corrects a typographical error in the final paragraph of section 45."

The chairman of the Subcommittee on Patents, Trademarks, and Copyrights of this committee also received a communication from the Federal Trade Commission, dated November 29, 1961, in which it was proposed that the jurisdiction of the Commission be expanded to permit the Commission to petition for cancellation of registered marks which become, prior or subsequent to registration, the common descriptive name of an article or substance. After consideration, the committee concurs in the judgment of the House Committee on the Judiciary that it is not appropriate at this time to include substantive changes of such nature inasmuch as H.R. 4333 is in large part a housekeeping measure designed to make minimal substantive changes in the trademark law.

AWARD OF A GOLD MEDAL TO GENERAL OF THE ARMY DOUGLAS MacARTHUR

The joint resolution (S.J. Res. 228) authorizing the issuance of a gold medal to General of the Army Douglas MacArthur was announced as next in order.

Mr. PROXMIRE. Mr. President, it is a great honor for me to have reported and now to recommend the passage of Senate Joint Resolution 228, authorizing the issuance of a gold medal to General of the Army Douglas MacArthur. The striking of this medal will not result in any cost to the Government or the United States. The entire cost will be borne by the MacArthur Memorial Foundation.

General MacArthur's service to this country has been so outstanding that

every part of the country can very rightfully claim him as its own. However, Wisconsin can, with justifiable pride, assert the highest claim. Milwaukee was the home of his grandfather and father. General MacArthur entered West Point from Wisconsin.

General MacArthur's grandfather, Arthur MacArthur, was born in Glasgow, Scotland, and came to this country as a youth with his widowed mother. He attended Amherst College and Wesleyan University. He was admitted to the New York bar in 1840. He practiced law in Springfield, Mass., and was appointed Judge Advocate of the Western Military District of Massachusetts. When he was 34 years old, he moved with his wife and 4-year-old son—General MacArthur's father—to Wisconsin. He began the practice of law in Milwaukee, and in 2 years he was city attorney of Milwaukee. In 4 more years he was Lieutenant Governor of Wisconsin. Due to a contested election for the governorship, he served 5 days as Governor of Wisconsin.

President Grant appointed him as Associate Justice of the Supreme Court of the District of Columbia in 1870. He served on the bench for 17 years, resigning in his 73d year in 1888.

General MacArthur's father, Lt. Gen. Arthur MacArthur, spent his boyhood in Milwaukee. When he was 17, he joined the Union Army as a second lieutenant and adjutant of the 24th Wisconsin Infantry. For his gallantry during the battle around Chattanooga, he won the Congressional Medal of Honor. He returned home from the Civil War with the rank of lieutenant colonel, the youngest officer of his rank in the Army. After the war, he entered the Regular Army as a second lieutenant and worked his way up to lieutenant general and became Military Governor of the Philippines.

Gen. Douglas MacArthur was born on an Army post in Little Rock, Ark., on January 26, 1880. His mother took him often to visit the old MacArthur home in Milwaukee, and while his father was away in the Spanish-American War, he and his mother lived in the MacArthur home. General MacArthur was 19 years old when he was appointed to West Point from Wisconsin.

Wisconsin takes pride in the outstanding accomplishments of her soldier-statesman native son. Again I can say I am proud to recommend to the Senate the passage of Senate Joint Resolution 228, which authorizes the presentation by the President of the United States of a gold medal to General of the Army Douglas MacArthur.

Mr. YARBOROUGH. Mr. President, I commend the distinguished Senator from Wisconsin for reporting the joint resolution.

Twice in my lifetime I have had the privilege of serving under the command of Gen. Douglas MacArthur, once, for a year, in the U.S. Military Academy, while he was superintendent, and where I had the privilege of seeing him often as he went about his duties. Again, I spent 9 months under his command in the military occupation of Japan, where I witnessed the beneficent effect of a great proconsul administering our military occupation and governmental policy in that country, and where the people and their property were protected by General MacArthur's wise administration from any unlawful act of any kind by any person, whether in the military service or outside it. General MacArthur, with farsighted vision and wisdom, eased the burden of a defeated people under military occupation.

Gen. Douglas MacArthur has a special place in the hearts of the people of Texas, as he was the valedictorian of the 1897 graduating class at West Texas Military Academy, San Antonio, Tex. This school is now Texas Military Institute and is operated by the Episcopal Archdiocese of West Texas. Upon each of General MacArthur's recent visits to San Antonio, Texas Military Institute cadets have served as his honor guard. They will be gratified that this recognition of his great service to his country has come to one of America's greatest military commanders in his lifetime.

Twice in my life—the two occasions were separated by approximately 25 years of time—I had the privilege of serving under him. The first occasion was when, as a young general, he returned from Europe, where during World War I he had been Deputy Commander of the famed Rainbow Division. He returned with an outstanding military reputation. The second occasion was after World War II; and at that time I saw him administer the government of Japan in a way which always will be a credit to the American people. It was my duty and responsibility there to serve as military government officer for the 97th Infantry Division, having jurisdiction over one-seventh of the area and population of Japan.

So I think this joint resolution is a most timely one, and I commend the Senator from Wisconsin for reporting it.

Mr. PROXMIRE. I thank the Senator from Texas.

Mr. CHAVEZ. Mr. President, will the Senator from Wisconsin yield?

The PRESIDING OFFICER (Mr. BURDICK in the chair). Does the Senator from Wisconsin yield to the Senator from New Mexico?

Mr. PROXMIRE. I yield.

Mr. CHAVEZ. I remember seeing General MacArthur when he was a young man, at the time when his father was the commander at Fort Selden, one of the posts used in fighting Geronimo and his Apache Indians. Fort Selden has since then been dedicated by the Government as a monument to the United States and to Douglas MacArthur. As a young man, he spent some time there with his father.

Mr. PROXMIRE. I thank the Senator from New Mexico.

Mr. President, I yield the floor.

The PRESIDING OFFICER. If there is no amendment to be proposed, the question is on the engrossment and third reading of the joint resolution.

The joint resolution (S.J. Res. 228) was 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, in recognition of the gallant service rendered by General of the Army Douglas MacArthur to his country, the President of the United States is authorized to award to General of the Army Douglas MacArthur, in the name of Congress, an appropriate gold medal. For such purpose the Secretary of the Treasury is authorized and directed to cause to be struck a gold medal with suitable emblems, devices, and inscriptions to be determined by the Secretary.

SEC. 2. The Secretary of the Treasury is authorized and directed to coin and furnish to the MacArthur Memorial Foundation not more than five hundred thousand copies in bronze of such medal, of such size or sizes as shall be determined by the Secretary in consultation with the MacArthur Memorial Foundation. The medals shall be made and delivered at such times as may be required by the MacArthur Memorial Foundation in quantities of not less than two thousand. The medals shall be considered to be national medals within the meaning of section 3551 of the Revised Statutes.

SEC. 3. The Secretary of the Treasury shall cause such gold medals and such bronze medals to be struck and furnished at not less than the estimated cost of manufacture, including labor, materials, dies, use of machinery, and overhead expenses; and security satisfactory to the Director of the Mint shall be furnished to indemnify the United States for the full payment of such cost.

REMOVAL OF CERTAIN LIMITATIONS WITH RESPECT TO WAR RISK INSURANCE

The PRESIDING OFFICER. The Chair lays before the Senate the pending business.

The Senate resumed the consideration of the bill (S. 2829) to amend title 12 of the Merchant Marine Act, 1936, in order to remove certain limitations with respect to war risk insurance issued under the provisions of such title.

Mr. BARTLETT. Mr. President, I understand—and I have authority to speak for him in this respect—that the Senator from Ohio [Mr. LAUSCHE] no longer interposes objection to this bill.

The PRESIDING OFFICER. If there be no amendment to be proposed, the question is on the engrossment and third reading of the bill.

The bill (S. 2829) was ordered to be engrossed for a third reading, read the third time, and passed as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 1209(a)(2) of the Merchant Marine Act, 1936, as amended—

(1) in the first sentence by striking out all beginning with *"Provided, however"* through *"Provided further"* and inserting in lieu thereof *"Provided"*; and

(2) in the second sentence by striking out all beginning with *"Provided, however"* through *"And provided further"* and insert in lieu thereof *"Provided"*.

SEC. 2. The amendments made by this Act shall be applicable to war risk insurance coverage attaching after February 1, 1962.

ESTABLISHMENT OF SESQUICENTENNIAL COMMISSION FOR CELEBRATION OF BATTLE OF NEW ORLEANS

Mr. LONG of Louisiana. Mr. President, there are at the desk the amendments of the House of Representatives

to Senate Joint Resolution 60. I ask that the Chair lay them before the Senate.

The PRESIDING OFFICER laid before the Senate the amendments of the House of Representatives the joint resolution from the Senate (S.J. Res. 60) entitled "Joint Resolution to establish the sesquicentennial commission for the celebration of the Battle of New Orleans, to authorize the Secretary of the Interior to acquire certain property within Chalmette National Historical Park, and for other purposes, which were, on page 2, line 11, strike out all after "the" down through line 13, inclusive, and insert "President."; on page 2, line 21, strike out all after "Orleans", over through "Britain" on page 3, line 2; on page 3, line 10, after "functions", insert ": *Provided, however,* That no employee whose position would be subject to the Classification Act of 1949, as amended, if said Act were applicable to such position, shall be paid a salary at a rate in excess of the rate payable under said Act for positions of equivalent difficulty or responsibility. Such rates of compensation may be adopted by the Commission as may be authorized by the Classification Act of 1949, as amended, as of the same date such rates are authorized for positions subject to said Act. The Commission shall make adequate provision for administrative review of any determination to dismiss any employee"; on page 3, lines 17 and 18, strike out "may, without regard to the laws and procedures applicable to Federal agencies," and insert "may"; on page 4, strike out lines 20 through 22, inclusive, and insert "NHP–CHAL–7008, said Secretary, notwithstanding the proviso in section 3 of said Act, is hereby authorized to acquire the following lands and interests in lands with funds heretofore appropriated and otherwise available for such purpose:"; on page 6, after line 20, insert:

SEC. 6. The joint resolution of July 14, 1960 (Public Law 86–650), is amended to read as follows:

"DECLARATION OF POLICY

"SECTION 1. It is hereby declared to be the policy of the Congress to authorize appropriate activities on the part of the Federal Government in celebration of the one hundred and seventy-fifth anniversary of the formation of the Constitution of the United States and to provide a means whereby similar activities by the States and by the people may be encouraged and coordinated in a comprehensive national observance to the end that our citizens may gain a deeper appreciation of the priceless national heritage represented by the Constitution as a living document and a renewed zeal for the perpetuation and advancement of the ideals of government of which it is the embodiment.

"ESTABLISHMENT OF THE COMMISSION

"SEC. 2. (a) For the purpose of carrying out the policy set forth in section 1 of this Act, there is hereby established a commission, to be known as the 'United States Constitution One Hundred and Seventy-fifth Anniversary Commission' (hereinafter referred to as the 'Commission') for the celebration of the one hundred and seventy-fifth anniversary of the existence of the Constitution, and to be composed of twelve Commissioners, as follows: The President of the United States; the President of the Senate and the Speaker of the House of Representatives, ex officio; three persons to be appointed by the President of the United States; three Senators to be appointed by the President of the Senate; and three Representatives, by the Speaker of the House of Representatives.

"(b) Service of an individual as a member of the Commission or employment of an individual by the Commission as an attorney or expert in any business or professional field, on a part-time or full-time basis, with or without compensation, shall not be considered as service or employment bringing such individual within the provisions of sections 281, 283, 284, 434, or 1914 of title 18 of the United States Code, or section 190 of the Revised Statutes (5 U.S.C. 99).

"(c) Any vacancy in the Commission shall not affect its powers, but shall be filled in the same manner in which the original appointment was made.

"(d) A person appointed to the Commission in the status of a Member of Congress, but who thereafter ceases to have such status, shall nevertheless continue as a member of the Commission.

"COMPENSATION OF THE COMMISSION

"SEC. 3. The members of the Commission shall serve without compensation, but they shall be reimbursed for travel, subsistence, and other necessary expenses incurred by them in the performance of the duties vested in the Commission.

"ORGANIZATION AND STAFF OF THE COMMISSION

"SEC. 4. (a) The Commission shall select a Chairman from among its members.

"(b) The Chairman may appoint an Executive Director, to serve at his pleasure, whose compensation shall be fixed by the Commission.

"(c) The Executive Director, with the approval of the Chairman, may appoint and fix the compensation of such assistants and subordinates as he deems necessary.

"(d) The Commission may procure temporary and intermittent services to the same extent as is authorized by section 15 of the Act of August 2, 1946 (5 U.S.C. 55a), but at rates not to exceed $50 per diem for individuals.

"(e) Neither the civil service laws nor the Classification Act of 1949, as amended, shall apply to any exercise of the authority conferred by subsection (b), (c), or (d) of this section: *Provided, however,* That no employee whose position would be subject to the Classification Act of 1949, as amended, if said Act were applicable to such position, shall be paid a salary at a rate in excess of the rate payable under said Act for positions of equivalent difficulty or responsibility. Such rates of compensation may be adopted by the Commission as may be authorized by the Classification Act of 1949, as amended, as of the same date such rates are authorized for positions subject to said Act. The Commission shall make adequate provision for administrative review of any determination to dismiss any employee.

"(f) Mail matter sent by the Commission as penalty mail or franked mail shall be accepted for mail subject to section 4156 of title 39, United States Code, as amended.

"OFFICE SPACE FOR THE COMMISSION

"SEC. 5. The Secretary of the Interior, after consultation with the Commission, shall make available to it such office space in a building or buildings in the Independence National Historical Park as, in the judgment of the Secretary, it may require for performance of its functions.

"DUTIES OF THE COMMISSION

"SEC. 6. (a) The Commission shall request the cooperation of appropriate officials in all branches, departments, and agencies of the United States in planning ceremonies or other activities in their respective components of the Federal Government in observance of the one hundred and seventy-fifth anniversary of the formation of the Constitution, and all such officials are authorized and requested to consult with the Commission.

"(b) The Commission shall request the appointment by the Governors of each of the fifty States of individuals or committees to consult with the Commission and to assist in coordinating the activities of the Federal Government, the governments of the States, and private individuals and organizations in carrying out the purposes of this Act.

"(c) The Commission shall take appropriate action to encourage, assist, and coordinate activities by municipal, county, and other local governmental units in carrying out the purposes of this Act.

"(d) The Commission shall make its assistance available to public and private schools in planning programs, ceremonies, and other activities, and obtaining written and audiovisual materials for use in such activities in connection with the anniversary.

"(e) The Commission shall solicit the cooperation of colleges, universities, and other institutions of higher education in encouraging the study and understanding of the Constitution by suitable recognition through scholarships or otherwise of promising students who display an interest in it.

"(f) The Commission shall solicit the cooperation of, and make its assistance available to, civic, patriotic, and religious organizations undertaking any activities in connection with the anniversary.

"(g) The Commission shall endeavor to promote worldwide understanding of the United States Constitution by encouraging, and if practicable assisting in, student exchange programs and any other means by which citizens of foreign countries may be afforded opportunities to learn about our constitutional processes.

"(h) The Commission is authorized to accept on behalf of the United States such gifts of money or other property as in its judgment may be appropriate to carry out the purposes of this Act, but shall be accountable therefor in the same manner as for appropriated funds or property purchased with appropriated funds.

"PROCLAMATIONS BY THE PRESIDENT

"SEC. 7. The President is hereby authorized and requested to issue proclamations—

"(1) designating September 17, 1962, as Constitution Day and calling upon the people of the United States to observe such day with special ceremonies and other activities in celebration of the one hundred and seventy-fifth anniversary of the formation of the Constitution;

"(2) designating December 15, 1962, as Bill of Rights Day and calling upon the people of the United States to observe such day with appropriate ceremonies and activities; and

"(3) designating the period from September 17, 1962, to July 4, 1963, inclusive, as a period dedicated to a renewal of national awareness of the priceless heritage which the Constitution represents, and calling upon the people of the United States to engage in such educational and inspirational activities as will deepen their understanding of the Constitution and strengthen their devotion to it.

"DISTRIBUTION OF COPIES OF THE CONSTITUTION

"SEC. 8. The Attorney General, acting through the Immigration and Naturalization Service, is hereby authorized and directed to make available a suitable copy of the Constitution of the United States and the amendments thereto to each person entering the United States during the one-year period which begins on September 17, 1962.

"DISPOSAL OF PROPERTY OF THE COMMISSION

"SEC. 9. (a) After the Commission has discharged all its functions pursuant to this

Act except for those under this section and section 10, it shall transfer to the Secretary of the Interior such of its records and other property as in his judgment are appropriate for permanent preservation or display in the Independence National Historical Park.

"(b) The Commission shall transfer the remainder of its records and property to the Administrator of General Services, who shall hold and dispose of such records and property in accordance with the Federal Property and Administrative Services Act of 1949.

"FINAL REPORT OF COMMISSION

"SEC. 10. The Commission shall make a final report of its activities to the Congress on or before the first day of the second session of the Eighty-eighth Congress, and upon the filing of such report, the Commission shall cease to exist.

"EXPENDITURES OF THE COMMISSION

"SEC. 11. All expenditures of the Commission shall be made from donated funds only."

SEC. 7. Nothing contained in this joint resolution shall affect the validity of actions heretofore lawfully taken under authority of the joint resolution of July 14, 1960 (Public Law 86-650).

And on page 7, strike out lines 1 through 2, inclusive.

Mr. LONG of Louisiana. Mr. President, I have discussed this subject with the ranking membership on both sides in the committee handling the bill, and they have no objection.

Therefore, I move that the Senate concur in the amendments of the House of Representatives.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Louisiana.

The motion was agreed to.

ADMITTANCE OF THE VESSEL "CITY OF NEW ORLEANS" TO AMERICAN REGISTRY

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of Calendar 1747, Senate bill 3115, to authorize the admittance of the vessel *City of New Orleans* to American registry and to be used in the coastwise trade.

The PRESIDING OFFICER. Is there objection?

There being no objection, the Senate proceeded to consider the bill (S. 3115) to authorize the admittance of the vessel *City of New Orleans* to American registry and to permit the use of such vessel in the coastwise trade.

ORDER OF BUSINESS—THE CONFERENCE REPORT ON THE FARM BILL

Mr. MANSFIELD. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator from Montana will state it.

Mr. MANSFIELD. Is it the understanding of the Chair that there is in effect a unanimous-consent agreement under which the Senate will convene at 10 a.m. on Tuesday, and that at 3 p.m. will vote on the question of agreeing to the conference report on the farm bill (H.R. 12391)?

The PRESIDING OFFICER. That is correct.

CANYONLANDS NATIONAL PARK AND RECREATION AREA, UTAH

Mr. MOSS. Mr. President, we in Congress are often accused of doing futile and irrational things. The action taken today by my senior colleague, Mr. BENNETT, would seem to confirm this criticism. I refer, of course, to his action in introducing S. 3744, to create a Canyonlands National Park and Recreation Area in southeastern Utah. No act could be more meaningless at this time. Congress is in its last few days of the current session, and all bills that have not been enacted into law at the close of our session will automatically lapse and be of no effect. Moreover, the Senate Interior and Insular Affairs Committee voted several weeks ago to report favorably S. 2387, to establish a Canyonlands National Park. The committee report was formally filed in the Senate today. This Canyonlands National Park bill covers exactly the same area described in the Bennett bill, and has been before the Senate for nearly 2 years' time. Extensive public hearings were held on the Moss bill, S. 2387, to establish Canyonlands National Park and the Senator from Utah [Mr. BENNETT] appeared as a witness before the committee at these hearings. Not only this, but when public hearings were held in three different cities in Utah, the Senator from Utah [Mr. BENNETT], at the invitation of the chairman of the subcommittee, sat with the committee members and heard all of the witnesses, and was given an opportunity to ask questions and make statements for the record. All of the provisions which he now includes in his bill, introduced today, were suggested by him to the Senate Interior Committee. These were considered by the committee and were rejected before action was taken on the canyonlands bill, S. 2387.

The only possible motive that I can ascribe for the introduction of the bill by Senator BENNETT at this time, when it cannot possibly be considered, and when its provisions have already been rejected by the Interior Committee, is an attempt to gain publicity for his political campaign in Utah.

His latest effort to oppose the establishment of Canyonlands National Park in Utah will not succeed. His steadfast and unreasoning opposition may have caused some delay; but, in the long run, the people of Utah will secure a national park in the wonderland area of southeastern Utah. Canyonlands will be a welcome addition to the the national park system, and will also bring great economic stimulus to the economy of Utah.

The tactics of the senior Senator have been to proclaim support of a Canyonlands National Park, and then to proceed to use every possible means to delay and defeat the Moss bill which is before the Congress. I am sure my colleagues in the Senate will recognize the tactics being used against Canyonlands National Park, and will not be misled. No area in the United States is more qualified for national park status than the territory described in the Canyonlands National Park bill. I will continue my fight for this legislation until our national park is a reality.

TRIBUTES TO THE MAJORITY LEADER AND THE MINORITY LEADER

Mrs. SMITH of Maine. Mr. President, it is hoped that within the next 2 weeks Congress will complete its legislative agenda and will adjourn. In the closing hours there will be laudatory speeches to the leaders of the Senate, to the officers of the Senate, and to the employees of the Senate—and very properly so.

Today, I want to pay my respects to the majority leader and the minority leader of the Senate. I speak first of the minority leader, because he is a member of my own political party. I shall speak briefly, and not dwell at length, because my feeling is very simply summed up by saying that he is the best minority leader during the 14 years it has been my privilege to serve in the Senate.

Considering the high caliber of minority leaders in the past 14 years, what higher praise could I express than this?

As a member of the opposition political party, I want to pay special tribute to the majority leader, the very distinguished senior Senator from Montana. Without a doubt he is the most considerate and patient and kind man ever to serve as majority leader.

I have never seen anyone in the Senate take the abuse that he has taken in this year's session. Yet, he never lost his temper; he never resorted to vindictiveness or to retaliation. Instead, with consummate patience, he repeatedly turned his cheek and took constant abuse, while refusing the temptation to strike back.

If I were ever to write a book on profiles in courage, I would certainly place MIKE MANSFIELD in the select list, for it takes tremendous courage to keep your silence—to hold your tongue—when you are being pilloried day after day with shocking intensity.

And we of the Senate know why MIKE MANSFIELD took such abuse so silently without rancor and without retaliation. We knew why externally he remained calm and courteous and considerate and patient, while we strongly suspected that internally he was suffering very, very deep hurt.

We knew that he was not only placing the harmony of his own political party ahead of his own individual feelings, that he was willing to be so unfairly treated without fighting back, to do so for his party.

We knew that he was doing it for a greater and more noble reason: because he was placing the welfare of his country and the welfare of the Senate ahead of his own individual position and feelings.

In doing so he truly and inspiringly exemplified leadership at its very best, for he was acting not just as the majority leader of the Senate, not just as the Democratic leader of the Senate, but

as the leader of the Senate, without the restrictive prefix of majority.

And one of the proudest moments of this session of the Senate was when our great minority leader arose on the Senate floor and in a tremendous tribute to MIKE MANSFIELD devastatingly defended him against the detractors in his own Democratic Party. If there was ever a magnificent display of nonpartisanship in the Senate it was on that occasion.

Mr. MORSE subsequently said: Mr. President, I listened with great interest, but not with any agreement, to the speech made a few minutes ago by the Senator from Maine [Mrs. SMITH]. I sent a notice to her that I would make a brief reply to her address. I am sure that the majority leader will be delighted and highly flattered and pleased to be so warmly complimented and praised by such a delightful, charming, and lovely lady. But the Senator from Maine, of course, commented upon what, after all, is a family quarrel on this side of the aisle, and usually when outsiders involve themselves in family quarrels, they please only one side of the family.

Of course, I can well understand how the Republicans would be pleased with many of the courses of action of the Democratic leadership during the present session of Congress, for in the opinion of the Senator from Oregon, that course of action will be very helpful to them in their campaigns to elect Republicans in November. But those of us who disagree with the course of action of the Democratic leadership on many matters do not think that some of the course of action followed by our Democratic leadership will be helpful in electing Democrats. Therefore, having listened to the speech of the Senator from Maine, I wish to file this caveat of disagreement. I point out that we on the Democratic side are capable of handling our own family quarrels. We hope that in due course of time we may find a basis for readjustment and reconciliation. But, as far as those of us who think that the Democratic leadership has made some very serious mistakes at the present session of the Congress by its coalition policies with the Republicans, I wish to say that we will not have our views changed by complimentary speeches about the leadership coming from the Republican side of the aisle.

SHARP COST INCREASES IN FEED GRAIN SECTION OF FARM CONFERENCE REPORT

Mr. PROXMIRE. Mr. President, on tomorrow at 3 o'clock the Senate will vote on the farm conference report on H.R. 12391.

I am particularly happy that my amendment to make feed available from CCC stocks in case contamination of local feed supplies by radioactive fallout occurs, was retained by the conference committee.

This amendment might mean a great deal to the dairy farmers in some localities at a time when they were in serious trouble.

I have serious reservations, however, with respect to the feed-grain provisions for 1963 and for later years. The feed-grain provisions in this bill will protect and maintain feed-grain-livestock producers' incomes in 1963 and will prevent the further buildup in stocks which would occur if we returned to the 1958 legislation, with supports at 65 percent of parity on unlimited production.

The feed-grain provisions for 1963 are far less satisfactory, however, than a continuation of the 1962 program with amendments which I proposed when the bill was debated in the Senate.

The distinguished chairman of the Agriculture and Forestry Committee brought back a conference report which will cost the Government more and which will result in less adjustment in feed-grain acreages than would have resulted from a simple extension of the current voluntary program.

Mr. President, I offered amendments which, if adopted, would have tightened up the administration of the current voluntary feed-grain program. They would have tended to increase acreage diversion, by requiring participation in it to be eligible for soybeans price supports, for example. If adopted they would have reduced the Government cost of the current voluntary program by several million dollars and made it more effective.

Now, however, in the closing days of the session we are presented with a conference report which will increase the cost of the voluntary feed grains program by much more and result in substantially less diversion of feed grain acreages.

Mr. Shuman, president of the American Farm Bureau Federation, charges that the direct payment featuers in this conference report "would double the $900 million spent under the 1962 program for feed grains." This may be an overstatement. It may not be as bad as that, but it is bad enough.

Both the grain trade which promoted the use of direct payments for feed grains and the storage industry should be highly pleased. Since the minimum resale price of feed grains represented by payment-in-kind certificates cannot be sold at less than the loan rate, it is doubtful that CCC will be able to sell any grains except those out of condition. And with smaller acreage diversions on the participating farms under the economic incentives of this program, it is doubtful that the 1963 program will result in any reduction in carryover stocks.

According to my information, after allowing for the cost of Commodity Credit Corporation operations in taking over about 600 million bushels of 1962 corn at $1.20 per bushel under the loan, and selling an equivalent amount at $1 a bushel, the 1963 voluntary feed grain program will cost much more than a simple extension of the 1962 program. Even more serious, whereas the intended diversions of corn, grain sorghum, and barley under the 1962 program total 32.7 million acres, the diversions in 1963 under the provisions of the conference report are likely to be much less.

Mr. President, if, for example, 9 million of the acres which were diverted to conservation practices in 1962 are planted to feed grains in 1963—which is entirely possible under this program—production will be 400 to 500 million bushels higher than otherwise. Unless yields fall below 1961–62 levels, carryover stocks will not be reduced by the 1963 program.

Assuming a net reduction in CCC stocks under the 1962 program of 425 million bushels of corn equivalent—as is estimated for the 1961 program—the net cost to the Government of the 1962 program totals little more than half the projected cost of the 1963 program. Needless to say, I am upset by these developments. I had hoped that we could lower the cost of the voluntary program and that after 1 more year feed grain stocks would be down to desirable levels. Now, unless the weather is unfavorable next year, carryover stocks will continue to be excessive.

WIDE-RANGING STUDIES OF ALTERNATIVE FEED GRAIN PRICE-SUPPORT PROGRAMS NEEDED

Mr. President, I hope a number of the Members of the Senate will join with me in urging the Secretary of Agriculture to undertake wide-ranging studies of alternative feed grain programs for the years following 1963. As our distinguished chairman knows, I am unhappy with the provisions in this conference report for feed grains after 1963. The Secretary of Agriculture is given authority to set feed grain price supports within the range of 50 to 90 percent of parity, but at such a level as will not result in a buildup in stocks. This is entirely inadequate. It is my understanding, however, that the Secretary of Agriculture will make recommendations to the next Congress for a long-term feed grains program to be effective beginning in 1964.

Next year our feet will be to the fire. Those of us who want to maintain income for dairy, beef, and hog farmers will be in a far different position than we were this year, because the alternative to doing nothing will be 50-percent price supports, which means a further cruel income drop for our farmers. It means 50 percent of parity price supports without controls, which means devastation, not only for the feed grain farmers, but for the dairy and beef farmers, too.

As a basis for these recommendations I want to urge that careful studies be undertaken of a wide range of modifications in the 1961–62 voluntary feed grain programs as well as studies of modifications in the provisions for 1963.

I have heard nothing from the staffs, or the experts, except that the administration will insist on putting into effect mandatory controls for 1964. It is going to use the provisions in the bill to get them, and we will not be able to fight for the maintenance of the present program on any basis, regardless of the merits of the voluntary program.

FEED GRAIN PROGRAM SHOULD BE FAR DIFFERENT THAN OTHER PROGRAMS

We must all recognize the very great difference between the cotton program, or the tobacco program, or the wheat program, on the one hand, and the feed grain program on the other. Eighty to eighty-five percent of the farmers who

grow feed grains feed them on the farm. For that reason, controls are extremely difficult to establish and maintain.

In my view, a long-term feed grains program should have as its goal the balancing of supplies with disappearance at prevailing or moderately higher market prices and at no greater cost to the Government than the 1961–62 programs.

I think we were in sight of achieving that end. I think if the bill which passed the Senate this year had been accepted in conference, we would have had a surplus so low that balanced production and consumption would be possible. We would not have had to worry about mandatory controls. We would not have had to worry about 50-percent price supports. But the conference report changed the situation drastically, and the result means that we are not going to get the kind of diversion we had last year and this year. As a result, next year, those who favor mandatory controls will have a great advantage.

Mr. President, somehow there seems to be a phobia on the part of some powerful people that, merely because there are mandatory programs for cotton and for tobacco, therefore everyone must be put under exactly the same kind of program, regardless of how inapplicable it may be. This is a most unfortunate situation. This attitude in the administration has caused it great difficulty this year. Those who have reflected upon it have recognized that we who oppose the mandatory controls for the feed grain farmers have been proved correct on the basis of what happened in the turkey referendum and in the wheat referendum. It is mortally certain that if a mandatory feed grain control program had passed the Congress this year the farmers would have rejected it by a majority vote, whereas it would have required a two-thirds vote to accept it. The result of this rejection would have been chaos on the farms.

I should like to document this point a little bit more before I conclude.

BASIC DATA UTILIZED IN MAKING ESTIMATES OF COSTS AND ACREAGE DIVERSION COMPARISONS UNDER PROPOSED 1963 FEED GRAIN PROGRAM

Total base acreage, base acreage on participating farms and intended acreage to be diverted in 1962 for corn, grain sorghums, and barley are shown in tables 13, 14, and 15 of the feed situation, USDA, May 1962, which I ask unanimous consent to have printed in the RECORD at this point.

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

	Corn	Grain sorghum	Barley	Total
Total base acreage (million acres)	86.3	20.9	16.0	123.2
Base acreage on participating farms (percent)	58.5	74.0	50.0	----
Percent of base on participating farms to be diverted	45.3	43.3	39.3	----
Total acres to be diverted (million)	22.9	6.7	3.1	32.7

Mr. PROXMIRE. Mr. President, one of the reasons for the high percentage diversion on the participating farms is the provision that small producers may divert their entire acreage, up to a maximum of 25 acres.

The conference report provides that for 1963 feed grain producers who divert at least 20 percent of their base feed grain acres may receive an acreage diversion payment equal to 50 percent of the value of the crops produced with the loan level at $1.02 per bushel for corn and corresponding loan levels for other feed grains. Participating producers would also receive 18 cents a bushel for corn, about 15 cents a bushel for grain sorghum and 13 cents a bushel for barley on the normal production on the remaining base acreage. Although producers would receive diversion payments at the 50-percent rate for diverting up to 50 percent of the base acreages, there would be no economic incentive to divert more than the minimum 20 percent required to be eligible for the price support loans, price support payments and acreage diversion payments.

There are several reasons why the diversion sought will not be achieved by the conference proposal.

SMALL FARMER DIVERSION DISCOURAGED BY CONFEREES

The small farmer, the farmer with 25 acres, will have far less incentive to reduce acreage below 50 percent, whereas it was feasible to take out of production the entire acreage under the provision passed by Congress last year.

Since the economic incentives for diverting a minimum of 20 percent of the feed grain base acres is substantially higher under the 1963 provisions, a reasonable estimate is that 75 percent of the corn and barley and 85 percent of the grain sorghum base acreage would participate in the 1963 program. Allowing for the diversion of a substantial number of entire base acreages of less than 25 acres it is estimated that 25 percent of the base acreage on all participating farms would be diverted. If this occurs—I think it is optimistic—acreage diversions in 1963 would compare with intended diversions in 1962.

Mr. President, I ask unanimous consent that the table showing the comparison may be printed in the RECORD at this point.

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

	Intended diversion	Estimated diversion	Difference
	1962	*1963*	
Corn.....million acres	22.9	16.2	−6.7
Grain sorghum.....do	6.7	4.4	−2.3
Barley.....do	3.1	3.1	0
Total.....do	32.7	23.7	−9.0

CONFERENCE RECOMMENDATIONS DOUBLE COST OF FEED GRAIN SECTIONS OF PROGRAM

Mr. PROXMIRE. Mr. President, I wish to show why I think the conference report on the bill would result in a cost twice as high for the taxpayers as the cost would have been under the bill which previously was passed by the Senate.

The cost of acreage diversion payments under the 1962 program have been estimated by USDA at $900 million. In addition, the Commodity Credit Corporation may take over 600 million bushels—corn equivalent—of 1962 feed grains at $1.20 per bushel while selling an equal amount at $1 per bushel, resulting in a net additional cost of $120 million. The combined acreage diversion payments and CCC losses on loans at $1.20 per bushel for corn for the 1962 program will approximate $1,020 million.

The net cost after allowing for net Commodity Credit Corporation stock reductions of 425 million bushels, for which there would be compensation, would be reduced to about $595 million. That is why I say the program is working well. The cost is moderate in terms of costs in the past. The program is reducing the surpluses.

Under the 1963 provisions with participation in the program and acreage diversion payments as estimated above, acreage diversion payments would be $550 million, price support payments would be $573 million, resulting in total payments of $1,123 million, or $103 million higher than the total estimated cost of the 1962 program.

But that would be only the beginning. With 9 million additional acres planted to corn and grain sorghums an additional 400 to 500 million bushels of feed grains might be produced compared to the result if the 1962 provision had been continued.

If yields in 1963 are as high as in 1961–62, there would be no net reduction in CCC stocks of feed grains, and the net cost of the program would approximate $1,123 million, or almost double the net cost of the 1962 program, more than half a billion dollars higher.

The farmers would be no better off, and the taxpayers would be $600 million worse off. The pressure would be on us next year, when the Congress considered the bill, both in the Committee on Agriculture and Forestry and in the Senate, to proceed with a mandatory program, which the farmers do not want and which probably they would vote down. The pressure would be on us to adopt that kind of program, and it would be a very heavy pressure indeed.

Mr. President, the difficulty is that the farmer under the conference proposal would get almost as much payment for diverting 20 percent of his land under the new proposal as he was paid for diverting 40 percent under the old proposal. With this kind of payment, we would not get the reduction in acreage needed to reduce production.

Now the payment this year under present law is $1.20 a bushel for cooperators, for those who divert acres, plus 50 percent of $1.20 on normal production of the first 20 percent of diverted acres, or 60 cents. Then, in addition, it is 60 percent of $1.20 on normal production of the next 20 percent of diverted acres, or 72 cents. Therefore, the farmer now has an incentive to divert not 20 percent but 40 percent of the acres, because

he gets 72 cents per bushel for production on the second 20 percent of acres diverted.

Furthermore, the small farmer could divert his entire production. Many of them have done so. The statistics which I have put into the RECORD show a result with respect to corn of more than 45 percent of the base acreage diverted. That is a tremendous diversion. The program has been a great success.

INCENTIVE FOR DIVERSION GONE IN CONFERENCE

Under the new program these incentives vanish. The complier who diverted only 20 percent of the acreage still would get an effective $1.20 a bushel—including an 18-cent cash payment—while the noncomplier would get $1.02 a bushel. There would be a difference, though. There would be no extra payment over the 50 percent for diverting more than 20 percent of the acreage.

In addition, the base upon which the 50 percent would be figured would be $1.02, and not $1.20, so the payment would be 51 cents, half of $1.02, and not 72 cents.

Furthermore, after the reduction of 20 percent, the cooperators would get 18 cents a bushel on all production; hence, there would be only a 33 cent incentive for not producing, compared to a 72 cent incentive under the old program. That is why I think my estimate that there would be a 25-percent diversion instead of a 45-percent diversion is realistic.

Under the new plan the total payments would be almost as good—benefits over 90 percent as high—for diverting 20 percent of the acreage, as under the old plan for a 40-percent diversion of acreage.

Mr. President, I must say that this is an exceedingly difficult vote for me to cast, because I think that one can make some argument that the conference report possibly would provide a better income for feed grain farmers, for one year, but the situation in 1963 would be almost impossible for those of us who want to represent the dairy farmers honestly and well in the U.S. Senate. We would be placed in the position that if we did not act the farmers would get 50-percent price supports for feed grains with no controls voluntary or mandatory. This would result in a terrific overproduction of milk and a terrific overproduction of hogs at very low prices, perhaps 9 or 10 cents—but if we do act the administration would be in a position, with a veto power, to require that we take the mandatory controls the administration wants.

CHRONOLOGY OF U.S. RELATIONS WITH CUBA FROM 1957 TO 1962

Mr. MORSE. Mr. President, early this year, I asked the Department of State to prepare for me a chronology of U.S. relations with Cuba from the time we suspended arms shipments to its Fascist government to the time when the Communist government of Cuba openly embraced the Sino-Soviet bloc and became an ally of it.

I had asked the Department of State to prepare this chronology because I have often been disturbed by the misguided opinion frequently heard in this country that Fidel Castro turned to communism because, in effect, the United States was not nice enough to him.

For myself, I think it would be hard to find any new government which has come to power in the Western Hemisphere in this century with more interest, support, and sympathy from the United States than which the Castro government enjoyed. In my opinion, there was at the time an enthusiasm for Castro in the United States that was itself totally blind to the excesses the revolution committed against its own people. I well recall the abuse I received myself from segments of the press when I called for an end to the bloodbath of mass executions that marked the early months of that new government.

How anyone could find more to admire in summary execution and murder perpetrated by Castro and his cohorts than the same crimes committed by Batista and his cohorts is beyond my understanding.

Nonetheless, we offered the hand of friendship to Castro from the beginning, including the offer of financial assistance. Moreover, our purchases of Cuban sugar were continued for some time after "Che" Guevara declared that American purchases of Cuban sugar have meant slavery for the people of Cuba.

I am pleased to place this chronology of events in the CONGRESSIONAL RECORD as testimony of the good faith effort the United States put forth for many months to maintain friendly relations with Castro even in the face of many provocations. I ask unanimous consent to have this chronology, with its covering letter and memorandum, printed at this point in the CONGRESSIONAL RECORD.

There being no objection, the chronology, letter, and memorandum were ordered to be printed in the RECORD, as follows:

DEPARTMENT OF STATE,
Washington, D.C., June 20, 1962.

Hon. WAYNE MORSE,
U.S. Senate.

DEAR SENATOR MORSE: I refer to your letter of February 20, 1962, and to my interim reply of March 6, 1962, concerning a chronology of the important events in our relations with Cuba since 1957.

Enclosed is a "Chronology of Important Events in United States-Cuban Relations, 1957–1962," which responds to the points raised in your letter.

With regard to your inquiry as to the present whereabouts of two Cuban citizens, Mr. Manuel Antonio de Varona is now located at 1034 Michigan Avenue, Miami, Fla., and Mr. Ramon Prendes is at 624 SW. 14th Avenue, Apt. 11, Miami, Fla. Both are now in opposition to the present Communist regime in Cuba.

Please let me know if I can be of further assistance to you.

Sincerely yours,

FREDERICK G. DUTTON,
Assistant Secretary.

Enclosure: Chronology of United States-Cuban relations.

CHRONOLOGY OF IMPORTANT EVENTS IN UNITED STATES-CUBAN RELATIONS, 1957–62

SUMMARY

The attached chronology for the period 1957–62 records, on the one hand, U.S. Government attempts to get along with the Castro regime in Cuba, and, on the other, that regime's hostility toward the United States and betrayal of the Cuban revolution to international communism.

As early as 1957 the U.S. Government expressed its concern over political unrest in Cuba. In 1958 we suspended arms shipments to the Batista government which, in disregard of an agreement with the United States, had used them to combat the revolutionary movement headed by Fidel Castro. When the Castro regime came to power in 1959, the United States looked upon it with sympathy, recognized it almost immediately, and welcomed its promises of political freedom and social justice for the Cuban people. We made clear our willingness to discuss Cuba's economic needs. Despite our concern at the Cuban regime's mounting hostility toward the United States and its growing Communist tendencies, we attempted patiently and consistently from early 1959 until late 1960 to negotiate differences with the regime.

Elements in the Castro movement engaged in anti-American activities during the revolution against Batista. Soon after it came to power in 1959, the Castro government turned away from its previous promises, permitted Communist influence to grow, attacked and persecuted its own supporters in Cuba who expressed opposition to communism, arbitrarily seized U.S. properties, and made a series of baseless charges against the United States. It ignored, rejected, or imposed impossible conditions on repeated U.S. overtures to cooperate and negotiate. In 1960 Cuba established close political, economic, and military relationships with the Sino-Soviet bloc, while increasing the pace and vehemence of measures and attacks against the United States. We did not take defensive measures until the last half of 1960.

The United States terminated relations with the Cuban Government in January 1961 because of Cuban demands which placed crippling limitations on our ability to carry out diplomatic and consular functions in Cuba. The adoption by the present Cuban Government of a totalitarian Communist system and its alinement with the international Communist movement, which were already clear at that time, have become more complete since then. These developments culminated in December 1961, when Castro openly espoused Marxism-Leninism.

July 25, 1957: U.S. Ambassador Earl T. Smith, upon presentation of credentials, states that the American people are saddened and concerned over the political unrest which has led to bloodshed in Cuba.

March 14, 1958: U.S. suspends arms deliveries to Cuba.

June 22, 1958: Raul Castro, rebel commander in northern Oriente Province, issues a military order for the detention, effective June 27, of all U.S. male citizens for the purpose of "stopping U.S. military shipments to the Batista government." Pursuant to this order, starting June 26 Cuban rebels kidnap 43 U.S. citizens, including 30 sailors and marines, from the U.S. Naval Base at Guantanamo Bay, Cuba. The last of those kidnaped are released July 18.

September-October 1958: Cuban rebels set up a system for levying taxes on both Cuban and United States enterprises operating in rebel-occupied territory in eastern Cuba, and harass several U.S. companies in an attempt to collect funds and acquire supplies and equipment.

October 20, 1958: Cuban rebels kidnap two Americans employed by the Texas Oil Co., and release them 3 days later.

January 1, 1959: President Batista flees Cuba.

January 2, 1959: Fidel Castro proclaims provisional government headed by Manuel Urrutia as President.

January 5, 1959: President Urrutia appoints Jose Miró Cardona as Prime Minister.

January 7, 1959: The United States recognizes the Cuban Government, noting with satisfaction the assurances given of the Cu-

ban intention to comply with international obligations and agreements, and expresses the sincere good will of the Government and people of the United States toward the new government and the people of Cuba.

January 7, 1959: The Communist Party daily Hoy appears in Havana for the first time since 1953.

January 9, 1959: Ernesto Guevara, commander of La Cabaña fortress in Havana, says that many members of the Communist Party lost their lives fighting Batista while the Batista government was receiving weapons from the U.S. Government, and that the Communists have earned the right to be just another party in Cuba.

January 13, 1959: By this date, almost 200 persons have been "tried" by revolutionary tribunals, found guilty and summarily shot. By the end of 1959, the count is over 600.

January 27, 1959: Nine U.S. companies operating in Cuba have made advance payments of $2,560,000 on taxes which are not due until March 30.

February 16, 1959: Fidel Castro succeeds Miro Cardona as Prime Minister.

March 2, 1959: U.S. Ambassador Philip W. Bonsal presents credentials. He brings cordial greetings and heartfelt good wishes from President Eisenhower for the happiness, prosperity and progress of Cuba. He states to President Urrutia: "We wish you every success in your announced objective of raising the standard of living of your country. I shall devote particular attention to all opportunities of increased cooperation in the economic field which may present themselves."

March 4, 1959: the Cuban Government intervenes in the Cuban Telephone Co., the first intervention of a U.S.-owned firm.

March 16, 1959: Cuban Ambassador Ernesto Dihigo presents credentials. President Eisenhower expresses hope and desire for ever closer relationship between Cuba and the United States.

March 22, 1959: Prime Minister Castro charges that U.S. authorities were lax in keeping track of arms purchases and other activities in the United States directed against Cuba. United States denies charge on March 23.

April 13, 1959: Ambassador Bonsal tells Prime Minister Castro that the United States considers Castro's forthcoming visit to the United States very important, and offers to help in any way required.

April 16, 1959: During lunch given by Secretary of State Christian Herter for Prime Minister Castro in Washington, Assistant Secretary of State Roy R. Rubottom, Jr., in conversation with the president of the Cuban National Bank, Felipe Pazos, arranges further conversations for the following day with Cuban officials.

April 17, 1959: Assistant Secretary Rubottom gives Minister of Economy Regino Boti, Minister of Treasury Rufo Lopez Fresquet, and Pazos friendly welcome and invites them to indicate Cuba's needs. He says the U.S. Government desires to be helpful. - The Cubans rebuff offer.

Later the same day Prime Minister Castro, in a speech to the American Society of Newspaper Editors, says he has not come to the United States to ask for money.

May 17, 1959: Cuban Government approves agrarian reform law, providing for taking of agricultural properties, payment to be in 20-year bonds, at 4½-percent interest.

May 27, 1959: Assistant Secretary Rubottom tells Ambassador Dihigo that the United States understands that the Cuban revolution is deep and meaningful for the Cuban people, that its eventual course is matter for their decision, and that we understand the desire and need for land reform.

June 1, 1959: Ambassador Bonsal, in informal conversation with Minister of State Roberto Agramonte, states that the United States supports sound land reform, and recognizes Cuba's right to expropriate private property, provided just and prompt compensation is made. He states that it is in the interest of both Cuba and the United States to work together, to get along amicably, and to afford each other a full hearing before taking actions materially affecting the other.

June 11, 1959: Commenting on Cuban agrarian reform law, United States expresses sympathy for the objectives of agrarian reform; recognizes the right of a state to take property for public purposes, coupled with an obligation to pay prompt, adequate and effective compensation; expresses concern as to the adequacy of the law's provisions for compensation to U.S. citizens whose property may be expropriated; and expresses hope for further exchanges of views.

June 12, 1959: Ambassador Bonsal urges on Prime Minister Castro the importance of close relations between Cuba and the United States because of the interrelated economies and the proximity of the two countries.

June 20, 1959: In Washington, Assistant Secretary Rubottom offers Cuban Minister of State Raul Roa full cooperation in returning problems of United States-Cuban relations to normal, nonpublic diplomatic channels, as advocated by Roa.

June 22, 1959: In Washington, Under Secretary of State C. Douglas Dillon tells Minister of State Roa of the sincere desire of the United States that Cuba grow and prosper, and expresses the hope that the mutually beneficial traditional relationship between the United States and Cuba continue.

June 25, 1959: Cuban Government seizes three U.S.-owned cattle ranches in Camaguey Province, first such seizures subsequent to the agrarian reform law.

June 27, 1959: Cuban Government seizes U.S.-owned cattle ranch in Oriente Province.

July 1, 1959: Maj. Pedro Luis Diaz Lanz resigns as head of the Cuban Air Force, charging Communist infiltration of the armed forces and Government.

July 12, 1959: Prime Minister Castro describes reported appearance of Major Diaz Lanz before the Senate Internal Security Subcommittee in executive session as an unfriendly act and as U.S. interference in the internal affairs of Cuba.

July 13, 1959: President Urrutia, appearing on television, states that communism is not really concerned with the welfare of the people, and that it constitutes a danger for the Cuban revolution.

July 14, 1959: Major Diaz Lanz testifies publicly before the Senate Internal Security Subcommittee on communism in Cuba.

July 14, 1959: Acting Minister of State Armando Hart denounces Diaz Lanz appearance before Senate Internal Security Subcommittee as blatant intervention in Cuban internal affairs.

July 17, 1959: In television appearance, Fidel Castro resigns as Prime Minister and accuses President Urrutia of treason because of July 13 speech. Urrutia resigns.

July 23, 1959: Ambassador Bonsal expresses to Minister of State Roa the general sympathy of the United States for the objectives of the Cuban revolution and our support for agrarian reform programs of a sound nature. States that in connection with the Diaz Lanz case, U.S. policy has been correct and faithful to our highest principles. Expresses concern over the deterioration in Cuba-United States relations as a result of anti-American statements of principal Cuban Government leaders. Expresses wish of U.S. Government to cooperate in any way in obtaining information on various incidents.

July 26, 1959: Fidel Castro announces that he will resume position of Prime Minister.

July 31, 1959: On at least six occasions during the month, Cuban Government officials seize or place cattle on land owned by U.S. citizens.

August 15, 1959: Prime Minister Castro charges complicity of U.S. officials in permitting planes participating in counterrevolutionary activities against Cuba to take off from the United States.

August 21, 1959: Assistant Secretary Rubottom emphasizes to Ambassador Dihigo that he believes that the United States and Cuba urgently need to sit down together and talk over various problems to arrive at an understanding.

August 31, 1959: On at least three occasions during the month, Cuban Government officials seize or harvest land owned by U.S. citizens.

September 2, 1959: Deputy Assistant Secretary of State William P. Snow, in conversation with Ambassador Dihigo, expresses regret at the continuing attacks on the United States by Cuban Government officials, concern at the failure of the Cuban Government to hear the views of U.S. business interests before the passage of laws affecting them, and the hope that the Cuban Government might arrive at a better understanding of the U.S. position in defense of democracy against the world Communist conspiracy.

September 3, 1959: In first interview since June 12, Ambassador Bonsal expresses to Prime Minister Castro our general sympathy with the objectives of the revolution, concern at anti-American statements made by Cuban officials and at insinuations by Cuban officials that our relations have not been straightforward and correct, at the treatment received by American interests in Cuba, and at the failure of the Cuban Government to see the implications of international communism.

September 10, 1959: Assistant Secretary Rubottom tells Cuban representative on Inter-American Economic and Social Council, Enrique Perez Cisneros, that the United States is still disposed to carry out a policy of friendship and fairness toward Cuba despite considerable provocation during the past 9 months.

September 21, 1959: Ambassador Dihigo informs Assistant Secretary Rubottom that President Osvaldo Dorticos and Minister of State Roa are completely receptive to the idea that Cuba and the United States begin immediately to discuss their problems and endeavor to arrive at mutually acceptable solutions. He requests that the United States compile a list of the general and specific problems now troubling the United States in its relations with Cuba, and present the list to the Cuban Government. Rubottom indicates his pleasure at this request and says that we will immediately give consideration as how best to meet it.

September 30, 1959: On at least eight occasions during the month, Cuban Government officials seize water system, forest and other lands, and place cattle on land owned by U.S. citizens.

October 6, 1959: Ambassador Bonsal tells Minister of State Roa that the United States is generally in sympathy with the stated democratic social objectives of the Cuban revolution, but also is perplexed and in doubt about Cuban attitudes toward the United States and the free world.

October 12, 1959: United States presents note to Cuban Government reaffirming our understanding and sympathy for the goals which the Cuban Government has declared to be the purpose of its agrarian reform.

October 19, 1959: Maj. Huber Matos, a rebel army leader during the revolution, resigns as military chief of Camaguey Province, charging Communist penetration of the Government. Matos is arrested and on December 15 is sentenced to 20 years in prison for conspiracy, sedition, and treason.

October 21, 1959: Major Diaz Lanz makes an illegal flight from the United States over Havana. Prime Minister Castro charges that the plane bombed and strafed Havana resulting in deaths and injuries.

October 26, 1959: Prime Minister Castro accuses the United States of tolerating air incursions against Cuba and of threatening Cuba with economic strangulation.

October 26, 1959: Cuban Government passes law imposing confiscatory taxes upon the Nicaro nickel facility, owned by the U.S. Government, in violation of a binding international agreement. Subsequently the Cuban Government intermittently embargoes the export of the product and continually harasses the operation by delaying or failing to approve the exportation of the product and the importation of critically needed supplies and replacement parts.

October 27, 1959: Referring to October 21 incident, United States states that the plane distributed leaflets over Havana, that it was impossible for the plane to bomb or strafe, that the Cuban police reported no bombing or strafing, and that deaths and injuries from the incident must have resulted from Cuban antiaircraft fire or bombs thrown by terrorists. Rejects implication that the United States approved the flight or was in any way responsible.

October 27, 1959: Ambassador Bonsal tells Cuban President Osvaldo Dorticos and Minister of State Roa that the "United States awaits a resolution by the Cuban Government of the issues involved on a basis of friendship and observance of international law which have traditionally characterized negotiations between Cuba and the United States." Bonsal also expresses the hope that normal negotiations will not be distorted to obscure the deep sympathy with which the entire United States views the efforts of the Cuban people to achieve their social, economic, and political aspirations.

October 31, 1959: On at least 12 occasions during the month, Cuban Government officials seize lands, cattle and equipment, order cattle moved, deny access to pastures, order cutting of timber, open fences and plow up land, and place cattle on land owned by U.S. citizens.

November 6, 1959: Cuban Ministry of State distributes brochure entitled "Cuba Denounces Before the World." Brochure repeats allegations about October 21 plane incident and charges that the United States is providing political asylum to Cuban fugitives from justice.

November 9, 1959: United States protests November 6 brochure as disregarding facts on plane incident. Also states that Cuban Goverment has never requested extradition of alleged fugitives from justice under extradition treaty with United States.

November 24, 1959: Daniel M. Braddock, Minister-Counselor of American Embassy, Havana, states to Minister of Economy Boti that although various individual matters have been discussed between Cuba and the United States, little or no progress has been made on them. Braddock says that some American companies in Cuba fear that the ultimate intention of the Cuban Government is to take them over.

November 30, 1959: On at least nine occasions during the month, Cuban Government officials seize land, cattle and equipment, and place cattle on land owned by U.S. citizens.

December 4, 1959: Ambassador Bonsal reviews for Minister of Economy Boti the principal events in United States-Cuban relations since October 12, noting the deterioration that has occurred in the meantime. He refers to the Cuban offer of November 13 to continue negotiations on pending questions, and asks if Boti is disposed to resume these discussions. Boti indicates assent.

December 31, 1959: Cuba and Communist China sign trade agreement under which Cuba is to sell Peiping 50,000 tons of sugar.

December 31, 1959: On at least seven occasions during the month, Cuban Government officials seize land, equipment, property, remove timber, borrow equipment (most of which is not returned) and use repair shops owned by U.S. citizens.

January 11, 1960: United States protests seizure of U.S. property in recent weeks by Cuban officials in violation of agrarian reform law. States that without court order or any written authorization, lands and buildings have been seized and occupied; equipment has been confiscated and removed; cattle have been taken; wood has been cut and sold; productive pastures have been plowed under without the consent of their owners; and fences and boundaries have been arbitrarily moved.

January 21, 1960: Prime Minister Castro says that notes from the U.S. State Department and statements by U.S. officials encourage counterrevolutionary activities against Cuba and indicate that a policy of hostility against Cuba is more evident every day. He implies that the United States exploited Cuba for 50 years.

January 26, 1960: President Eisenhower reaffirms the adherence of the United States to the policy of nonintervention in the domestic affairs of other countries, including Cuba; explicitly recognizes the right of the Cuban Government and people to undertake social, economic, and political reforms which, with due regard for their obligations under international law, they may think desirable; and expresses the sympathy of the American people for the aspirations of the Cuban people.

January 27, 1960: Answering President Eisenhower's statement of January 26, President Dorticos states that the Cuban Government is fully disposed to discuss differences between Cuba and the United States through diplomatic negotiations, and will hear and consider complaints and claims regarding individual cases raised by U.S. citizens, in accordance with Cuban and international law.

January 31, 1960: On at least 11 occasions during the month, Cuban Government officials seize a marine dredge, land, stores, cattle and horses, and brand cattle owned by U.S. citizens.

February 4, 1960: Soviet First Deputy Premier Anastas I. Mikoyan arrives to open a Soviet exhibition.

February 4, 1960: Chargé d'Affaires Braddock states to Minister of State Roa that the United States is disposed to take President Dorticos' statement at face value and is prepared to return to diplomatic norms. Braddock mentions the desirability of leading officials of both Cuba and the United States working within the traditional spirit of United States-Cuban friendship, maintaining an atmosphere free of public recriminations, and observing standards of international and domestic laws applicable to each other's nationals.

February 10, 1960: United States states that it considers the January 27 statement of President Dorticos consistent with a desire for a return to normal diplomatic channels and welcomes the readiness of the Cuban Government to negotiate pending problems.

February 13, 1960: Prime Minister Castro and Deputy Premier Mikoyan sign joint Soviet-Cuban communique describing their conversations as "carried out in an atmosphere of frank cordiality."

February 13, 1960: Cuba and Soviet Union sign trade and economic aid agreements. Soviet Union to buy 1 million tons of Cuban sugar in each of ensuing 5 years. Soviet Union extends $100 million credit for purchase of equipment.

February 15, 1960: Replying to U.S. protest of January 11, Cuban Government states that no property has been confiscated under the agrarian reform law; that where agrarian reform officials have occupied property, steps are being taken for their fair appraisal; and that if the United States considers that Cuban laws have been violated, U.S. nationals have the right to appeal through appropriate channels.

February 15, 1960: Commerce Minister Cepero Bonilla states that the United States pays a premium price for sugar in order to bolster "inefficient and expensive" domestic sugar producers who cannot compete with "efficient and cheap producers such as Cuba."

February 20, 1960: Cuba signs trade and payments agreement with East Germany.

February 22, 1960: Cuban Government announces that it has decided to name a commission to begin negotiations in Washington, under the condition that the legislative and executive branches of the U.S. Government will adopt no measure considered prejudicial to the Cuban economy and people while the negotiations are in progress.

February 24, 1960: Armed Forces Minister Raul Castro blames the United States for exploitation of Cuba since the beginning of the century.

February 29, 1960: United States tells Cuban Government that it wishes to seek a solution of outstanding problems through negotiations, but cannot accept the condition proposed by the Cuban Government that no measure of a unilateral character be adopted by the legislative or executive branch of the U.S. Government, and wishes to explore the subjects to be discussed before initiating negotiations.

March 2, 1960: National Bank President Ernesto Guevara states that the 3 million tons of sugar which Cuba sells annually to the United States "at supposedly preferential prices" have meant and mean slavery for the people of Cuba.

March 4, 1960: French munitions ship *La Coubre* explodes in Habana harbor. On March 5 Prime Minister Castro identifies the United States as the responsible agent of the explosion.

March 7, 1960: The United States categorically and emphatically denies the charge by Prime Minister Castro implying involvement of the U.S. Government in the *La Coubre* disaster.

March 9, 1960: Secretary of State Herter states at press conference that "we have been hopeful throughout that the atmosphere of our relationship with Cuba would allow us to settle through diplomatic means such differences as we may have with Cuba".

March 15, 1960: United States expresses shock and dismay at Prime Minister Castro's attributing responsibility for *La Coubre* disaster to United States; rejects Castro's suggestion that the United States wants to keep Cuba defenseless in order to oppress Cuba; states that it is prepared to discuss various other matters, on which Castro has been critical of the United States through normal channels of communication; and continues to hope that the United States and Cuba can settle their differences through diplomatic means.

March 20, 1960: National Bank President Guevara states "Our war * * * is against the great power of the north."

March 20, 1960: Plane from the United States leaves Fort Lauderdale, and is damaged by Cuban gunfire as it lands on a highway in Cuba the next day. U.S. grand jury later indicts William J. Shergalis, a U.S. citizen, and Hector Garcia Soto, both of whom arranged for the flight, for acting as agents of the Cuban Government without filing the registration statement required by law.

March 31, 1960: Cuba signs trade and payments agreement with Poland.

April 11, 1960: United States asks Cuban Government if the March 2 views of National Bank President Guevara on sugar represent the official Cuban position. No reply ever received from Cuban Government.

April 19, 1960: Prime Minister Castro states that the U.S. Government takes advantage of every opportunity to create confusion with respect to United States-Cuban relations. He states that the U.S. Government seems to have adopted the policy used in the past to encourage fascism.

April 19, 1960: The first shipment of Soviet crude oil arrives in Cuba on the Soviet tanker *Vishinsky*.

May 6, 1960: Cuban Coast Guard patrol vessel fires without warning upon U.S. submarine *Sea Poacher* on the high seas 11 miles from the Cuban coast.

May 8, 1960: Cuba and the Soviet Union establish diplomatic relations.

May 13, 1960: Prime Minister Castro, referring to *Sea Poacher* incident of May 6, states that the Cuban Coast Guard cutter *Oriente* sighted a U.S. submarine 5 miles off the Cuban coast. In the same speech Castro states that 3 miles is the limit of Cuban territorial waters.

May 14, 1960: United States expresses astonishment and protest to Cuban Government over *Sea Poacher* incident and requests explanation. On June 11 Prime Minister Castro says that no explanation will be given.

May 16, 1960: Cuba and Czechoslovakia establish diplomatic relations.

May 17, 1960: National Bank of Cuba informs U.S. oil companies in Cuba that each of them will be required to purchase 300,000 tons of Russian petroleum during the balance of 1960.

May 17, 1960: Minister-Counselor Braddock reminds Cuban Under Secretary of State Fernandez Font that Minister of State Roa told Ambassador Bonsal that Roa would be soon getting in touch with Bonsal to resume discussions on the possibility of negotiations on pending problems.

June 4, 1960: United States reviews the record of the Cuban Government's campaign of slander against the United States, and the efforts of the United States to maintain its traditionally friendly relations with the people of Cuba. The record includes Cuban confiscation and expropriation of U.S. property, failure of the Cuban Government to compensate U.S. property owners, payments due to American exporters, Cuban attacks on U.S. sugar premium, air incursions, and the *La Coubre* and *Sea Poacher* incidents.

June 7, 1960: United States objects to "fallacious" and "offense" Cuban Government pamphlet containing thinly veiled charges implying U.S. Government involvement in *La Coubre* disaster.

June 8, 1960: Antonio Nuñez Jiminez, Director of the Agrarian Reform Institute, says in Moscow that of all the Latin American countries, Cuba is "the Soviet Union's greatest and most loyal friend."

June 9, 1960: Prime Minister Castro, referring to the United States, says that powerful interests which wanted to destroy the revolution provoked the *La Coubre* incident. He calls this type of disaster "criminally conceived and executed."

June 10, 1960: Cuban Government seizes four U.S.-owned hotels in Habana.

June 10, 1960: Cuba signs 5-year trade and payment agreements with Czechoslovakia.

June 10, 1960: Prime Minister Castro states that U.S. officials participated in a plot to mount an invasion attempt in Cuba against Nicaragua under the leadership of a Nicaraguan exile, for the purpose of embarrassing the Cuban Government. United States allegations are false.

June 10, 1960: Cuban Minister of State Roa says in Montevideo that Cuba decided "to break the structure of its commercial relations with the United States."

June 15, 1960: Cuba and Poland establish diplomatic relations.

June 18, 1960: Joint Cuban-Soviet communique in Moscow notes the fruitful development of trade, economic, and cultural ties between the Soviet Union and Cuba.

June 18, 1960: Agrarian Reform Director Nuñez Jiminez states "The Communist Party of Cuba is * * * the party whose members are receiving the benefits of the revolution."

June 27, 1960: United States explains the unusual precautions it has taken against illegal air incursions from U.S. territory affecting Cuba. States that the Cuban Government has shown no recognition of these efforts, has continued to picture the United States as permitting and encouraging these incursions, and has never provided the United States with data which would aid in investigating the incursions.

June 27, 1960: United States submits memorandum to the Inter-American Peace Committee on provocative actions of the Cuban Government. Memorandum mentions *La Coubre* incident, *Sea Poacher* incident, air incursions, and false Cuban allegations of U.S. complicity in plot to invade Nicaragua.

June 29, 1960: Cuban Government seizes Texaco and Esso refineries, on grounds that they had violated Cuban law in refusing to refine Soviet crude oil. As of this date, the oil companies had voluntarily financed over $50 million worth of crude oil imports for which the Cuban Government had refused to release dollars.

July 3, 1960: Agrarian Reform Director Nuñez Jimenez states in East Berlin that Cuba desires relations not only with the Soviet Union but with all Socialist countries.

July 3, 1960: U.S. Congress gives President authority to reduce import quota on Cuban sugar.

July 3, 1960: Jose Miró Cardona, Ambassador-designate to the United States, resigns, stating that "the ideological differences between the plans of the Government * * * and my conscience were impossible to resolve." He takes asylum in the Argentine Embassy.

July 5, 1960: United States protests seizure of U.S.-owned oil refineries as arbitrary, inequitable, and contrary to Cuban law, and expresses the hope that the Cuban Government will rescind these actions.

July 6, 1960: Cuban Government passes nationalization law, authorizing nationalization of U.S.-owned property through expropriation. Authorizes payment to be made from fund to be derived from receipts from annual purchases of Cuban sugar over 3 million tons, at price of at least 5.75 cents a pound. Payment to be in 30-year bonds at 2-percent interest.

July 6, 1960: President Eisenhower, "with the most genuine regret," orders a cut of 700,000 tons in Cuba's 1960 sugar quota, on grounds that Cuban commitments to pay for Soviet goods with Cuban sugar have raised serious doubts as to whether the United States can depend on Cuba as a source of sugar.

July 7, 1960: Prime Minister Castro says that the United States acted in a "frenzy of impotence and hatred * * * in a fit of rage" in cutting the sugar quota, but defies the United States and says that his revolution will triumph.

July 9, 1960: Soviet Premier Khrushchev states that the U.S.S.R. is "raising its voice and extending a helpful hand to the people of Cuba * * *. Speaking figuratively, in case of necessity, Soviet artillerymen can support the Cuban people with rocket fire."

July 9, 1960: President Eisenhower says that Khrushchev's statement underscores the close ties that have developed between the Soviet and Cuban Governments.

July 10, 1960: Prime Minister Castro devotes an entire speech to expressing satisfaction at the support offered Cuba by the Soviet Union and to attaching what he describes as the aggressive policies of the United States.

July 10, 1960: National Bank President Guevara states that Cuba is defended by the Soviet Union, "the greatest military power in history."

July 10, 1960: President Dorticos hails "the message of solidarity spoken by the Prime Minister of the Soviet Union and coming to us in our most difficult hour."

July 16, 1960: U.S. protests nationalization law of July 6 as discriminatory, arbitrary and confiscatory.

July 21, 1960: Cuban press reports Armed Forces Minister Raul Castro stating in Moscow that Cuba "is grateful for political and moral support from the Soviet Union."

July 23, 1960: Cuba signs a 5-year trade and payment agreement with Communist China, calling for Chinese Communist purchase of 500,000 tons of Cuban sugar in each of the next 5 years.

July 30, 1960: National Bank President Guevara states that the U.S.S.R., Communist China, and other Socialist countries are Cuba's friends.

August 1, 1960: United States submits document to the Inter-American Peace Committee entitled "Responsibility of Cuban Government for Increased International Tensions in the Hemisphere." Document deals principally with the relations between Cuba and the Sino-Soviet bloc, and the emergence of a dictatorial pattern of political control in Cuba. Document states that the Cuban Government has taken discriminatory actions against the property of U.S. citizens in Cuba valued at over $850 million, and that no effort has been made by the Cuban Government to assure them anything approaching adequate compensation.

August 6, 1960: Under authority of the nationalization law, Cuba nationalizes through forced expropriation the properties of 26 companies wholly or partially owned by U.S. citizens. The United States protests this action on August 8.

August 6, 1960: Armed Forces Minister Raul Castro says Cuba is grateful for Soviet support, and that U.S. aid always has strings attached, while aid from the Soviet Union is disinterested.

August 7, 1960: Prime Minister Castro justifies the confiscation of the investments of U.S. citizens in Cuba by accusing the United States of "economic aggression" in reducing Cuba's sugar quota.

August 10, 1960: United States issues 23-page document containing evidence of the aggressive intent of the Cuban government in its discriminatory trade and financial policies, and its confiscation of the property of U.S. citizens. Estimates the value of confiscated U.S. property at about $1 billion. States that the backlog of payments due to U.S. exporters because of the failure of Cuban authorities to make the necessary foreign exchange available is over $100 million. States that about one-half of U.S. investments had been seized before any change was made in the Cuban sugar quota.

Document states that property seized under nationalization law of July 6 covers only the most recent cases of the arbitrary taking of such property without prompt, adequate, and effective compensation. In prior cases, starting in June 1959, the Cuban government has shown little or no consideration for the rights guaranteed property owners under the laws of Cuba. It has seized and occupied lands and buildings of U.S. citizens, confiscated and removed equipment, confiscated and removed cattle from the pastures of owners, seized timberland resources, plowed under productive pastures without the consent of owners, and arbitrarily moved fences and boundaries. In many cases no inventory was taken at the time of seizure nor receipt provided, nor indication given that any payment would be made. The value of American owned property affected by such acts is estimated at $350 million.

August 13, 1960: Commerce Minister Cepero Bonilla declares that for the coming year "it would be much more advantageous to Cuba if the United States did not buy a single grain of sugar."

August 16, 1960: Cuban press reports on message from Prime Minister Castro to Premier Khrushchev, expressing thanks "for the support of the Soviet people, which is irrefutable proof that the peoples fighting for their independence are not alone in their struggle."

August 24, 1960: Prime Minister Castro charges the United States with supporting counterrevolutionaries and states that Cuba will be friends with the Soviets and the Chinese People's Republic.

August 29, 1960: The Foreign Ministers of the American Republics, meeting at San Jose, Costa Rica, approve Declaration of San Jose, stating that the acceptance by an American state of extracontinental intervention endangers American solidarity and security. They also create an ad hoc good offices committee to help settle controversies between governments in the Americas.

August 29, 1960: Prime Minister Castro repeats charges of United States aggression against Cuba and says he will not renounce Soviet support.

September 2: In reply to the Declaration of San Jose, Prime Minister Castro presents "Declaration of Habana," which bitterly attacks the United States and the OAS, denounces United States intervention in Latin America, accepts offer of assistance from the Soviet Union, and denies that the Soviet Union or Communist China have interventionist intentions in the Western Hemisphere. States Cuba will establish relations with the Chinese People's Republic.

September 12, 1960: United States offers to present its charges for examination by the good offices committee created August 29, and express the hope that the Cuban government will cooperate.

September 15, 1960: Cuba and Hungary sign trade and payments agreements.

September 17, 1960: Under authority of the nationalization law, Cuba nationalizes 3 U.S.-owned banks through forced expropriation. United States protests on September 29.

September 18, 1960: National Bank President Guevara accuses the United States of aggression and genocide. Says that Cuba has received arms from Czechoslovakia and is expecting many more from any power that will sell them.

September 23, 1960: Cuba and North Korea establish diplomatic relations.

September 26, 1960: Prime Minister Castro makes series of untrue and distorted allegations against the United States at the U.N. General Assembly.

September 30, 1960: Communist Prime Minister Chou En-lai states that "in the event of necessity the Chinese government and people will give all possible support and aid to the Cuban people."

October 7, 1960: Cuba and Bulgaria sign trade and payments agreements.

October 12, 1960: United States submits document to the U.N. Secretary General entitled "Facts Concerning Relations Between Cuba and the United States," replying to Prime Minister Castro's allegations of September 26.

October 13, 1960: Unidentified men raid the Cuban consulate general in Miami. Cuban Government states that the attack was permitted with the "suspicious indifference" and the "manifest collusion of the American authorities" and that the identities of those responsible are known to the authorities.

October 19, 1960: United States prohibits exports to Cuba except for nonsubsidized foodstuffs, medicines and medical supplies, to defend the legitimate economic interests of the people of the United States against the discriminatory, aggressive, and injurious economic policies of the Castro regime.

October 24, 1960: Under authority of the nationalization law, Cuba nationalizes through forced expropriation 166 properties wholly or partially owned by U.S. citizens. United States protests on November 19.

October 26, 1960: Cuba and Rumania establish diplomatic relations and sign trade and technical assistance agreements.

October 27, 1960: United States rejects "emphatically and categorically" the Cuban protest of October 13. States that the United States does not condone the violation of its laws by anyone, that it makes every effort to prevent such violations, that an investigation into the incident is continuing and that the United States has told the Miami police of the need for special police protection for the consulate general.

October 28, 1960: United States reiterates September 12 offer to cooperate with good offices committee and expresses hope that committee will carry out its mission promptly.

November 14, 1960: Cuban Government rejects the United States statements of October 27 as "mendacious and detrimental" and refers to an "alliance" between the executioners of the Cuban people and the United States Government.

November 18, 1960: United States states that at least 12 Soviet ships have delivered arms and ammunition to Cuba since July 1960 and that Soviet bloc arms provided to Cuba amount to at least 28,000 tons.

December 2, 1960: Cuba and North Vietnam establish diplomatic relations.

December 9, 1960: Cuba and Outer Mongolia establish diplomatic relations.

December 11, 1960: National Bank President Guevara expresses wholehearted support for the December 6 statement of the Congress of 81 Communist Parties which met in Moscow, and states that Cuba "should follow the example of peaceful development set by the Soviet Union."

December 15, 1960: Cuba and Albania establish diplomatic relations.

December 16, 1960: President Eisenhower fixes the Cuban sugar quota at zero for the first quarter of 1961.

December 17, 1960: Cuba and Hungary establish diplomatic relations.

December 19, 1960: Cuba and the Soviet Union sign joint communique through which Cuba openly alines itself with the domestic and foreign policies of the Soviet Union and indicates its solidarity with the Sino-Soviet bloc.

January 2, 1961: Cuba holds military parade. Many Soviet and bloc arms displayed, including tanks, assault guns and field guns. Prime Minister Castro says this represents only a "small part" of the arms which Cuba has received from the bloc.

January 2, 1961: Prime Minister Castro demands that the U.S. Embassy in Havana be reduced to 11 officials within 48 hours.

January 3, 1961: United States terminates diplomatic and consular relations with Cuba in view of Castro's demand of January 2, which placed crippling limitations on the ability of the United States to carry out normal diplomatic and consular functions. Cuba turns over its diplomatic and consular affairs to the Embassy of Czechoslovakia in Washington.

February 23, 1961: Armed Forces Minister Raul Castro declares that the Chinese People's Republic has sent Cuba hundreds of machineguns.

March 31, 1961: President Kennedy fixes the Cuban sugar quota at zero for 1961.

April 3, 1961: The United States issues "Cuba" pamphlet, expressing determination to support future democratic governments in Cuba to help the Cuban people achieve freedom, democracy, and social justice, and calling on the Castro regime to sever its links with the international Communist movement.

April 3, 1961: Department states in "Cuba" pamphlet that since mid-1960 more than 30,000 tons of arms, with an estimated value of $50 million, have arrived in Cuba from beyond the Iron Curtain; that the Cuban armed forces are dependent on the Soviet bloc for the maintenance of their armed power; that Soviet and Czech military advisers and technicians have accompanied the flow of arms; that Cubans have gone to Czechoslovakia and the Soviet Union for training as jet pilots, ground maintenance crews, and artillerymen; and that Cuba has, except for the United States, the largest ground forces in the hemisphere, at least 10 times as large as those maintained by previous Cuban Governments, including that of Batista.

April 16, 1961: Prime Minister Castro describes his regime as socialist.

April 17–19, 1961: Cuban patriots fail in attempt to redeem the independence of their homeland.

April 20, 1961: President Kennedy states that any unilateral American intervention would have been contrary to our traditions and to our international obligations, but that we do not intend to abandon Cuba.

April 21, 1961: Cuba votes with the Soviet bloc on almost every major international issue during the 15th General Assembly of the United Nations, which ran from September 20 to December 20, 1960, and March 7 to April 21, 1961.

April 30, 1961: Minister of Industries Ernesto Guevara declares that the Castro movement was "the first socialist revolution in Latin America."

May 1, 1961: Prime Minister Castro speaks of "our socialist revolution" and says that a new "socialist constitution" will be prepared for Cuba.

July 26, 1961: Prime Minister Castro announces formation of Integrated Revolutionary Organizations (ORI) as the precursor of the United Party of the Socialist Revolution, to be the only party in Cuba.

September 20, 1961: Soviet-Cuban communique proclaims "identity of positions of the Soviet Union and Cuba on all the international questions that were discussed."

October 2, 1961: Chinese-Cuban communique proclaims complete agreement between the Cuban and Chinese Communist regimes on "the current international situation and the question of further developing friendship and cooperation."

December 2, 1961: Prime Minister Castro states: "I believe absolutely in Marxism * * * I am a Marxist-Leninist and will be a Marxist-Leninist until the last day of my life." He admits that he hid his true political ideology during his revoluntionary struggle because he felt that "if we, when we began to have strength, had been known as people of very radical ideas, unquestionably all the social classes that are making war on us would have been doing so from that time on."

December 6, 1961: United States submits document to the Inter-American Peace Committee entitled "The Castro Regime in Cuba," containing information on Cuba's ties with the Sino-Soviet bloc and her threat to independent governments in the Western Hemisphere.

December 20, 1961: Cuba votes with Soviet bloc on 33 out of 37 major issues in 16th session of U.N. General Assembly.

January 14, 1962: The Inter-American Peace Committee reports that Cuba's connections with the Sino-Soviet bloc are incompatible with inter-American treaties, principles, and standards.

January 31, 1962: The Foreign Ministers of the American Republics, meeting at Punta del Este, declare that as a consequence of its public alinement with the international Communist movement, the present Marxist-Leninist government of Cuba is excluded from participation in the inter-American system.

March 27, 1962: United States states that Sino-Soviet bloc has furnished about $100 million worth of military equipment and technical services to Cuba and that several hundred Cuban military personnel have received training, including pilot training, in the bloc. Arms include 5 to 75 Mig jet fighters; 150 to 250 tanks; 50 to 100 assault guns; 500 to 1,000 field artillery; 500 to 1,000 antiaircraft artillery; 500 mortars; 200,000 small arms; and some patrol vessels and torpedo boats. No evidence of missiles, missile bases, or bombers.

MORSE FORMULA

Mr. MORSE. Mr. President, as many of my colleagues in the Senate know, I have, since my first term in the Senate during the 80th Congress, steadfastly attempted to protect the public interest in the disposition of surplus Government property through adding to proposed legislation what is generally termed "the Morse formula" amendment.

I am frank to say that I have not always been successful in my efforts, but I think the record will show that I have tried hard to achieve success.

On August 9, I engaged in friendly colloquy and debate with the distinguished senior Senator from California [Mr. KUCHEL] about the Morse formula in connection with its application to a bill he was then pressing to have adopted. During that discussion he cited certain bills which passed the Senate without having had attached to them this provision. He had obtained his information from the Legislative Reference Service of the Library of Congress, as is perfectly proper. That is the reason why the Service was established. The tabulation showed 11 bills approved in the Senate without the Morse formula. The full summaries of these bills prepared by the Reference Service on September 4, 1962, further indicate that as to 6 of these bills, I took the floor to announce my judgment that the legislation fully complied with the Morse formula, and that the Government and the taxpayer received fair value for the property which the bills sought to convey.

It is regrettable that the Legislative Reference Service did not see fit apparently in its August 9, 1962, report to take note of what the record and its own September 4, 1962, report fully showed in regard to those 6 bills, namely that in 6 of the 11 cases there was a floor discussion and explanation of the fact that the Morse formula requirements were achieved.

I have also used the Legislative Reference Service to obtain information many times in the past and I hope to do so often in the future. But, since I believe that for the sake of future discussions in the Senate when this question may again arise it will be helpful to have available a full compilation of Morse formula legislation, I asked the Legislative Reference Service of the Library to compile for me a memorandum of all legislation from the 80th through the 86th Congress to which the Morse formula would be applicable.

This tabulation indicates that since 1947, the Morse formula has been applied to 436 pieces of legislation which sought to convey real estate or personal property belonging to the Government and the taxpayers of the United States. The history of these 436 bills does not tell the whole story, however, since they are only the bills which eventually were enacted into law. The Library of Congress memorandum does not go into the area of bills which were withdrawn or were never offered because of the presence and potential application of the Morse formula. At any rate, it is interesting to do a little arithmetic with regard to these 436 bills.

As to real estate alone, these bills sought to convey real property of the United States estimated at approximately 568,811 acres. This amounts to about 888 square miles or more than two-thirds of the total area of the State of Rhode Island. Included within this 888-square-mile area has been land of modest value such as 462 acres of Alaskan land valued at $1.25 an acre. There has also been some extremely valuable land, such as 0.86 acre of land at Palm Beach, Fla., which was valued at $18,750. Some of this land has contained valuable improvements such as observation towers, lighthouses, and pumping stations. In 1960, during the 86th Congress, it was necessary to apply the Morse formula to a bill which would have granted 4½ acres in the most expensive section of Washington, D.C., opposite the British Embassy, to the Congressional Wives Club for a clubhouse of their own. After I insisted, on the floor of the Senate that the Congress should require payments of the full rental value to the U.S. Treasury, this bill was withdrawn. Consequently, this 4½ acres remains part of a beautiful Federal park which all the taxpayers of the United States can enjoy when they come to Washington, D.C.

The so-called Morse formula, as it has evolved, has come to apply to all property interests, real, personal, and mixed, which belong to the Federal Government and the taxpayers of this Nation. Recent application of it has even extended to a fishing vessel which is the property of the U.S. Government.

Getting out my pencil and doing a little calculating on the basis of this Legislative Reference Service memorandum, it appears that averaging on the basis of the stated value of acreage in the memorandum, the Morse formula has resulted in a return to the U.S. Treasury of at least $439,706,000.

Again this does not tell the whole story. In 98 cases in this memorandum, neither the value nor the acreage of the property involved is stated, so interpolation is required. Further, there is no accounting of the legislation which has been rejected, or not offered because of the possibility applying the formula. If I were pressed for an estimate of the additional amount involved, I might, on the basis of my 18 years of experience in this body, estimate it to be in the neighborhood of $150 million, although this cannot be stated with exactness.

Scores of these bills have been introduced in Congress every year. They propose to give away Federal land, or in some cases Federal buildings, Federal equipment, and Federal property. Nearly always, the property in question is not being used at the time by the Federal Government. But this does not make it any the less valuable.

If the Government has no need for it, and the local community or State agency or private organization does have a need for it, then I am perfectly favorable to its transfer, but certainly not for no price at all. We do not expect owners of valuable private property to give what they have away for nothing. Why in the world anyone expects the American taxpayers to give away their property for nothing is hard to understand.

The origin of applying the so-called Morse formula is quite illuminating. Back in 1947, the chairman of the Senate Armed Services Committee received word from the War Assets Administration that that agency had received more than 100 requests for the free transfer of surplus military equipment that was left over from World War II. The War Assets Administration estimated that the property requested ranged in value between $275 and $300 million.

The chairman acted promptly and introduced Senate Concurrent Resolution 31 of the 80th Congress, requesting the military departments and the War Assets Administration to delay the disposal of surplus lands and permanent structures and to report their locations, description, and fair market value to the Armed Services Committees of the U.S. Congress.

As a result, the chairman set up an investigating committee composed of myself, Senator Robertson, of Wyoming, and Senator BYRD of Virginia. We held hearings on February 16 and 17 and March 2, 3, and 8, of 1948, and after we had heard the evidence, wrote a report and made recommendations to the Senate.

Our report recommended, on the basis of our study, that the Surplus Property Act of 1944 be amended to require the following:

First. That conveyances to States and local governments for public parks and recreational areas shall be at at 50 percent of fair market value.

Second. That conveyances for historical monuments of Federal property shall be without monetary consideration.

Third. That the United States reserve valuable rights in connection with this property, such as reversionary and other interests as conditions upon any transfers.

Our recommendations were in the form of a bill, S. 2277, which became Public Law 616 of the 80th Congress on June 10, 1948. This legislative formula became accepted and was extended in 1949, to the General Property and Administrative Services Act, section 602(a) of Public Law 152, 81st Congress.

Therefore, this formula which was devised by our committee, was enacted into law and applies to every transfer of property which is undertaken by the General Services Administration, or any related agency concerned with either the Surplus Property Acts, relating to military property, or the General Property and Administrative Services Act, relating to Government property generally.

From time to time since 1948, questions have arisen as to why it is necessary for the Senator from Oregon to take the floor and apply or insist on compliance with this formula, if it is already part of legislation and has the force of law.

The answer to this is that every piece of special legislation relating to the conveyance of land stands on an equal footing legally with the original legislation. No Congress can bind its successor and

therefore a bill to provide for the conveyance of land would and does override the General Property Act or any other legislation that can be put on the books.

In addition to the estimate that in round numbers the Morse formula has made a saving of $500 million for the taxpayers, in respect to 888 square miles of land, or 568,811 acres, plus the estimate of an additional $150 million already referred to by the senior Senator from Oregon, many more millions of dollars have been saved to the taxpayers as a result of the fact that the principle of the Morse formula became a part of the Federal Property and Administrative Services Act and is binding, as far as departmental action is concerned, on the General Services Administration in carrying out the Federal Property and Administrative Services Act.

We have no way of knowing how many millions of dollars of savings have resulted from the adoption of the amendment to the General Property Act which I authored and which was supported by former Senator Robertson of Wyoming and the Senator from Virginia [Mr. BYRD]. It was added as an amendment to the Surplus Property Act and was adopted in 1948. However, my estimate is that well over a total of $900 million has been saved to the taxpayers of this country as a result of my insistence upon the application of the Morse formula to so-called special legislation and the application of the formula now as a part of the General Property Act by the agencies of Government that have the administrative responsibility of carrying out the provisions of legislation over which they have jurisdiction.

Also, I may say for the benefit of the Library of Congress and its Legislative Reference Service, and for the benefit of the Senator from California [Mr. KUCHEL] and my other colleagues in the Senate, that there has never been a bill passed by the Senate while the senior Senator from Oregon has been on the floor of the Senate, that violated the Morse formula to which I did not object.

I have already referred to the 11 bills that the Library of Congress reported to the Senator from California [Mr. KUCHEL] as allegedly having passed the Senate, as not including the Morse formula, when the principle of the Morse formula was, in fact, involved. I have already stated that the Library of Congress was dead wrong and it listed six of those bills as having passed the Senate without the Morse formula, when in fact the Morse formula was involved.

The RECORD and the September 1962 memorandum by the Legislative Reference Service shows that in the case of six of the bills there was a discussion of the Morse formula, in which the senior Senator from Oregon made clear that the Federal Government was getting value equal to the 50 percent of the appraised market value in connection with each one of those bills.

As to the other bills, it is not the fault of the Senator from Oregon if he is away from the Senate on official business when a bill which violates the Morse formula is called up, and the Senator from Oregon is not even aware of either the bill or the fact that it will be called up. I merely say that, in my judgment, the leadership of the Senate, knowing of the record that the senior Senator from Oregon has made on this very important principle of protecting the economic interests of the taxpayers, should not allow a bill to come up if it knows that the bill violates the Morse formula.

I repeat, for the benefit of the Library of Congress, the senior Senator from California [Mr. KUCHEL], and other Senators, that I have never knowingly or intentionally permitted a bill to pass the Senate on the Unanimous Consent Calendar or on motion, in violation of the Morse formula without arguing against the passage of such a bill.

When a special bill which violates the Morse formula is called up, it becomes necessary for me to take the floor of the Senate when such a bill makes its appearance and take action to make certain that the formula created by our committee is written into each of the special bills. During the 80th Congress there developed more or less of an understanding among us that the then junior Senator from Oregon would fight this battle on the floor of the Senate, and I have been doing it ever since, for 14 years now.

During this decade and a half, the formula has developed and been refined. Its basic tenets have been expanded so that now in addition to the provision for the free conveyance of property for historical monuments and the provision for payment of 50 percent of fair market value by the State and local governments for public parks and recreational areas, there is added a provision that conveyances to Government units for commercial operations or any conveyance to private individuals or organizations for profitable purposes, shall require a payment to the Treasury of the full 100 percent market value of the property at the time of the conveyance.

In addition, provision for such interests as mineral rights, rights of concurrent use and other valuable legal interests have become part of the formula.

It has not always been easy to stand up in the Senate and oppose bills embodying projects which have a great deal of interest for the residents of a particular State or locality and the sponsorship of esteemed colleagues in the Senate. These measures are often extremely popular with the State or locality, since there might be exceedingly valuable property which would be enjoyed free of compensation if one of these bills became law.

However, the Senator from Oregon is one person who believes that the property belonging to the U.S. taxpayer wherever he is situated is deserving of protection. It does not matter that in many of these bills the amount of property involved is quite small. In the words of Robbie Burns, "many a mickle makes a muckle." As we have seen the "mickles" have added up over the past 14 years to an area more than two-thirds the size of Rhode Island.

If this property had been transferred away from Federal ownership without compensation, it is quite likely that there would be even more legislation introduced to confer similar benefits on other localities, and the amount of the taxpayers which would be given away in this fashion, might soon reach dizzying proportions.

In recognition of this, a good many Members of this body have extended the utmost cooperation in introducing legislation with the Morse formula already written in. In other cases, after the applicability of the formula is brought to their attention, they have been most cooperative in consenting to amendments to this effect. Many Members have said to me "Well, of course, I should like to get this particular piece of property for a city in my State, or for a county, or for the State itself, without charge. But if you will be consistent and insist upon an application uniformly of the Morse formula, I cannot object to the soundness of the principle for which you are standing, and I will go along."

On one occasion that I recall, when I blocked a bill which would have allowed the city of Detroit to obtain without charge Government property worth many, many millions of dollars, the Senator from Michigan, who was then Arthur Vandenburg, came up to me and said, "WAYNE, I hope you never give up your fight on the Morse formula. I hope you never relinquish the Morse formula to any Senator. Although I tried to get this bill through because the city of Detroit wanted it, I want you to know that I am glad you made the fight and won."

Within the limits of human frailty, I have without exception, stood my ground. I have insisted upon the application of this formula no matter how small or how deserving the case. I have applied the formula uniformly to every proposal involving the State of Oregon, in the same way as I have with bills involving any other State of the Union.

Over the years, I have found that most people even the local delegations who wanted their bills passed would come to understand the fairness of the principle of this formula. When they have found that this is an economy measure and is saving the Treasury and the taxpayers of the United States hundreds of millions of dollars, they are willing to join in supporting the principle.

The principle does not always get sustained, because a simple majority vote in the Senate can defeat it, and it may sometimes be knocked out in the House of Representatives or in the conference between the Senate and House. However, in almost every instance, as the Legislative Reference Service memorandum states, the Morse formula stands the test and those interested in acquiring Federal property have to pay a fair compensation.

I think I would be justified in saying, from the box score involving the 447 measures which we considered in this discussion, that the application of this formula may be assuming the status of a custom in the Senate. I should be very happy to see it become a custom and institution of this body. If we add the

$300 million of original war surplus property and the estimated $440 million involved in bills that have become law subject to the formula and the perhaps $150 million that has been saved in connection with legislation that has not become law, it appears that this custom has resulted in savings to the taxpayer of nearly $900 million in 14 years. On the basis of this history, I believe that universal acceptance of this formula would in the future be greatly to the benefit of the people of the United States.

I ask unanimous consent that the memorandums and compilation I requested from the Legislative Reference Service dated September 4, 1962, be printed at this point in my remarks.

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

THE LIBRARY OF CONGRESS,
LEGISLATIVE REFERENCE SERVICE,
Washington, D.C., September 4, 1962.

To: Hon. WAYNE MORSE.
From: American Law Division.
Subject: Public property, Morse formula.

This will refer to your inquiry relating to a memorandum listing acts of the 83d through 86th Congresses, with certain information relating to Senate passage—conveying, selling, or donating Federal property to political divisions or individuals. An attempt is made in the following report to give the following information regarding such acts: (1) A brief summary of the act; (2) the purposes of the act; (3) the amount of property involved, if given; (4) the amount of consideration, if any; (5) the citation to the CONGRESSIONAL RECORD of Senate passage; and (6) the public or private law number, if enacted.

An overwhelming number of such acts retain many U.S. interests, such as reversionary rights, restrictions, etc., for which no attempt has been made to list in this report. Almost all of such acts were passed by the Senate on the call of the calendar. Acts which had rollcall votes or division votes in the Senate are noted.

Attention is called to the fact that the information listed relating to consideration provided or the Morse formula relates to Senate passage only, and does not necessarily relate to the enacted version of the acts, but a spot check reveals that for the most part the Senate passed version was retained in the enacted acts.

No attempt has been made to include in this report acts relating to transactions regarding tribal lands held in trust for Indians; however, acts conveying, granting, or donating public lands, etc., to Indians are included.

Enclosed also we are sending a report containing the requested information relating to the Kuchel memo which appears on page 16057, CONGRESSIONAL RECORD for August 9, 1962.

GROVER S. WILLIAMS,
Legislative Attorney.

REQUESTED INFORMATION RELATING TO ACTS CONTAINED IN THE KUCHEL MEMO, DAILY CONGRESSIONAL RECORD, AUGUST 9, 1962, PAGE 16057

(By Grover S Williams, legislative attorney, American Law Division, September 4, 1962)

H.R. 163, 83d Congress (Public Law No. 145; 67 Stat. 185): Provides for the conveyance of certain lands in Monroe County, Ark., to the State of Arkansas.

In this bill there is involved 28 small parcels of lang aggregating about 7 acres. The land in question, together with considerable areas of other land was originally given to the United States without consideration by the State of Arkansas in order to create the White River National Wildlife Refuge.

Mr. Butler of Nebraska stated (CONGRESSIONAL RECORD, vol. 99, pt. 7, p. 8949) that the land in question was of no use to the United States for the purpose conveyed and that he could see no conflict between the bill and the Morse formula. Also Mr. Hendrickson stated that he could see no application of the Morse formula to the bill (CONGRESSIONAL RECORD, vol. 99, pt. 7, p. 8949).

The act provides for conveyance without consideration. No stated value of the land is found, the bill passed the Senate on July 16, 1953 (CONGRESSIONAL RECORD, vol. 99, pt. 7, p. 8949), under the call of the calendar. No rollcall votes were taken by the Senate on the bill.

S. 122, 83d Congress (Public Law No. 155; 67 Stat. 203): Directs the conveyance of certain property to the city of Rupert, Idaho.

This conveyance relates to three tracts of land totaling 9.6 acres. Two of the tracts were donated to the city of Rupert in 1906 for public purposes and it is stated that the main purpose of this bill in regard to these tracts is to clear title. Senator MORSE stated (CONGRESSIONAL RECORD, vol. 99, pt. 6, p. 8476) that the Government was losing nothing on the conveyance of these tracts since they were conveyed in 1906 without consideration.

On one tract the Government had enacted some houses which cost $42,000 and when Senator MORSE was assured that the houses were not to be conveyed to the city he announced no objection to the two tracts (CONGRESSIONAL RECORD, vol. 99, pt. 6, p. 8476).

As to the third tract of which it was stated to be only a drainage ditch Senator MORSE stated that he had no objection because he thought it should belong to the city so as to relieve the U.S. Government of any expense in connection with its upkeep. Senator MORSE did not apply the formula. The full explanation as to why the formula is not violated is explained by Senator MORSE (CONGRESSIONAL RECORD, vol. 99, pt. 6, pp. 8475–8477). The bill passed the Senate on July 10, 1953 (CONGRESSIONAL RECORD, vol. 99, pt. 6, p. 8477), on call of the calendar. No rollcall votes were taken by the Senate.

H.R. 8038, 83d Congress (Public Law No. 652; 68 Stat. 790): Authorizes the conveyance of certain lands to the Hot Springs School District and to Garland County for school purposes.

Senate Report No. 1939, page 1, states that the property involved in this bill is approximately 35 acres of land which was originally donated to the United States for public health purposes but is no longer used for those purposes. No statement is found relating to the value of the lands but the report does state that the United States erected several buildings on the land which are badly in need of repair which would cost some $150,000 for repairs alone.

The act provides for conveyance without consideration but permits the Secretary of the Interior to retain any such buildings on the land required by the United States for park purposes.

The bill passed the Senate on August 11, 1954 (CONGRESSIONAL RECORD, vol. 100, pt. 11, p. 14012), on a call of the calendar. No rollcall votes were taken on the measure by the Senate.

S. 3187, 83d Congress (Public Law No. 708; 68 Stat. 969): Authorizes the United States to quitclaim all of its rights, title, and interest in and to certain lands in Arizona.

The rights and interests in this act involve certain rights-of-way and relate to the Salt River project constructed pursuant to a contract dated June 25, 1904, between the United States and the Salt River Valley Water Users Association.

In 1917 there was a contract signed which purported to give these rights-of-way to the Salt River Valley Water Users Association (S. Rept. No. 2025, p. 2). However, some local title companies apparently feel that title to such rights-of-way may still be invested in the United States despite the 1917 contract. The committee stated that it felt that the United States had no real interest in these lands and that it would be helpful to local parties to quitclaim such rights in this manner.

No estimate is found giving any value to such rights. The bill passed the Senate on August 11, 1954 (CONGRESSIONAL RECORD, vol. 100, pt. 11, p. 14043), on the call of the calendar. No rollcall votes were taken by the Senate on the measure. No consideration was provided by the act.

S. 266, 84th Congress (Public Law No. 77; 69 Stat. 138): Authorizes the Secretary of the Interior to transfer certain property to the State of Wyoming for National Guard purposes.

The property involved by this bill consists of 5,780 acres including improvements. No statements are found stating the value of the property. The bill provides that the property shall be used for National Guard and other military purposes.

No consideration is provided for by the measure. It passed the Senate on May 5, 1955 (CONGRESSIONAL RECORD, vol. 101, pt. 5, p. 5740), on the call of the calendar. No rollcall votes were taken by the Senate on the measure.

H.R. 727, 84th Congress (Public Law No. 252; 69 Stat. 538): Authorizes the conveyance of certain land to the Pecwan Union School District in California for use as the site for a school.

The land involved in this act relates to 15 acres of land of the Hoopa Valley Reservation in California.

Senator MORSE stated (CONGRESSIONAL RECORD, vol. 101, pt. 9, p. 11806) that the Morse formula is inapplicable to this measure inasmuch as the largest of the United States is in effect that of a trustee as the land involved is Indian lands.

The act provides for conveyance without consideration but reserves mineral rights. No statement is found relating to the value of the lands. The bill passed the Senate on July 28, 1955 (CONGRESSIONAL RECORD, vol. 101, pt. 9, p. 11806), on the call of the calendar. No rollcall votes were taken by the Senate on the measure.

S. 535, 84th Congress (Public Law No. 261; 69 Stat. 543): Provides for the conveyance of certain lands to the State of North Dakota for a historic site.

The property involved in this act consists of a 5-acre tract. No estimate of the value of this land is found. Senator MORSE in a statement explained the reasons why the conveyance of this property is not in conflict with the formula. The lands are classified as tribal lands reserved for agency purposes. In legal effect, the tribe is the cestui que trust, and the United States is only the trustee. No lands of which the United States holds the ultimate beneficial interests are being conveyed. The Senate passed the bill on July 18, 1955 (CONGRESSIONAL RECORD, vol. 101, pt. 8, p. 10691). The statement by Senator MORSE is found in the CONGRESSIONAL RECORD, volume 101, part 8, pages 10690, 10691. No rollcall votes were taken by the Senate on the measure.

S. 2822, 84th Congress (Public Law No. 572; 71 Stat. 256): Authorizes the Secretary of the Interior to transfer 9 acres of land to the school district No. 8, Mohave County, Ariz.

The lands involved in this act are lands in the Hualapai Indian Reservation, Ariz. The lands are necessary for the erection of a school in the district. It is stated that the only interest that the United States has in the land is that of trustee for the Hualapai Tribe of Indians. The school which is

to be erected will be made available to both Indians and non-Indians. The school which is to be erected will cost $129,000. No estimate is found giving the value of the lands.

No consideration is provided. The Senate passed the bill on April 19, 1956 (CONGRESSIONAL RECORD, vol. 102, pt. 5, p. 6618). No rollcall votes on the bill were taken by the Senate.

S. 556, 85th Congress (Public Law No. 85–193; 71 Stat. 472): Provides for the conveyance of certain real property of the United States, situated in Clark County, Nev., to the State of Nevada for the use of the Nevada State Board of Fish and Game Commissioners.

The land involved in this act consists of 1.93 acres. It is part of a 60-acre tract originally donated to the Federal Government by the city of Las Vegas for use as a Fish and Wildlife Service fish-culture station. The original conveyance contained a clause providing for reversion to Las Vegas if the Federal Government did not use the land for fish-culture purposes. Since the original conveyance was gratuitous and the Federal needs for the original purpose do not require the lands, Senator MORSE stated (CONGRESSIONAL RECORD, vol. 103, pt. 8, p. 10980) that the act is not in violation of the formula.

No consideration is provided. No statement is found giving the value of the land. The Senate passed the bill on July 8, 1957 (CONGRESSIONAL RECORD, vol. 103, pt. 8, p. 10980). No rollcall votes on the bill were taken by the Senate.

S. 999, 85th Congress (Public Law No. 85–205; 71 Stat. 479): Authorizes the Secretary of the Interior to convey certain lands to the State of North Dakota for the use and benefit of the North Dakota State School of Science.

In this act there is involved the conveyance of 80.0637 acres of land. Senator YOUNG stated that the Indian Bureau placed a value of $250 an acre on the land involved. Senator MORSE stated that the probable value of the land covered by the pending bill is somewhere between $15,000 and $20,000 (CONGRESSIONAL RECORD, vol. 103, pt. 6, p. 7093).

No monetary consideration is provided by the bill, but it does provide for 10 annual tuitions for the benefit of Indian children covering a period of 10 years which will have a total value of approximately $10,000.

Senator MORSE stated (CONGRESSIONAL RECORD, vol. 103, pt. 6, p. 7093) that the Federal Government has been adequately protected and will be getting a return for the land of approximately $10,000, which will be at least 50 percent of its appraised fair market value, and possibly more; and that therefore the Morse formula is fully complied with.

The bill was passed by the Senate on May 16, 1957 (CONGRESSIONAL RECORD, vol. 103, pt. 6, p. 7093). No rollcall votes on the bill were taken by the Senate.

H.R. 5270, 86th Congress (Public Law No. 86–407; 74 Stat. 15): Authorizes the Secretary of the Interior to convey to the Metropolitan Water District of Salt Lake City, Utah, all rights, title, and interest of the United States in certain lands located in Salt Lake County, Utah.

This act involves the conveyance of 7.7 acres. It was originally donated by this water district to the Federal Government for use in connection with the construction of the aqueduct division of the Provo River Federal reclamation project. Now it is stated that the Federal Government does not need this land for the specific purpose intended when the land was conveyed.

The act provides for no consideration. Senator MORSE stated (106 CONGRESSIONAL RECORD 6623) that this bill is in conformity with the Morse formula because it seeks to carry out the intention underlying the original conveyance by the water district to the United States.

No estimate of the value of the land is found. The Senate passed the bill on March 28, 1960 (CONGRESSIONAL RECORD, vol. 106, pt. 5, p. 6623). No rollcall votes were taken by the Senate on this measure.

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Bill No.	Description	Purpose	Amount involved	Consideration (Morse formula)	Senate passage, Congressional Record		Law
					Volume	Page	
H.R. 2936	Authorizes the Secretary of Interior to convey certain lands to the State of California.	Public	34.5 acres with improvements.	(S. Rept. 156)—Land was conveyed to United States in 1905. No consideration provided for in act.	99	4579	Public Law 25.
S. 1292	Authorizes the exchange of school lands for park lands in Virginia.	do	0.5 acre	(S. Rept. 159)—Land was conveyed to United States in 1933. No monetary consideration provided.	99	4581	Public Law 27.
S. 1545	Authorizes the conveyance of certain Government-owned burial lots in the District of Columbia to a private church.	Private	392 burial lots	(S. Rept. 161)—$100 consideration and provides for exchange of several lots accompanied by a release of certain upkeep claims against the United States.	99	4581	Private Law 53.
S. 1548	Provides for exchange between the United States and Puerto Rico of certain lands and interests.	Public	907 acres of U.S. lands valued at $1,561,399.45; 6,500 acres of Puerto Rico lands valued at $820,202.	(S. Rept. 163)—Committee felt that the difference in value of land in favor of Puerto Rico was not so bad as five parcels of these lands were set aside for military use when Puerto Rico was ceded to United States.	99	4581	Public Law 326.
S. 1525	Authorizes the exchange of certain lands by Secretary of Navy to Tarrant County Water Control District in Texas.	do	225 acres by United States; 244 acres in Texas.	(S. Rept. 164)—States that the exchange is of comparable value and area.	99	4582	Public Law 34.
H.R. 1561	Authorizes the transfer of public property to the State of Tennessee.	National Guard	30 acres	Morse formula does not apply to transactions solely for National Guard purposes.	99	5287	Public Law 56.
H.R. 4505	Authorizes the sale of certain lands to the State of Oklahoma.	Public	70 acres	A payment of fair value, but not less than cost to United States in acquiring it.	99	6183	Public Law 64.
H.R. 4730	Provides for the conveyance of certain lands to the city of Cincinnati, Ohio.	do	0.1 of an acre	No monetary consideration provided but Senator Morse stated that the formula was inapplicable and gave reasons.	99	6188	Public Law 81.
S. 630	Authorizes the exchange of certain lands in Pennsylvania.	Public	23 acres	Provides for an exchange of land of equal value.	99	8001	Public Law 167.
S. 894	Provides for the sale of certain lands in Basalt, Colo.	Private	Several lots	Provides that the sale be at the fair market value.	99	8005	Not enacted.
H.R. 4823	Conveys certain lands to the State of Texas.	Public	160 acres	Conveyance at the fair market value, but not less than cost of the United States in acquiring such land.	99	8009	Public Law 122.
H.R. 1528	Authorizes the addition of lands to the Appomattox Courthouse National Historical Monument by exchange of lands.	Public and private	100 acres	Exchanged lands are to be of approximately equal value.	99	8010	Public Law 136.
H.R. 3411	Provides for the exchange of certain lands in Illinois.	Public and private	Several thousand square feet.	Exchanged lands are to be of approximately equal value.			Public Law 116.
S. 2163	Provides for the conveyance of certain lands in North Carolina in exchange for other lands.	Public	133 acres with improvements.	Exchanged lands are to be equal in fair market value.			Public Law 265.
S. 1400	Transfers reversionary rights of the United States in a tract of land in North Carolina.	Private	45.001 acres	Without monetary consideration			Private Law 428
H.R. 3380	Authorizes the exchange of public lands in Virginia.	Public and private	800 acres of public lands for 1,500 acres of private lands.	Exchanged lands must be of approximate equal value.			Public Law 144.
H.R. 163	Provides for the conveyance of certain lands to the State of Alabama.	Public	7 acres	No monetary consideration provided. Lands were donated by the State of Arkansas to the Federal Government in 1937 (S. Rept. 463).			Public Law 145
H.R. 5349	Provides for the conveyance of public land to private individuals.	Private	98 acres	Conveyance upon the payment of the price which the Government paid for the lands.			Private Law 128.
H.R. 947	Authorizes the issuance of a patent-in-fee to certain lands in Mississippi to an individual.	do	90 acres	Price not less than $1.25 an acre			Private Law 100.

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Bill No.	Description	Purpose	Amount involved	Consideration (Morse formula)	Senate passage, Congressional Record		Law
					Volume	Page	
S. 122	Provides for the conveyance of certain property to the city of Rupert, Idaho.	Public	10 acres plus improvements.	No monetary consideration provided, but Senator Morse explained in detail why the formula is not applicable.	99	8477	Public Law 155.
H.R. 4072	Provides for the disposition of certain lands by Virginia to the School Board of Mecklenberg County.	do	$300 or $400	No monetary consideration provided but Senator Morse asked that the RECORD show that he voted "Nay."	99	8480	Public Law 138.
H.R. 3956	Provides for the conveyance of certain lands in New Mexico to an individual.	Private	40 acres	To be sold at appraised value	99	10784	Private Law 154.
S. 1639	Authorizes the sale of certain lands to the State of Oklahoma.	Public	45.5 acres	Sale to be made at a fair value of property which shall not be less than the cost of acquiring it.	99	10785	Not enacted.
S. 1160	Authorizes the exchange of certain lands in Tucson, Ariz.	do	Not stated	S. Rept. 707 states that each parcel of land exchanged is appraised at $2,400.	99	10785	Public Law 306.
H.R. 2019	Provides for the sale of certain lands to individuals.	Private	2 lots	Purchase price to be the appraised value of lots.	99	10798	Private Law 219.
H.R. 2011	Provides for sale of lands in Alaska to Boy Scouts.	do	133 acres	Purchase price to be its reasonable appraised value, not less than $1.25 an acre.	99	10798	Private Law 152.
H.R. 2013	Authorizes the sale of lands in Alaska to the Calvary Baptist Church.	do	0.5 acre	Purchase price to be its reasonable appraised value, not less than $1.25 an acre.	99	10798	Private Law 153.
H.R. 1880	Authorizes the sale of lands in Alaska to the Catholic bishop.	do	462 acres	do	99	10798	Private Law 151.
H.R. 1245	Provides for the conveyance of certain lands in Dane County to Wisconsin Armory Board.	Public	8.8 acres	The fair value of the land is to be deducted from certain Federal contributions.	99	10971	Public Law 268.

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S. 1399	Provides for the sale of certain improvements in national forest lands in Arizona.	Public	Not stated	Sale to be at the fair appraised value	100	632	Public Law 401.
S. 1577	Provides for the exchange of certain public lands in Eagle County, Colo.	do	U.S. lands, $2,000 in exchange for lands at $2,000.	No consideration provided	100	632	Not enacted.
H.R. 2842	Provides for the transfer of certain lands to the territory of Hawaii.	do	9,000 square feet	No consideration, but Senator Morse made a statement why the formula is not in conflict.	100	1498	Public Law 296.
H.R. 5632	Provides for the conveyance of certain lands to the State of North Carolina.	National Guard	264 acres	Formula does not apply to transactions solely for National Guard purposes.	100	1498	Public Law 327.
S. 489	Provides for the conveyance of certain lands to the State of Connecticut.	do	58.06 acres	Formula does not apply to transactions solely for National Guard purposes.	100	1499	Public Law 315.
S. 1827	To quiet title and possession to certain real property in the State of Washington.	Public	Not stated	Senator Morse stated that the United States had no legal interest in the property.	100	1500	Public Law 317.
H.R. 6025	Provides for the licensing of certain property located in Honolulu to the Leahi Hospital.	Private	4.4 acres	50 percent of fair rental value	100	1724	Private Law 345.
S. 2405	Provides for the exchange of public property for private property.	Public and private	Not stated	Provides that the United States receive a sum of money in the amount that the value of the public property exceeds the value of the private property exchanged.	100	2472	Public Law 333.
H.R. 7380	Provides for the reconveyance of certain lands to Boulder City, Colo.	Public	2 acres	Senator Morse made a statement why the bill was not in conflict with the formula.	100	4860	Public Law 341.
H.R. 7402	Provides for the conveyance of certain real property to the city of St. Joseph, Mich.	do	1 lot	Provides compensation of $3,300	100	5265	Public Law 348.
H.R. 7512	Provides for the conveyance of land at Camp Blanding, Fla., to the armory board.	National Guard	40,000 acres	Formula does not apply to transactions solely for National Guard purposes.	100	5272	Vetoed, May 25, 1954.
H.R. 232	Provides for the conveyance to the State of Indiana certain surplus real property.	Public	13 acres	No monetary consideration provided	100	5278	Public Law 386.
H.R. 6251	Transfers certain lands to the city of Cody, Wyo.	do	210 acres	No monetary consideration is provided.	100	5456	Public Law 360.
H.R. 1815	Enables the sale of certain lands to States, political subdivisions, and nonprofit organizations.	Public and private	Not stated	Sales or leases to be at an appraisal price determined by the Secretary of the Interior.	100	5457	Public Law 387.
H.R. 6988	Provides for the exchange of certain lands in Wyoming.	Public	40 acres in lieu of 20 acres.	No consideration provided	100	5930	Public Law 362.
H.R. 7057	Provides for the transfer, exchange, and disposal of lands in the Eden project, Wyoming.	do	Not stated	Exchange of lands to be of approximately equal value.	100	6639	Private Law 377.
H.R. 2913	Directs the Secretary of the Interior to issue a patent in fee for certain lands to an individual.	Private	40 acres	Conveyance to be upon the payment of the appraised value.	100	6644	Private Law 374.
H.R. 4816	do	do	80 acres	Conveyance to be upon the payment of the appraised value of the lands.	100	6644	Private Law 377
H.R. 1705	do	do	640 acres	do	100	6999	Private Law 386.
S. 2654	Authorizes the District of Columbia to sell certain lands.	do	17.17 acres	Sale made to highest bidder	100	7001	Public Law 234.
H.R. 2512	Amends the Small Tracts Act to permit the leasing of lands for residential, recreational, or community site purposes.	Private and public	Not stated	At price determined by Secretary	100	7005	Public Law 390
H.R. 5833	Authorizes the exchange of public lands in Hawaii for private lands.	Public and private	do	Requires that in such exchanges the lands be of equal value.	100	7682	Public Law 416.
H.R. 6328	Authorizes the exchange of certain public lands in Hawaii for privately owned lands.	do	288 acres	Requires the exchanged lands to be of equal or greater value.	100	7682	Public Law 412.
H.R. 2016	Authorizes the sale of certain lands to the Board of National Missions of the Presbyterian Church.	Private	1 acre	Sale price to be the appraised value of the land.	100	7683	Private Law 421.

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Bill No.	Description	Purpose	Amount involved	Consideration (Morse formula)	Senate passage, Congressional Record		Law
					Volume	Page	
H.R. 107	Transfers certain lands to the State of North Dakota.	Public	32.14 acres	No monetary consideration provided	100	7684	Public Law 409.
H.J. Res. 458	Quitclaims retained rights in certain lands to the Board of Education of Irwin County, Ga.	do	8 acres	Senator Morse stated that this was not violation of the formula and he would not object.	100	8215	Public Law 473.
H.J. Res. 300	Provides for the conveyance of certain surplus land in Texas to the Hill County Development Corp.	Private	90 acres	Sale price of $16,500	100	8215	Private Law 480.
S. 3239	Authorizes the conveyance of certain land to the State of California.	Public	3.5 acres	Purchase price not less than appraised value.	100	8229	Public Law 668.
H.R. 1128	Authorizes the issuance of a patent-in-fee to certain lands to an individual.	Private	160 acres	Senator Morse asked for an explanation but made no objection. No consideration provided.	100	8232	Vetoed June 29, 1954.
H.R. 3097	Authorizes the transfer of certain real property in Napa County, Calif.	Public	20 acres and improvements.	Without cost. Senator Morse objected and called for a vote. The bill passed on a division vote without the formula.	100	8239	Public Law 430.
S. 2900	Authorizes the sale of certain lands in Alaska to the Harding Lake Camp.	Private	62 acres	Purchase to be at a fair market price to be fixed by Secretary of Interior.	100	8512	Not enacted.
H.R. 5840	Authorizes the exchange of certain lands in Alaska for private lands.	Public and private	994.25 acres of public lands; 1,250 acres of private lands.	Provides that the value of private lands equal or exceed value of public lands.	100	8512	Public Law 448.
H.R. 4496	Authorizes the conveyance of certain lands to Prince Georges County, Md.	Public	Several lots	Provides that the purchase price be an amount equal to the fair market value.	100	8575	Public Law 505.
S. 3302	Grants to the Las Vegas Valley Authority, Nevada, certain public lands.	do	Not stated	Payment of a price representing the fair market value.	100	8593	Public Law 666.
S. 3303	Grants certain public lands in Nevada to Basic Management, Inc.	do	do	do	100	8594	Public Law 854.
S.J. Res 170	Provides for the conveyance of certain property now held by TVA.	Private	do	Provides that sale be made at the fair value.	100	9727	Public Law 722.
H.R. 7913	Provides for the conveyance by quitclaim deed of certain lands to the State of Texas.	Public	200 acres	Purchase price to be the fair market value.	100	9227	Public Law 491.
H.R. 9340	Provides for the conveyance of federally owned lands to the Florida Armory Board.	National Guard	40,000 acres	Formula does not apply to transactions solely for National Guard purposes.	100	9729	Public Law 493.
H.R. 7158	Authorizes the United States to convey certain lands to an individual.	Private	17 acres	Purchase price is to be the fair market value.	100	10192	Private Law 551.
H.R. 6975	Authorizes the conveyance of certain lands to the Siskiyou Joint Union High School District, California.	Public	27.58 acres	No monetary consideration provided but Senator Morse stated it was not in conflict with the formula.	100	10754	Public Law 526.
S. 3561	Authorizes the conveyance of certain property to the armory board, Utah.	National Guard	35 acres	Formula does not apply to transactions solely for National Guard purposes.	100	10756	Public Law 550.
H.R. 6263	Provides for the conveyance of certain lands in Alaska to the Rotary club.	Private	4 acres	No monetary consideration provided but Senator Morse stated his understanding of the bill did not violate the formula.	100	10764	Public Law 525.
H.R. 4928	Provides for the conveyance of certain lands to Clifton, N.J.	Public	14.25 acres	Purchase price to be 75 percent of the fair market value.	100	10765	Public Law 541.
H.R. 8983	Provides for the conveyance of certain lands to Muskogee, Okla.	do	5.4 acres	No monetary consideration but Senator Morse stated the reasons why the bill does not conflict with the formula.	100	10766	Public Law 546.
H.R. 9406	Provides for the conveyance of certain real property to the town of Beaufort, N.C.	Public	1.38 acres	For price of $1 (H. Rept. 2452) states that the city sold it to United States for $1 during World War II.	100	10413	Public Law 617.
H.R. 6658	Provides for the conveyance of certain lands to the county of Cumberland, N.C.	do	57.8	No monetary consideration is provided. (S. Rept. 1943) states that the land originally was given to the Government.	100	14013	Public Law 677.
H.R. 8501	Provides for the conveyance of certain lands to the Americus & Sumter County Chamber of Commerce.	Private	25 acres	No monetary consideration provided, but Senator Morse stated the formula did not apply as this party had originally donated land for a purpose not now being carried out.	100	14013	Public Law 784.
H.R. 8020	Provides for the transfer of certain property to the State of Oregon.	Public	2.61 acres	No monetary consideration provided but Senator Morse stated that the bill did not violate the formula.	100	14013	Public Law 717.
S. 2486	Authorizes the transfer of certain property to the State of Wyoming.	National Guard	7,680 acres	Formula does not apply to transactions solely for National Guard purposes.	100	14036	Not enacted.
H.R. 5832	Provides for the sale of certain public lands to certain lessees in Hawaii.	Private	Not stated	Sale for a fair and reasonable price	100	14039	Public Law 639.
H.R. 8821	Authorizes the exchange of certain lands in Maryland.	Public	do	Exchange lands must be of approximately equal value.	100	14039	Public Law 654.
S. 264	Provides for the conveyance of certain lands in Maryland to the American Legion.	Private	6 acres	Purchase price 50 percent fair market value.	100	14040	Private Law 934.
H.R. 2009	Provides for the sale of certain land in Alaska to the Ninilchik Hospital Association.	do	5 acres	Terms and conditions of the act of June 4, 1954 (Public Law 387, 83d Cong., sale of public lands to a nonprofit corporation).	100	14040	Private Law 886.
H.R. 2010	Provides for the sale of certain lands in Alaska to the Alaskan Evangelization Society.	do	3 acres	(Same as H.R. 2009 above)	100	14041	Private Law 887.
H.R. 2012	Provides for the sale of certain lands to the Boy Scouts in Alaska.	do	3.28 acres	do	100	14041	Private Law 714.
H.R. 2014	Authorizes the sale of certain lands in Alaska to the Community Club of Chugiak.	do	4.93 acres	do	100	14041	Private Law 888.
H.R. 3854	Authorizes the sale of certain lands in Alaska to the Turnagain Arm Community Club.	do	4.12 acres	do	100	14041	Private Law 893.

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Bill No.	Description	Purpose	Amount involved	Consideration (Morse formula)	Senate passage, Congressional Record		Law
					Volume	Page	
H.R. 6959	Authorizes the sale of certain lands in Alaska to the Baptist Mid Missions.	Private	6.41 acres	Same as H.R. 2009 above. Senator Morse in answer to a question stated that in the last 6 bills that the United States was receiving more under the act than 50 percent of fair market value.	100	14041	Private Law 894.
S. 3187	Authorizes the United States to quitclaim all its interest in certain lands to the State of Arizona.	Public	Not stated	No monetary consideration is found	100	14043	Public Law 708.
H.R. 1797	Provides for the conveyance of certain land to the State of Oklahoma.	do	2,615.36 acres	Sale price an amount equal to the appraised fair market value.	100	14061	Public Law 720.
H.R. 9194	Provides for the conveyance of certain land to the city of Vicksburg, Miss.	do	109.014 acres	Reasonable appraised value	100	14081	Public Law 658.
S. 3595	Provides for conveyance of certain property to the State of Texas.	National Guard	24.25 acres	Formula does not apply to transactions solely for National Guard purposes.	100	14082	Public Law 711.
S. 3750	do	do	Land and property	do	100	14083	Public Law 712.
H.R. 8736	Provides for the issuance of a land patent to public lands in Hawaii to the Roman Catholic bishop.	Private	1 lot	No monetary consideration is provided.	100	14084	Private Law 785.
H.R. 2015	Provides for the sale of certain lands in Alaska to an individual.	do	0.08 acre	A reasonable appraised value	100	14084	Private Law 855.
S. 3822	Provides for the conveyance of certain lands to the State of Texas.	National Guard	9.306 acres	Formula does not apply to transactions solely for National Guard purposes.	100	14087	Public Law 713.
S. 3316	Provides for the conveyance of a tract of land in Mississippi to an individual.	Private	111 acres	Appraised value	100	14255	Not enacted.
S. 3189	Provides for the conveyance of certain lands in California to a county flood control district.	Public	Up to 720 acres	Appraised fair market value	100	14259	Public Law 709.
H.R. 1254	Authorizes the grants of certain uses of public lands.	Private	Not stated	Fair market value of such uses	100	14948	Public Law 771.
H.R. 6451	Authorizes the conveyance of certain lands in Utah.	do	Several sections of land	Appraised value of land	100	14961	Private Law 956.
S. 2153	Authorizes the conveyance of certain property to the State of Minnesota.	Public	60 acres	No monetary consideration provided but Senator Morse stated he had no objection because the service rendered by the State would be sufficient.	100	14968	Not enacted
H.R. 4017	Authorizes the conveyance of certain lands in Arkansas to a school district.	do	7.03 acres	No monetary consideration provided but Senator Morse stated that the formula was not applicable.	100	14969	Public Law 739.
H.R. 8038	Authorizes the conveyance of certain property to a school district in Arkansas.	do	35 acres	No monetary consideration provided.	100	14012	Public Law 652.

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S. 998	Provides for the conveyance of certain lands to the city of Woodward, Okla.	Public	0.940 acres	An amount equal to 50 percent of the fair market value.	101	4975	Public Law 81.
S. 1079	Provides for the sale of certain lands in the national forests.	Private	Not stated	Sale to be not less than the appraised value of land.	101	4979	Not enacted.
S. 14	Provides for the conveyance of certain property to the State of Texas.	National Guard	189 acres	Formula does not apply to transactions solely for National Guard purposes.	101	5215	Public Law 49.
S. 148	Provides for the conveyance of certain property to the State of Iowa.	do	1,848.32 acres	do	101	5215	Public Law 50.
S. 653	Provides for the conveyance of certain property to the State of Louisiana.	do	104.06 acres	do	101	5216	Public Law 52.
H.J. Res. 107	Provides for the release of a reversionary right in a tract of land to the Vineland School District, Calif.	Public	37 acres	Releases the right for the consideration of $1.	101	5226	Public Law 30.
S. 755	Provides for the conveyance of certain property to the city of Warwick, Va.	do	1,188 family dwelling units.	Terms of sale to be an amount and conditions that Housing Administrator may determine at fair market value.	101	5737	Public Law 80.
H.R. 1602	Provides for the conveyance of certain property to the Salt River Agricultural Improvement & Power District in Arizona by Tempe, Ariz.	Public and private	Not stated	No monetary consideration provided	101	5739	Public Law 36.
S. 266	Provides for the conveyance of certain property to the State of Wyoming.	National Guard	5,780 acres	Formula does not apply to transactions solely for National Guard purposes.	101	5740	Public Law 77.
S. 1340	Provides for the reconveyance of certain lands to the Brownsville Navigation District of Cameron County, Tex.	Public	Not stated	Reconveyance to be made upon the payment of the same price the United States paid in acquiring it.	101	7251	Public Law 265.
S. 107	Provides for the conveyance of certain lands to the Commonwealth of Massachusetts.	National Guard	66 acres	Formula does not apply to transactions solely for National Guard purposes.	101	7635	Public Law 142.
H.R. 5177	Provides for the reconveyance of certain lands to Richland County, S.C.	Public	110 acres	No monetary consideration provided but the county had conveyed previously the land to the United States (S. Rept. 465).	101	7879	Public Law 85.
S. 1397	Provides for the conveyance of certain lands to St. Louis Church of Dunseith Church, Dunseith, N. Dak.	Private	10 acres appraised value $70 (S. Rept. 497).	No monetary consideration is provided.	101	8112	Private Law 442.
S. 598	Provides for the reconveyance of certain lands to former owners.	do	Not stated	Requires the payment of a price equal to the price paid for such lands by the United States.	101	8114	Not enacted.
H.R. 2973	Provides for the conveyance of the interest of the United States in certain lands to the Georgia State Board of Education.	Public	226 acres	No monetary consideration provided. The formula in the form of amendment by Senator Morse rejected by voice vote.	101	9248	Public Law 116.

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Bill No.	Description	Purpose	Amount involved	Consideration (Morse formula)	Senate passage, Congressional Record		Law
					Volume	Page	
H.R. 4853	Provides for the sale of certain lands in Alaska.	Private	45 acres	To be sold at a reasonable appraised price.	101	8676	Private Law 163.
S. 1585	Provides for the return of certain lands to the town of Hartford, Vt.	Public	53 acres	No monetary consideration provided, but Senator Morse gave a statement giving his reasons for not applying the formula.	101	9082	Public Law 439.
S. 464	Provides for the issuance of patents for certain lands in Florida.	Private	586 acres	Provides for the payment of a price equal to the cost of acquiring it, but no less than $1.25 an acre.	101	9168	Public Law 258.
H.R. 899	Provides for sale of certain lands in Alaska to an individual.	do	25.22 acres	Purchase price to be the reasonable value, but not less than $1.25 an acre.	101	10159	Private Law 214.
H.R. 6796	Authorizes the conveyance of certain lands to the city of Clarksburg, W. Va.	Public	41 acres	No consideration provided but Senator Morse explained why he did not apply formula.	101	10688	Public Law 205.
H.R. 4225	Authorizes the conveyance of certain property to the city of North Little Rock, Ark.	do	656 acres	No monetary consideration, but Senator Morse explains why he did not apply formula.	101	10689	Public Law 207.
S. 878	Provides for the exchange of certain lands in the State of Utah.	Public and Indian	Not stated	Exchanged lands to be of equal value.	101	10689	Public Law 263.
S. 535	Provides for the conveyance of certain lands to the State of North Dakota.	Public	5 acres	No monetary consideration provided, but Senator Morse made a statement why the formula is inapplicable.	101	10691	Public Law 261.
H.R. 1802	Provides for a lease of certain Indian lands to the State of Washington.	do	200 acres	No monetary consideration provided, but the land reverts at the end of 99 years.	101	10692	Public Law 187.
H.R. 4001	Provides for the sale, exchange, or disposition of certain lands in Oklahoma.	Public and private	20,000 acres	Such lands may be sold at highest bid or through appraisal by the Secretary.	101	11034	Public Law 215.
S. 2277	Provides for the conveyance of certain lands to the city of Sioux Falls, S. Dak.	Public	20 acres	Consideration in an amount equal to the cost of acquiring it.	101	11233	Public Law 282.
H.R. 4280	Provides a release of certain marginal lands to Clemson College, S.C. for sale to buy other lands.	do	Value of $1,000,000 involved.	Senator Morse states that it does not violate the formula because it is an exchange of land with no loss to the Government.	101	11239	Public Law 237.
H.R. 4747	Provides for the conveyance of reversionary interests in certain lands to city of Chandler, Okla.	do	154 acres	Monetary consideration of $3,000 Senator Morse stated that this exceeded 50 percent of the fair market value.	101	11240	Public Law 241.
H.R. 4717	Provides for the release of an interest of the United States in certain land conveyed to Sag Harbor, N.Y.	do	1.5 acres	Senator Morse did not apply the formula because it would cost more to appraise it than the interest was worth.	101	11337	Public Law 234.
S. 2351	Provides for the conveyance of certain housing projects to the city of Norfolk, Va.	Public	Not stated	At the fair market value	101	11339	Public Law 284.
S. 2513	Provides for the sale of certain housing to the Housing Authority of Glastonburg, Conn.	do	do	Sale to be at the fair market value	101	11340	Not enacted.
H.R. 5512	Provides for the conveyance of certain housing to the State of Louisiana.	do	do	Provides for a monetary consideration of $300,000 and when assured that this sum was 50 percent of fair market value. Senator Morse did not object.	101	11340	Public Law 235.
H.R. 6980	Provides for the conveyance of certain housing to the Boston Housing Authority.	do	do	Sale to be at the fair market value	101	11340	Public Law 217.
S. 1261	Provides for the conveyance of certain property to the New Jersey Turnpike Authority.	do	do	For the fair market value	101	11337	Public Law 412.
H.R. 727	Provides for the conveyance of certain Indian lands to the Peewan Union School.	do	15 acres	No monetary consideration provided but Senator Morse stated that the formula is not applicable because the only interest the United States has is that of a trustee.	101	11806	Public Law 252.
H.R. 482	Provides for the conveyance of certain lands to the State of Missouri.	National Guard	16.5 acres	The formula does not apply to property limited to National Guard.	101	12230	Public Law 301.
H.R. 1599	Provides reconveyance of certain lands in Georgia and Florida.	Private	Not stated	Shall be reconveyed at a price which the United States paid in acquiring land adjusted to show increases in values.	101	12231	Public Law 300.
H.R. 3235	Provides for the reconveyance of certain lands in Alabama.	do	do	At a price equal to amount of cost in acquiring such lands adjusted to reflect increases in values.	101	12931	Public Law 312.
S. 637	Provides for the conveyance of certain property to the State of Louisiana.	National Guard	do	The formula does not apply to property limited to the National Guard.	101	12234	Public Law 521.
S. 2624	Amends the Act which provides for the sale of certain property to Newark, N.J. by revising a new formula in ascertaining price of recapture of property by United States.	Public	do	Senator Morse made no objection when informed that transfer of land under the bill would provide compensation to United States of fair value.	101	12235	Public Law 413.
H.R. 1459	Provides for the conveyance of certain property to Highland Falls, N.Y.	do	6.4 acres	An amount equal to 50 percent of the fair market value.	101	12237	Not enacted.
S. 1959	Provides for the conveyance of certain property to the State of Texas.	National Guard	Not stated	The formula does not apply to National Guard transactions.	101	12237	Public Law 410.
H.R. 46	Provides for the conveyance of certain lands to Anniston, Ala.	Public	38.5 acres	Provides for a payment of the fair market value.	101	12237	Public Law 293.
H.R. 593	Provides for the conveyance to the State of Texas of certain public lands.	do	100 acres	Provides for a payment of the fair market value, but not less than cost in acquiring the land.	101	12293	Public Law 307.
H.R. 6727	Provides for the conveyance of certain lands to Milwaukee, Wis.	do	4 acres	Payment of the fair market value	101	12294	Public Law 315.
H.R. 6634	Provides for the conveyance of certain lands to the city of Grapevine, Tex.	do	1.8 acres	Payment of 50 percent of the fair appraised market value.	101	12305	Public Law 332.
H.R. 7195	Authorizes the reconveyance of certain lands in Texas.	Private or public	Not stated	At the price the Government paid in acquiring such lands adjusted to reflect increases in value.	101	12870	Vetoed Aug. 17, 1955.

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Bill No.	Description	Purpose	Amount involved	Consideration (Morse formula)	Senate passage, Congressional Record		Law
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S. 1992	Provides for the conveyance of certain lands to the Pioneer National Monument Association in Kentucky.	Private	7.6 acres	No monetary consideration	102	1888	Private Law 576.
H.R. 7156	Authorizes the conveyance of certain lands in Florida to the county commissioners of Lee County.	Public	7.2 acres	No monetary consideration provided but Senator Morse made a statement explaining the reasons why the formula did not apply.	102	2349	Public Law 418.
H.R. 2889	Authorizes the conveyance of certain lands to the village of Nedecah, Wis.	do	½ of an acre	An amount equal to 50 percent of the fair market value.	102	2358	Not enacted.
H.R. 6857	Authorizes the conveyance of certain lands to Milwaukee, Wis.	do	0.40 of an acre	No monetary consideration provided, but Senator Morse made a statement explaining the application of the formula to the bill.	102	2351	Public Law 416.
H.R. 2430	Authorizes the release of certain restrictions on real property granted to Charleston, S.C.	do	Value of restriction not stated.	For consideration of the exchange of certain property containing 30.75 acres.	102	2896	Public Law 428.
H.R. 3950	Provides for the conveyance of certain property to an individual.	Private	Not stated	Lands were in exchange for prior lands of the individual taken by the Government.	102	5021	Private Law 582.
H.R. 8607	do	do	18.66 acres	Individual is an Indian and the land was held in trust for him.	102	5022	Do.
H.R. 585	Provides for the conveyance of certain lands to Lake County, Calif.	Public	0.41 acres	Sale price at fair market value	102	5023	Public Law 443.
H.R. 6772	Provides for the conveyance of certain lands to a school district in Oregon.	do	7.75 acres	do	102	5024	Public Law 456.
H.R. 5280	Authorizes the exchange of certain public lands for certain private lands.	do	90 acres	Provides that any difference in value of property be paid in cash.	102	5025	Public Law 448.
H.R. 7097	Provides for the reconveyance of certain oil interests to former owners.	Private	Not stated	Purchase price equal to fair market value of such interests.	102	5025	Public Law 459.
S. 2267	Provides for the conveyance of certain public lands to Henderson, Nev.	Public	6,859 acres	Fair market value of lands	102	5025	Public Law 522.
H.R. 5889	Provides for the conveyance of certain lands to Savannah Beach, Tybee Island, Ga.	do	Not stated	An amount equal to that paid by the United States for the lands.	102	5509	Public Law 475.
S. 2246	Provides for the sale of certain lands to the city of Wall, S. Dak.	do	39 acres	Payment of the fair market value	102	5514	Not enacted.
H.J. Res. 112	Provides for the release of certain reversionary rights to certain lands in Orangeburg County, S.C.	do	Rights estimated to be $50.	No monetary consideration provided	102	5521	Public Law 471.
H.R. 6625	Provides for the transfer of title to certain lands to the pueblo San Lorenzo, N. Mex.	Indian	1¾ acres	No monetary consideration, but Senator Morse made a statement why he was not applying the formula.	102	5740	Public Law 480.
S. 2144	Authorizes the conveyance of certain lands in New Mexico to the Fairview Cemetery Association.	Private	20 acres	Fair market value of lands	102	6646	Not enacted.
H.R. 6703	Authorizes the sale of certain lands in Alaska to an individual.	do	1.14 acres	do	102	7048	Private Law 611.
H.R. 1774	Provides for the conveyance of certain lands to the State of North Dakota.	Public	Not stated	No monetary consideration specifically provided but is to be disposed of under laws relating to surplus property.	102	7039	Public Law 846.
H.R. 6990	Provides for the conveyance of certain lands to the board of missions of the Presbyterian Church.	Private	1 lot	No monetary consideration, and Senator Morse explains the inapplicability of the formula.	102	8538	Private Law 685.
H.R. 7540	Provides for the sale of certain housing to the city of Hooks, Tex.	Public	Not stated	Sale to be at fair market value	102	8538	Public Law 567.
S. 1961	Provides for the conveyance of certain lands to the State of Vermont.	National Guard	do	Morse formula not applicable to transactions for sole benefit of National Guard.	102	8544	Public Law 706.
H.J. Res. 261	Provides for the transfer of supplies and equipment to the Citadel, Charleston, S.C.	Public	Property has no intrinsic value.	Senator Morse explans why this act does not violate the formula.	102	8543	Public Law 558.
H.R. 7471	Provides for the conveyance of certain lands to the Board of Commissioners of St. John's County, Fla.	do	5.82 acres	50 percent of the fair market value	102	9317	Public Law 615.
H.R. 4363	Provides for the conveyance of certain property to the State of New Mexico.	National Guard	51 acres	Morse formula does not apply to transactions involving exclusive grants for National Guard.	102	9321	Public Law 598.
H.R. 7679	Provides for the conveyance of certain property to the city of Muskogee, Okla.	Public	9 acres	Senator Morse made a statement explaining why this bill does not violate the formula.	102	9322	Public Law 577.
H.R. 8490	Provides for the conveyance of certain property to the city of Bonham, Tex.	do	21.9 acres	do	102	9322	Public Law 589.
H.R. 8674	Provides for the conveyance of certain property to the city of Biloxi, Miss.	do	144 acres	Senator Morse made a statement explaining why this bill does not violate the formula.	102	9322	Public Law 587.
H.R. 9358	Provides for the conveyance of certain lands to Cheyenne, Wyo.	do	431 acres	Senator Morse made a statement why this bill does not violate the formula.	102	9322	Public Law 588.
H.R. 10251	Provides for the conveyance of certain lands to the city of Grand Junction, Colo.	do	16.72 acres	Senator Morse made a statement explaining why the bill does not violate the formula.	102	9323	Public Law 579.
H.R. 8123	Provides for the conveyance of certain property to the city of Roseburg, Oreg.	do	163 acres	do	102	9325	Public Law 595.
S. 3344	Authorizes the conveyance to the territory of certain lands in Alaska.	do	1.3 acres	No monetary consideration provided but provides a reverter clause if the territory ceases to use the land for stated purposes.	102	9974	Public Law 789.
H.R. 7913	Authorizes the exchange of properties between the United States and city of Cape Girardeau, Mo.	do	Not stated	Senator Morse made a statement as to why this bill is not in conflict with the formula.	102	9980	Public Law 602.
S. 3723	Provides for the exchange of land between California and United States.	do	U.S. land is $98,000; land United States gets from California is $116,000.	Senator Morse stated that the bill is not in conflict with the formula as the United States is not losing anything of value.	102	9981	Public Law 710.

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Bill No.	Description	Purpose	Amount involved	Consideration (Morse formula)	Senate passage, Congressional Record		Law
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H.R. 2452	Provides for the conveyance of certain lands to the State of Wisconsin.	National Guard	1,480 acres	Morse formula is not applied to transactions exclusive for National Guard purposes.	102	9981	Public Law 729.
S. 2585	Provides for the exchange of public lands for private lands in Maryland.	Public and private	1,375 square feet of public land in exchange for 3,126 square feet of private land.	It was stated that the private land was at least of equal value with the public land.	102	9975	Public Law 989.
H.R. 8404	Provides for the conveyance of certain lands to the State of Wyoming.	National Guard	39.26 acres	Morse formula is not applied to transactions exclusively for National Guard purposes.	102	10406	Public Law 618.
S. 3388	Provides for the conveyance of certain lands to the port of Port Townsend, Wash.	Public	30.62 acres	Fair market value	102	10410	Public Law 760.
S. 3195	Provides for the conveyance of certain lands to the town of North Kingstown, R.I.	do	3.4 acres	50 percent of fair market value	102	10410	Public Law 859.
H.R. 7896	Provides for the conveyance of lands to the city of Hagansville, Ga.	do	1 lot	Sum of $3,000	102	10411	Public Law 616.
H.R. 9377	Provides for the sale of certain lands in California to the Eagle Rock YMCA.	Private	0.708 acres	Conveyance at the fair market value	102	10411	Private Law 708.
S. 3316	Provides for the conveyance of certain property to the city of Roseburg, Oreg.	Public	1 lot and house	50 percent of fair market value	102	10408	Public Law 883.
H.R. 8634	Provides for the conveyance of certain lands to the city of Charlotte, N.C.	do	18.06 acres	Subject to the requirements of the Surplus Property Act less $10,000.	102	10469	Public Law 657.
H.R. 9671	Provides for the conveyance of certain property to the village of Carey, Ohio.	do	$11,000 (S. Rept. 2238)	Fair market value	102	10637	Public Law 647.
S. 2654	Provides for the conveyance of certain lands to the city of Cheyenne, Wyo.	do	90.2 acres	No monetary consideration provided, but the land was conveyed to the United States by the city for veterans purposes for which it is no longer needed and not used as such.	102	10857	Not enacted.
H.R. 8552	Provides for the easement of certain lands to the town of Chincoteague, Va.	do	Not stated	No monetary consideration provided but Senator MORSE states views of why the formula does not apply.	102	11528	Public Law 693.
S. 976	Provides for the release of title to certain lands to Montgomery, W. Va.	National Guard	8.3 acres	Morse formula does not apply to transactions solely for National Guard purposes.	102	11528	Public Law 740.
S. 3404	Provides for the conveyance of certain lands to the State of Virginia.	do	11.25 acres	do	102	11529	Not enacted.
H.R. 4652	Provides for the transfer of certain property to the Panama Canal Company.	Public	Not stated	Senator Morse submitted a statement as to why the formula does not apply.	102	11531	Public Law 668.
H.R. 8452	Authorizes the conveyance of certain lands to private individuals.	Private	Several lots	Appraised value of land but not less than $1.25 an acre.	102	11540	Private Law 765.
H.R. 11558	Relinquishes all rights and titles in certain lands in Forrest County, Miss.	do	Not stated	Disclaimer only applicable to right, etc., arising out of circumstances attendant upon a patent in 1906.	102	11541	Private Law 766.
S. 3482	Transfers title to certain lands to the Carlsbad irrigation district in New Mexico.	Public	Certain lots	Cost of land has been repaid by the district.	102	11546	Public Law 762.
H.R. 9660	Provides for the conveyance of certain lands to the State of Virginia.	National Guard	11.25 acres	Morse formula does not apply to transactions solely for National Guard purposes.	102	11837	Public Law 719.
H.R. 10479	Provides for the conveyance of certain lands to the County of Galveston, Tex.	Public	13 acres	Senator Morse made a statement explaining the reasons the formula does not apply to this act.	102	12331	Public Law 750.
H.R. 9774	Provides for the conveyance of certain lands to the Board of County Commissioners of Volusia County, Fla.	do	2.08 acres	50 percent of fair market value	102	12334	Public Law 739.
H.R. 8817	Provides for the conveyance of certain property to the city of Corbin, Ky.	do	6 acres	Fair market value	102	12334	Public Law 742.
H.R. 10075	Provides for the conveyance of certain property to the town of Bald Knob, Ark.	do	1 lot	Consideration of $1. Senator MORSE made a statement why the formula does not apply.	102	12334	Public Law 735.
H.R. 9578	Provides for the conveyance of interest to certain lands in Colorado, to a private corporation.	Private	Not stated	To remove exceptions and restrictions which were sold under a stipulation that title to fissionable materials should be retained by the Government (S. Rept. 2427).	102	12421	Private Law 792.
H.R. 11520	Transfers certain property to the town of Castine, Maine.	Public	100 square feet of land and lighthouse.	No consideration provided	102	12421	Public Law 745.
H.R. 10204	Transfers certain lands to an individual.	Private	Several lots valued at $5,000.	Conveyance upon the payment of the fair market value.	102	12421	Private Law 789.
H.R. 9339	Provides for the exchange of certain lands within the Chattahoochee Park, Ga.	Public and private	2.10 acres	Exchange lands are to be at least of equal value.	102	12796	Public Law 747.
H.R. 7723	Provides for the conveyance of certain lands to the Chamber of Commerce of Rolla, Mo.	National Guard	5 acres valued at $5,000 (S. Rept. 2513).	Morse formula does not apply to transactions solely for National Guard purposes.	102	12797	Public Law 807.
S. 3133	Provides for the conveyance of certain lands to the city of Boise, Idaho.	Public	Land $125,000 to $150,000. Improvements $80,000 to $100,000.	Conveyance to be at market value	102	12797	Not enacted.
H.R. 11163	Provides for the conveyance of certain lands to Lake County, Calif.	do	41 acres	Amends act of 1956 by deleting erroneous land description and substituting the correction (S. Rept. 2538).	102	12802	Public Law 751.
S. 3356	Provides for the conveyance of certain lands to the State of Texas.	National Guard	200.45 acres	Morse formula does not apply to transactions solely for National Guard purposes.	102	13685	Not enacted.
H.R. 5519	Provides for the exchange of certain lands with the city of El Paso, Tex.	Public	Not stated	Exchange lands are to be of equal value.	102	13685	Public Law 929.
H.R. 9081	Provides for the conveyance of certain lands to the State of Texas	National Guard	3 acres	Morse formula does not apply to transactions solely for National Guard purposes.	102	13685	Public Law 819.
H.R. 9810	Provides for the conveyance of certain lands to the State of Indiana.	Public	6 acres	Conveyance upon the fair appraised market value.	102	13822	Public Law 951.
S. 4012	Provides for the conveyance of certain lands to the State of Nevada.	do	126,775 acres	do	102	13823	Not enacted.

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Bill No.	Description	Purpose	Amount involved	Consideration (Morse formula)	Senate passage, Congressional Record		Law
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H.R. 9699	Provides for the conveyance of certain lands to the State of Oregon.	National Guard	233.91 acres	Morse formula does not apply to transactions solely for National Guard purposes.	102	13908	Public Law 872.
H.R. 5488	Provides for the sale of certain lands in Alaska to individuals.	Private	Several lots	Conveyance upon a fair and reasonable price.	102	13908	Private Law 839.
H.R. 4096	Provides for the disposal of lands in Alaska within highway, telephone, and pipelines withdrawal.	do	Not stated	Not less than the appraised value	102	13907	Public Law 892.
H.R. 7887	Authorizes the sale of certain public lands in Hawaii without public auction.	do	do	Owner making highest offer above the appraised value.	102	13908	Public Law 869.
H.R. 7888	Authorizes the sale of certain public lands in Hawaii.	do	do	Fair and reasonable price	102	13908	Public Law 839.
H.R. 7891	Authorizes the exchange of certain lands in Hawaii for land destroyed by volcanos.	do	Each exchange limited to 40 acres or $5,000.	Exchange of lands to be at the appraised market value of lands destroyed.	102	13908	Public Law 844.
H.R. 7890	Authorizes the sale of certain lands in Hawaii to certain individuals.	do	13 lots	Fair and reasonable price	102	13908	Public Law 900.
S. 3783	Provides for the conveyance of certain lands to the State of Texas.	National Guard	2,477.43 acres	Morse formula does not apply to transactions solely for National Guard purposes.	102	13914	Not enacted.
S. 1494	Provides for the conveyance of certain lands to the village of Central, N. Mex.	Public	Not stated	Sale at market value	102	13931	Do.
H.R. 10423	Provides for the conveyance of certain lands to the city of Lewisville, Tex.	do	18.8 acres	50 percent of the fair market value	102	13915	Not enacted.
H.R. 8474	Quits title and possession of certain lands in the State of Alabama.	Private	389.9 acres	No consideration provided	102	13907	Public Law 897.
H.R. 10383	Provides for the conveyance of certain property to the city of Vero Beach, Fla.	Public	2 tracts	1st tract reconveyed to the city without consideration (this tract was given the United States for post office purposes); 2d tract to be sold at fair market value.	102	14698	Public Law 977.
S. 4284	Provides for the conveyance of certain lands in Virginia to a private corporation.	Private	2.9178 acres	Conveyance upon the fair market value.	102	14715	Not enacted.
H.R. 9506	Provides for the conveyance of certain property to the Commonwealth of Puerto Rico.	Public	3.24 acres	Without monetary consideration, but with reverter clause.	102	14728	Public Law 995.
H.R. 9679	Provides for the disposal of certain lands in Virginia to a private corporate.	Private	2.9178 acres	Conveyance upon the fair market value.	102	15029	Private Law 888.
H.R. 9640	Removes the reversionary clause in land owned by a Baptist Church in Mississippi.	do	0.8 acre	No monetary consideration	102	15042	Private Law 887.
H.R. 12006	Provides for the reconveyance of certain lands in Texas to former owners.	do	Not stated	Reconveyance to be adjustments which are fair and reasonable (H. Rept. 2900).	102	15058	Not enacted.
S. 2835	Provides for quit claiming all U.S. interest in certain lands to Vincennes University, Indiana.	Public	do	Conveyance upon the payments of the fair market value.	102	15115	Do.

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H.R. 4939	Provides for the conveyance of certain property in Alaska to the territory of Alaska.	National Guard (H.Rept. 174).	10.27 acres	Morse formula does not apply to trans actions solely for National Guard purposes.	103	4258	Public Law 85-11.
S. 44	Authorizes the exchange of certain lands for private lands.	Public and private	Exchange of 79.34 acres of public lands for 40 acres of private lands.	Any excess of public lands in value to be paid in cash.	103	4755	Public Law 85-68.
S. 268	Authorizes the return of certain mineral interests in certain lands to the former owners.	Private	Not stated	Return to be made upon the payment of the fair market value.	103	5580	Public Law 85-245.
S. 1034	Provides for the conveyance of cercertain lands to the University of Missouri.	Public	521.90 acres	Senator Morse made a statement explaining the reasons the bill conforms to the formula. No monetary consideration provided.	103	5751	Public Law 85-59.
S. 1352	Provides for the conveyance of cercertain lands to the Fairview Cemetery Association, Walpeton, N. Dak.	Private	20 acres	Conveyance upon the fair market value.	103	6528	Public Law 85-57.
S. 1568	Provides for the conveyance of certain lands in Nevada to the Colorado River Commission.	Public	126,775 acres	do	103	6528	Public Law 85-339.
S. 45	Provides for the sale of certain lands to the village of Central, N. Mex.	do	58.31 acres	Sale to be made at market value	103	6529	Public Law 85-98.
H.R. 1544	Provides for the conveyance of certain property in Georgia to the trustees of the Methodist Church.	Private	7.423 acres	Conveyance upon the payment of the fair market value.	103	6530	Private Law 85-17.
H.R. 2401	Provides for the reconveyance of certain lands to the city of Spearfish, S. Dak.	Public	1 acre	No monetary consideration provided but Senator Morse made a statement in regard to the formula to this bill.	103	6586	Public Law 85-35.
S. 999	Provides for the conveyance of certain lands to the State of North Dakota.	do	80 acres valued at $20,000.	In consideration the North Dakota School of Science will admit free of tuition for 10 years, 10 qualified Indian students. Senator Morse made a statement.	103	7093	Public Law 85-205.
S. 358	Provides for the conveyance of certain lands to the State of Wyoming.	do	37.75 acres valued at $19,000.	The appraised fair market value of land.	103	7100	Public Law 85-39.
H.R. 1983	Provides for the conveyance of certain reversionary interests in certain lands in the State of Texas and for exchange of certain property.	do	40 acres	The exchange lands are to be of equal values. Senator Morse made a statement explaining why the formula is not violated.	103	7393	Public Law 85-42.
S. 806	Provides for quitclaiming of certain interests to lands in Indiana.	do	Not stated	No monetary consideration provided. Removes restrictions on Vincennes University lands so buildings may be erected.	103	8382	Public Law 85-100.

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Bill No.	Description	Purpose	Amount involved	Consideration (Morse formula)	Senate passage, Congressional Record		Law
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H.R. 4945	Provides for the conveyance of certain real property to the Port of Palm Beach District, Fla.	Public	0.86 of an acre valued at $18,750.	No monetary consideration provided but Senator Morse made a statement explaining why bill was not in conflict with formula.	103	10314	Public Law 85-90.
S. 1823	Provides for the conveyance of certain lands to the State of Kentucky.	do	390 acres valued $20,000 to $25,000.	No monetary consideration provided. Senator Morse made a statement as to why the formula does not apply.	103	10326	Public Law 85-178.
S. 556	Provides for the conveyance of certain real property to the Nevada State Board of Fish and Game Commissioners.	do	1.93 acres	No monetary consideration provided, but Senator Morse made a statement as to why the bill is not in conflict with the formula.	103	10980	Public Law 85-193.
S. 1645	Grants an easement in certain lands to the city of Las Vegas, Nev.	do	0.5 acres	No monetary consideration provided but Senator Morse made a statement as to why the bill is not in conflict with the formula.	103	10981	Public Law 85-280.
S. 2217	Provides for the sale of certain lands to the port of Walla Walla, Wash.	do	441.62 acres	Fair market value	103	13574	Public Law 85-130.
S. 620	Provides for the transfer of ownership of a bridge in Maryland to Allegany County.	do	Not stated	No monetary consideration provided	103	13573	Public Law 85-169.
S. 1003	Provides for reconveyance of certain lands in the Albeni Falls Reservation project, Idaho.	Private	do	Reconveyance for the price of United States acquiring such lands to be adjusted to reflect increases in value.	103	13575	Not enacted.
H.R. 2259	Provides for the conveyance of certain real property in Prairie County, Ark., to individuals.	do	2 acres	Consideration of $175 is provided. Senator Morse made a statement as why the formula does not apply.	103	13585	Private Law 85-112.
S. 1962	Provides for the conveyance of certain lands in Maryland to a church.	do	5.5 acres	Fair market value	103	13585	Private Law 85-280.
S. 1113	Provides for the conveyance of certain lands to the city of Gloucester, Mass.	Public	3.5 acres	50 percent of the fair market value	103	14377	Public Law 85-173.
S. 1118	Provides for the exchange of certain lands in Washington.	do	Up to 50 acres	Senator Morse made a statement as to why the formula does not apply.	103	14380	Public Law 85-388.
H.R. 3473	Provides for the sale of certain lands in California.	Private	171.77 acres	At least equal to the fair market value.	103	14381	Public Law 85-153.
S. 319	Provides for the conveyance of certain lands to the State of Maine.	Public	Not stated	No monetary consideration provided, but Senator Morse made a statement as to why the formula does not apply.	103	14389	Public Law 85-185.
H.R. 2237	Provides for the transfer of certain lands in Tennessee to several organizations.	Private	0.0746 acre	The fair market value	103	15295	Public Law 85-174.
H.R. 4098	Provides for the conveyance of certain lands to the State of California.	National Guard	3.85 acres	The Morse formula does not apply to transactions solely for National Guard purposes.	103	15295	Public Law 85-236.
H.R. 1826	Provides for the sale of certain lands in Wyoming to individuals.	Private	5 acres	No monetary consideration provided, but Senator Morse made a statement why this bill does not conflict with the formula.	103	15297	Private Law 85-208.
S. 1742	Provides for the conveyance of certain lands to a school district in Montana.	Public	2 acres	No consideration provided since such school is for the benefit of Indian children. Not in conflict with formula.	103	15301	Not enacted.
H.R. 8005	Provides for the conveyance of certain interests in lands in Illinois and Nebraska.	do	Not stated	No consideration provided but Senator Morse made a statement in regard as to why the bill is not in conflict with formula.	103	15303	Public Law 85-206.
H.R. 1678	Provides for quitclaiming of title to certain property relating to the Barcelona Lighthouse site, Portland, N.Y.	Private	0.06 acre fair market value of $600.	The fair market value excluding value of improvements.	103	15314	Private Law 85-233.
H.R. 993	Provides for the conveyance of certain lands to a school district in Washington.	Public	Not stated	No consideration provided, but Senator Morse explains why bill is not in conflict with formula.	103	15317	Public Law 85-188.
H.R. 787	Provides for the exchange of certain lands in the State of California.	do	13 acres of Federal lands for 20 acres of State lands.	Value of State land $181,872: value of Federal land $173,870: Federal government gets fair compensation, formula not applied.	103	15328	Public Law 85-181.
H.R. 2816	Provides for the conveyance of certain lands to the parish of Rapides, La.	do	1,991.43 acres	No consideration provided, but statements were made to explain why the formula was not applied.	103	15329	Public Law 85-204.
S. 1746	Provides for the conveyance of certain property to a school district in Mississippi.	do	10 acres	No consideration provided, but Senator Morse made a statement explaining why bill is not in conflict with formula.	103	15329	Indefinitely postponed.
H.R. 6080	Provides for the conveyance of certain property to a school district in Mississippi.	do	do	Consideration of $1,000 but an explanation as to why the formula does not apply appears.	103	15329	Public Law 85-196.
H.R. 3025	Provides for the conveyance of certain access rights to the city of New York in exchange of certain lands.	do	Land value at $2,400; no value on rights.	Senator Morse made a statement in regard to formula.	103	15329	Public Law 85-190.
H.R. 3246	Provides for exchange of certain lands between the United States and Puerto Rico.	do	4.74 acres U.S. lands; 1.12 acres Puerto Rico lands.	Senator Morse made a statement regarding this exchange giving his reasons why it is not in conflict with the formula.	103	15330	Public Law 85-187.
H.R. 9188	Provides for the conveyance of certain lands to the State of Massachusetts.	do	Not stated	No monetary consideration provided, but Senator Morse made a statement explaining why this bill does not violate the formula.	103	15330	Public Law 85-197.
H.R. 2741	Provides for the conveyance of certain lands in Houston, Tex., to a hospital.	Private	199.9 acres	Consideration of $581,356.04 plus certain interests. Senator Morse made a statement in regard to the formula.	103	15334	Private Law 85-219.
S. 864	Provides for the transfer of certain lands to the State of Minnesota.	Public	Not stated	The fair market value	103	15441	Not enacted
H.R. 4609	Relinquishes certain restrictions, etc., on property conveyed to the State of New York in 1950.	do	do	No consideration provided	103	15773	Public Law 85-260.
S. 2042	Provides for the conveyance of certain lands in Alaska for war housing.	do	Pipeline rights	No consideration provided but this is related to wartime purposes.	103	15895	Public Law 85-359.
H.R. 3940	Grants certain lands to the territory of Alaska.	do	640.08 acres	No consideration provided for grant but restricts Alaska from selling such land for less than the fair market value.	103	15895	Public Law 85-205.

85TH CONG., 1ST SESS.—Continued

Bill No.	Description	Purpose	Amount involved	Consideration (Morse formula)	Senate passage, Congressional Record		Law
					Volume	Page	
S. 2107	Provides for the conveyance of certain lands to the State of Florida.	Public	2.07 acres	The fair market value	103	15898	Not enacted
H.R. 1394	Provides for the sale of certain keys in the State of Florida.	Private	8.83 acres	do	103	15899	Private Law 85-285.
S. 2230	Provides for the conveyance of certain lands to the Charlotte Rudland Dansie Association.	do	1.25 acres	No monetary consideration provided, but Senator MORSE stated his views in regard to the formula.	103	16674	Private Law 85-387.
S. 628	Provides for the conveyance of certain property in Rhode Island to the State of Rhode Island.	National Guard	33.79 acres	The Morse formula does not apply to transactions solely for National Guard purposes.	103	15904	Public Law 85-548.
H.R. 499	Provides for the conveyance of certain lands to the State of Texas.	do	2,477.43 acres	The Morse formula does not apply to transactions solely for National Guard purposes.	103	15908	Public Law 85-258.
H.R. 7636	Provides for the conveyance of certain lands to the State of Florida.	Public	2.07 acres	The fair market value	103	15911	Public Law 85-293.
H.R. 8928	Provides for the release of certain restrictions on a lake in the city of Council Bluffs, Iowa.	do	Not stated	No consideration provided but bill only removes certain restrictions in regard to lake.	103	16496	Public Law 85-304.
H.R. 230	Provides for the conveyance of certain lands to the county of Los Angles, Calif.	do	do	No consideration provided. Removes certain conditions of a prior conveyance in 1933.	103	16498	Public Law 85-292.
S. 2531	Provides for the conveyance of certain lands in Tennessee to the Boy Scouts.	Private	525.80 acres	No consideration provided	103	16675	Not enacted.
H.R. 8576	do	do	609.2 acres	Without consideration, Senator Morse objected because of violation of formula. The formula was rejected.	103	16677	Private Law 85-341.
H.R. 7900	Provides for the sale of certain lands in Ottawa County, Mich.	do	6,200 acres	The highest responsible bidder	103	16681	Public Law 85-314.
H.R. 7964	Removes the limitation on certain real property heretofore conveyed to Austin, Tex.	Public	Not stated	No consideration provided	103	16691	Public Law 85-302.
H.R. 7972	Provides for the conveyance of certain lands to the city of Warner Robins, Ga.	do	5.78 acres valued at $35,000.	The fair market value	103	16694	Public Law 85-288.

85TH CONG., 2D SESS.

S. 2318	Provides for the conveyance of certain lands to the city of Salem, Oreg.	Public	28.84 acres	The fair market value	104	6218	Public Law 85-528.
H.R. 8958	Provides for the conveyance of certain lands to the Diocese of Superior, Wis.	Private	Not stated	Senator Morse stated that this was not in conflict with the formula since this was Indian lands.	104	7841	Public Law 85-396.
H.R. 4115	Provides for the conveyance of certain property to the State of Tennessee.	Public	51 acres	Senator Morse made a statement explaining why this bill is not in conflict with the formula.	104	7840	Public Law 85-406.
S. 59	Provides for the conveyance of certain property in Colorado to an individual.	Private	Interest in a water ditch.	No consideration provided; corrects a conveyance in 1888.	104	9165	Private Law 85-424.
H.R. 9738	Provides for the conveyance of certain lands to the city of Macon, Ga.	Public	5.39 acres	The fair market value	104	9167	Public Law 85-447.
H.R. 9362	Provides for the conveyance of certain property to the Veterans of Foreign Wars.	Private	3.5 acres	do	104	9167	Private Law 85-418.
H.R. 8071	Authorizes the conveyance of an easement over certain property to the Norfolk Southern Railroad in exchange for other lands and easements.	Private and public	13.4 acres in exchange for 11.82 acres.	Conveyance made by the railroad paying the United States the amount by which the fair market value of property conveyed exceeds the fair market value of rights conveyed by it.	104	9167	Public Law 85-440.
H.R. 7645	Provides for release of restrictions upon a conveyance in 1956 to the State of Wisconsin.	Public	Value of restrictions not stated.	The fair market value	104	9167	Public Law 85-431.
S. 1191	Provides for the exchange of certain lands in Olympic National Park.	Public and private	6,608.96 acres	Exchanged lands are to be approximately value.	104	9167	Public Law 85-455.
H.J. Res. 427	Grants to Kerry County, Tex., the reversionary interest of the United States in certain real property.	Public	90 acres	No consideration provided	104	11242	Public Law 85-467.
S. 3569	Provides for the exchange of certain lands with the State of Utah.	do	2.32 acres of U.S. lands in exchange for 5 acres of State land.	No consideration provided. S. Rept. 1644 states that the United States will receive benefits which will outweigh the loss.	104	11905	Public Law 85-631.
H.R. 10349	Provides for the exchange of properties within Death Valley National Monument, Calif.	Public and private	200 acres of Federal lands; 440 acres of private lands.	S. Rept. 1645 states that the lands are of approximately equal value. No consideration provided.	104	11906	Public Law 85-495.
S. 3139	Repeals an act which provided for the conveyance of certain property to the village of Carey, Ohio.	Public	A lot	Fair market value was required. The village no longer needs the land.	104	11906	Public Law 85-831.
H.R. 7081	Removes a cloud on title of certain real property to the State of Illinois.	Private	200 acres	No consideration provided; removes cloud on property conveyed in 1868.	104	11906	Private Law 85-460.
H.R. 1009	Provides for the reconveyance of certain property to Newago, Mich.	Public	1 lot	No consideration provided, but S. Rept. No. 1650 states that the land was donated by the city to the United States.	104	11906	Public Law 85-487.
S. 2474	Provides for the conveyance of certain lands to York County, Va.	do	300 acres	50 percent of fair market value	104	12889	Public Law 85-545.
S. 3723	Provides for the release of certain restrictions in the conveyance of certain lands to the city of Henderson, Nev.	do	Value of restrictions not stated.	No consideration provided	104	13785	Public Law 85-776.
H.R. 10321	Provides for the exchange of certain lands in the Roosevelt National Park.	Public and private	4 acres	Exchanged lands are to be of equal value.	104	14370	Public Law 85-567.
H.R. 11253	Provides for the exchange of certain lands with the city of Redding, Calif.	Public	40 acres	do	104	14370	Public Law 85-565.
S. 3248	Provides for the exchange of lands with the Church of Latter Day Saints in Utah.	Public and private	0.75 acre of public land valued at $3,323 for 2.83 acres of private land valued at $3,850.	No additional considerations provided.	104	14371	Public Law 85-632.

85TH CONG., 2D SESS.—Continued

Bill No.	Description	Purpose	Amount involved	Consideration (Morse formula)	Senate passage, Congressional Record		Law
					Volume	Page	
H.R. 12161	Provides for the sale of certain townsites in national forests.	Private	Not stated	Highest bidder for not less than the appraised value.	104	14371	Public Law 85-569.
S. 3439	Provides for the reconveyance of certain lands to Salt Lake City, Utah.	Public	1 lot	The fair market value	104	14370	Public Law 85-633.
S. 3780	Provides for the conveyance of certain lands to the pueblo of Santo Domingo, N. Mex.	do	4.45 acres	No consideration provided but Senator Morse made a statement explaining why the bill is not in conflict with the formula.	104	15231	Not enacted.
S. 2793	Provides for the conveyance of a pumping station to a drainage district in Louisiana.	do	Valued at $1,161,626	No consideration provided but the district agrees responsibility of operation. Senator Morse made a statement explaining application of formula.	104	15232	Public Law 85-665.
H.R. 7681	Provides for the conveyance of certain lands and improvements to the Lummi Indian Tribe.	Indian	2 acres and improvements $11,130.	No consideration provided, but Senator Morse made a statement explaining why the bill is not in conflict with the formula.	104	15250	Public Law 85-612.
H.R. 11694	Provides for the conveyance of certain property in Washington to a department of Washington.	Public	518 acres valued at $158,500.	75 percent of fair market value	104	15964	Public Law 85-668.
H.R. 5949	Provides for the conveyance of certain real property to Potter County, Tex.	do	21.9 acres	No consideration provided, but Senator Morse made a statement explaining why the bill is not in conflict with the formula.	104	15966	Public Law 85-660.
S. 3682	Provides for the sale or exchange of certain lands in Pima County, Ariz.	do	349 acres	50 percent of fair market value or for exchange of lands of equal value.	104	15972	Public Law 85-812.
H.R. 2689	Provides for the conveyance of certain real property to an individual.	Private	Not stated	Bill to remove cloud on title of a previous conveyance. Morse formula inapplicable.	104	15973	Private Law 85-565.
H.R. 4503	Quitclaims certain lands to the State of Kentucky.	Public	12 acres	No consideration provided, but Senator Morse made a statement as to why the bill is not in conflict with the formula.	104	15973	Public Law 85-676.
H.R. 8211	Quitclaims certain property to an individual.	Private	0.67 acre	The fair market value	104	15974	Private Law 85-373.
H.R. 9792	Validates a conveyance of certain lands in California.	do	Not stated	No consideration provided, but Senator Morse made a statement as to why the formula is not violated.	104	15974	Private Law 85-583.
H.R. 11008	Authorizes the exchange of certain lands in Mississippi.	Public	5.42 acres of public lands for other lands.	Exchanged lands are to be of approximately equal value.	104	15974	Public Law 85-667.
H.R. 13026	Validates a conveyance of certain lands in California.	Private	2.5 acres	This is a bill to clear title. Senator Morse stated that he had no objection.	104	15974	Private Law 85-601.
H.R. 8980	Provides for the exchange of certain lands in Arkansas.	Public	5.3 acres of public lands for 4.75 acres of private lands.	Lands to be of equal value of Government lands.	104	15974	Public Law 85-679.
H.R. 8482	Authorizes the exchange of certain lands for private lands in Hawaii.	do	Not stated	Exchanged lands to be of equal value	104	16797	Public Law 85-713.
H.R. 9410	Authorizes the conveyance of certain lands to the Virgin Islands.	do	5 acres	Interest-bearing investments of the United States in the Virgin Islands Corporation are to be reduced by the appraised value of the lands.	104	16797	Public Law 85-712.
H.R. 11800	Provides for the conveyance of certain lands to the city of Clifton, N.J.	do	7 acres	75 percent of the fair appraised market value plus $30,000.	104	16803	Public Law 85-687.
H.R. 6542	Provides for the conveyance of certain lands to the city of Dayton, Wyo.	do	½ acre	No consideration provided but Senator Morse made a statement as to why this bill is not in conflict with the formula.	104	16803	Public Law 85-669.
S.J. Res. 188	Provides for the conveyance of certain property to an individual.	Private	Not stated	Consideration of $450,000 less certain rentals. Senator Morse made a statement as to why he has no objection.	104	16804	Not enacted.
S. 3534	Provides for the conveyance of certain lands to the city of Neosho, Mo.	Public	181 acres	The fair market value	104	16805	Public Law 85-805.
S. 3572	Provides for the exchange of certain lands in Maryland.	do	Not stated	Exchanged lands are to be approximately equal value.	104	16807	Public Law 85-774.
H.R. 9500	Provides for the sale and exchange of certain lands in Hawaii.	Private	do	The fair market value. Exchanged lands must be of equal value.	104	17538	Public Law 85-834.
H.R. 9932	Provides for the conveyance of certain lands to the State Board of Education of Florida.	Public	11 acres	50 percent of fair market value	104	17544	Public Law 85-799.
H.R. 10173	Provides for the transfer of certain lands to the territory of Hawaii.	do	200 acres	No consideration provided, but Senator Morse made a statement why the bill is not in conflict with the formula.	104	17544	Public Law 85-756.
H.R. 11125	Provides for the conveyance of certain lands to the city of Valparaiso, Fla.	do	3.67 acres	The fair market value	104	17545	Public Law 85-818.
H.R. 9627	Provides for the conveyance of certain lands in Alaska to the city of Ketchikan, Alaska.	do	Value of interests not stated.	Bill to clear title to a prior conveyance, formula not applicable.	104	17545	Public Law 85-753.
H.R. 9740	Provides for the conveyance of certain lands to the Makah Tribe of Indians.	Indian	3 acres	No consideration provided, but Senator Morse made remarks explaining why the bill is not in conflict with the formula.	104	17553	Public Law 85-758.
H.R. 10045	Provides for the sale of certain lands in Virginia.	Private	Not stated	The current market value	104	17555	Public Law 85-825.
H.R. 12494	Provides for the sale or exchange of certain land in the State of North Carolina.	Public and private	do	No specific consideration provided	104	18087	Public Law 85-788.
H.R. 13475	Authorizes an exchange of certain lands in Indiana.	do	51.03 acres of public lands for 8 acres of municipal lands.	Exchanged lands are to be of approximately equal value.	104	19099	Public Law 85-898.
H.R. 11456	Provides for the exchange of certain real property in El Paso, Tex.	Public	Not stated	Exchanged lands are to be of equal value.	104	19357	Public Law 85-873.

86TH CONG., 1ST SESS.

Bill No.	Description	Purpose	Amount involved	Consideration (Morse formula)	Senate passage, Congressional Record		Law
					Volume	Page	
S. 1271	Provides for the donation of certain property to the pueblo of Isleta, N. Mex.	Public	1.34 acres	No consideration provided, but Senator Morse made a statement why the formula is not violated.	105	5651	Public Law 86-19.
H.R. 2493	Provides for the conveyance of certain property to the pueblo of Santo Domingo, N. Mex.	do	0.10 acre	No consideration provided, but Senator Morse made a statement why the formula is not violated.	105	5651	Public Law 86-13.
S. 692	Provides for the sale of certain lands to the State of Missouri.	do	Up to 50 acres	The fair market value	105	10603	Public Law 86-82.
H.R. 1306	Provides for the sale of certain lands to the State of Washington.	do	640 acres	Sale governed by Columbia Basin Project Act. Senator Morse made a statement in regard to formula.	105	10603	Public Law 86-62.
S. 53	Provides for the conveyance of certain lands to a school district in Montana.	do	Several lots. Value not stated.	$115	105	10604	Public Law 86-261.
S. 220	Authorizes the conveyance of certain interests to certain lands in Navajo County, Ariz.	Private	Value of interests not stated.	No consideration provided. Bill clears title of a conveyance in 1906.	105	10610	Public Law 86-124.
S. 6	Authorizes the conveyance of certain property to individuals.	do	160 acres valued at $15,000.	The bill provided for consideration of $2,500. Senator Morse objected and asked for a division vote.	105	10616	Private Law 86-163.
H.R. 6914	Provides for the donation of certain lands to an Indian tribe in Oregon.	Indian	48.89 acres	Land held in trust by United States	105	10614	Public Law 86-71.
S. 1521	Removes a restriction with respect to a conveyance of certain lands in Tennessee.	Public	14.26 acres	No consideration provided, but Senator Morse made a statement as to why the bill is not in conflict with the formula.	105	10614	Public Law 86-227.
S. 822	Provides for the conveyance of certain property to the municipality of San Juan, P.R.	do	⅛ of an acre	No consideration provided, but Senator Morse made a statement why this bill does not violate the formula.	105	10615	Public Law 86-179.
S. 1473	Repeals an act of 1912 relative to sale of certain lands to a Baptist church in Plymouth, Mass.	Private	Not stated	Senator Morse made a statement explaining why he had no objection to the bill.	105	12663	Public Law 86-347.
S. 1453	Provides for the sale and conveyance of certain lands to the State of Iowa.	Public	99.57 acres	The fair market value	105	14229	Public Law 86-242.
S. 669	Provides for the conveyance of certain lands to a Baptist church in Tennessee.	Private	0.6 of an acre	do	105	14230	Public Law 86-240.
S. 1110	Provides for the conveyance of certain mineral interests in certain lands to Clemson College, South Carolina.	do	Interests on 36.63 acres	do	105	14231	Public Law 86-153.
H.R. 5927	Provides for the conveyance of certain lands to the city of Warner Robins, Ga.	Public	29 acres	do	105	14232	Public Law 86-136.
S. 747	Provides for the conveyance of certain lands in the State of Illinois.	Public and private	1,500 acres	Yeas and nays on Morse motion to recommit with instruction re formula. Motion rejected by vote, 13 to 83 (CONGRESSIONAL RECORD, vol. 105, pt 12, p. 15639) Senator Morse offered 2 amendments re formula instead of consideration of $286,638. Both amendments were rejected. In final passage consideration of $286,638 was provided.	105	15653	Public Law 86-611.
H.R. 303	Provides for the conveyance of certain property to an association in the District of Columbia.	Public	1 lot	50 percent of fair market value	105	16337	Public Law 86-216.
H.R. 2465	Provides for the exchange of certain lands in Arlington County, Va.	Public and private	U.S. lands valued at $14,500; private lands valued at $12,700.	Monetary consideration of difference in value provided.	105	16337	Public Law 86-196.
H.R. 2934	Provides for the conveyance of certain lands to the city of Fort Walton Beach, Fla.	Public	338.7549 acres	The fair market value	105	16337	Public Law 86-194.
H.R. 6500	Amends an act of 85th Cong. conveying certain lands to the city of Valparaiso, Fla.	do	Not stated	Reduced the consideration for conveyance from the fair market value to 50 percent of the fair market value.	105	16345	Public Law 86-210.
H.R. 4329	Provides for the conveyance of certain dwellings in Virginia.	do	do	No consideration provided but Senator Morse made a statement in regard to formula.	105	16690	Public Law 86-220.
S. 2390	Authorizes the exchange of certain lands in Everglades City, Fla.	do	10.74 acres Federal land. 23.47 acres to be acquired. (S. Rept. 753).	No consideration is provided	105	16769	Public Law 86-269.
H.R. 2386	Provides for the conveyance of certain lands to the city of Mobile, Ala.	do	Not stated	Conveyance of rights, etc. at the fair market value.	105	18722	Public Law 86-311.
H.R. 1735	Provides for the conveyance of certain property to individuals.	Private	do	No consideration provided but Senator Morse made a statement why the bill is not in conflict with the formula.	105	18731	Private Law 86-194.
H.R. 2247	Provides for the conveyance of certain real property to the county of Sacramento, Calif.	Public	do	No consideration provided but Senator Morse made a statement as why the bill is not in conflict with the formula.	105	18738	Public Law 86-310.
H.R. 4714	Quiets title to certain real property in Colorado.	do	do	No consideration provided but Senator Morse made a statement as why the bill is not in conflict with the formula.	105	18731	Public Law 86-318.
S. 857	Provides for the conveyance of certain lands to the city of Arlington, Oreg.	do	do	The fair market value	105	18743	Public Law 86-338.
H.R. 6669	Removes a restriction on a conveyance in Louisiana.	do	do	No consideration provided but Senator Morse made a statement as why the formula does not apply.	105	18722	Public Law 86-285.
S. 857	Provides for the conveyance of certain lands to the city of Cheyenne, Wyo.	do	30 acres	No consideration provided but Senator Morse made a statement why the bill is not in conflict with the formula.	105	18949	Not enacted.
H.R. 6190	Provided for the conveyance of certain lands to the State of Arkansas.	do	21 acres	No consideration provided but Senator Morse made a statement that the bill is not inconsistent with the formula.	105	19114	Public Law 86-323.

86TH CONG. 2D SESS.

Bill No.	Description	Purpose	Amount involved	Consideration (Morse formula)	Senate passage, Congressional Record		Law
					Volume	Page	
H.R. 6329	Provides for the permanent use of certain lands in New Mexico for the Navajo Tribe of Indians.	Indian	81.33 acres	No consideration provided but Senator Morse made a statement why the bill is not in conflict with the formula.	106	6620	Public Law 86-421.
S. 2962	Grants certain lands to the Cacopah Indians in Arizona.	do	81 acres	No consideration provided but Senator Morse made a statement why the bill is not in conflict with the formula.	106	6621	Not enacted.
S. 2804	Donates certain land to the Keweenaw Bay Indian Tribes in Michigan.	do	0.39 acre	do	106	6621	Public Law 86-445.
H.R. 6136	Provides for the sale of certain tribal lands of the Lac du Flambeau Boyd of Lake Superior Chippewa Indians in Wisconsin.	do	Not stated	No consideration provided but Senator Morse made a statement why the bill is not in conflict with the formula.	106	6622	Public Law 86-403.
H.R. 24	Provides that certain real property be held in trust for certain Indians in Nevada.	do	160 acres	do	106	6622	Public Law 86-401.
S. 2877	Authorizes the reconveyance of certain tribal lands in Washington.	do	2,117.5 acres	do	106	6622	Public Law 86-447.
H.R. 5270	Provides for the conveyance of certain lands to a water district in Utah.	Public	7.7 acres	No consideration provided, but Senator Morse made a statement why the bill is not in conflict with the formula.	106	6623	Public Law 86-407.
H.R. 5888	Provides for the exchange and transfer of certain lands to the Massachusetts Port Authority.	do	15.9 acres U.S. lands; 3.88 acres of port lands.	Exchanged lands to be of equal value. Sale of lands to be at least 50 percent of fair market value.	106	6637	Public Law 86-602.
H.R. 7359	Provides for the conveyance of certain lands to the Colorado River Commission.	do	15,000 acres	The fair market value	106	7864	Public Law 86-433.
H.R. 3676	Provides for the conveyance of certain lands to the city of Tillamook, Oreg.	do	1.98 acres	do	106	7865	Public Law 86-439.
S. 2772	Provides for the conveyance of certain lands in Colorado to an individual.	Private	Several lots	No consideration provided but conveyance was to clear title of a previous conveyance.	106	7871	Private Law 86-453.
H.R. 5349	Provides for the conveyance of certain lands to Orange County, Calif.	Public	1 lot	No consideration provided but Senator Morse made a statement explaining why the bill does not violate the formula.	106	9533	Public Law 86-458.
H.R. 9818	Provides for the conveyance of certain real property to the State of Florida.	do	500 acres	The fair market value	106	10816	Public Law 86-480.
S. 3070	Removes a restriction on use of certain lands conveyed to the State of North Dakota in 1955.	do	240.2 acres	No consideration provided but bill is to clear title of a prior conveyance.	106	11201	Public Law 86-693.
H.R. 8713	Provides for the conveyance of certain real property to the Oxnard Harbor District; Port Hueneme, Calif.	do	318 acres	The fair market value	106	11818	Public Law 86-514.
H.R. 5738	Authorizes the reconveyance of certain property to the Waukegan Port District in Illinois.	do	Not stated	No consideration provided but Senator Morse made a statement explaining why the bill is not in conflict with the formula.	106	13198	Public Law 86-536.
S. 2712	Authorizes the conveyance of certain lands in New Hampshire to the former owners.	Private	135.41 acres	Conveyance upon payment of the current market value.	106	13206	Not enacted.
H.R. 7990	Provides for the conveyance of certain lands in trust to the Potawatomi Indians in Oklahoma.	Indian	57.99 acres	No consideration provided	106	13208	Public Law 86-761.
H.R. 6479	Provides for the conveyance of certain lands to the village of Highlands Falls, N.H.	Public	7.96 acres	The fair market value	106	13208	Public Law 86-541.
S. 3319	Provides for the release of recapture provisions in the conveyance of certain property to the city of Little Rock, Ark.	do	Not stated	No consideration provided but Senator Morse made a statement why the bill does not violate the formula.	106	13793	Public Law 86-646.
H.R. 8315	Provides for the lease of certain property in Missouri for school purposes.	do	do	50 percent of the fair rental value	106	14208	Public Law 86-574.
H.R. 5055	Changes the restrictions on certain real property conveyed to the city of St. Augustine, Fla.	do	do	No consideration provided, changes permit property to be used for educational purposes.	106	14667	Public Law 86-652.
S. 2914	Provides for the purchase on certain real property on the Blue Ridge and Natchez Trace Parkway.	do	do	Exchanged lands to be of equal value	106	14668	Not enacted.
S. 3399	Provides for the exchange of certain lands with the Shenandoah National Park.	do	38.58 acres of public lands for 37.44 acres of private lands.	Exchanged lands are to be approximately of equal value.	106	14668	Public Law 86-775.
S. 3267	Provides for the disposition of certain public lands in Alaska.	Private	Not stated	The fair market value	106	14669	Public Law 86-792.
H.R. 6179	Grants the right, title, and interest in certain lands to the city of Crawford, Nebr.	Public	10 acres	Provides for consideration of $500. Senator Morse made a statement why the bill does not violate the formula.	106	14675	Public Law 86-623.
S. 3558	Provides for the transfer of certain property to the government of Guam.	do	Not stated	No consideration provided	106	14680	Not enacted.
S. 3648	Provides for the transfer of certain real property in the District of Columbia to the District of Columbia Redevelopment Land Agency.	do	do	do	106	14682	Public Law 86-736.
H.R. 11522	Provides for the conveyance of certain real property for highway purposes.	do	do	Permits such conveyance to be with or without consideration.	106	14689	Public Law 86-608.
S. 3212	Provides for the conveyance of certain lands to Mineral County, Nev.	do	2.040 acres	The fair market value plus other costs	106	14693	Public Law 86-742.
S. 2757	Permits any State to acquire certain lands for recreational uses.	do	Not stated	Conveyance subject to other previous acts.	106	14669	Public Law 86-755.
S. 3759	Provides for the conveyance of certain lands to Auburn University, Auburn, Ala.	do	27 acres	In consideration the university shall lease to the United States 42 acres with privilege of renewals for 99 years.	106	15619	Public Law 86-479.

86TH CONG., 2D SESS.—Continued

Bill No.	Description	Purpose	Amount involved	Consideration (Morse formula)	Senate passage, Congressional Record		Law
					Volume	Page	
H.R. 10997	Grants certain lands to the government of Guam.	Public	34.56 acres	No consideration provided	106	15619	Public Law 86-664.
S. 2709	Authorizes the conveyance of certain lands to the city of Flandreau, S. Dak.	do	Not stated	50 percent of fair market value	106	15666	Not enacted.
S. 3469	Provides for the sale of certain lands in Alaska.	Private	do	Sales to be made under provision of 48 U.S.C. 376.	106	17587	Do.
S. 1663	Provides for the conveyance of certain lands to the city of Bismarck, N. Dak.	Public	93 acres	No consideration provided; act is to remove cloud on title (S. Rept. 1861).	106	17591	Public Law 86-759.
S. 3299	Provides for the conveyance of certain lands to the State of Maine.	do	4.9 acres	No monetary consideration provided but it was announced that Senator Morse had withdrawn his earlier objection.	106	18002	Not enacted.
H.R. 11561	Provides for the conveyance of certain lands in Kentucky to the Pioneer National Monument Association.	do	4.1 acres	50 percent of fair market value	106	18117	Public Law 86-766.
H.R. 383	Authorizes the annexation of certain real property of the United States by the city of Wyandotte, Mich.	do	Not stated	No monetary consideration provided	106	18590	Public Law 86-763.
H.R. 10586	Provides for the conveyance of certain property in Idaho to a religious organization.	Private	10 acres	The fair market value	106	18590	Public Law 86-784.
S. 2379	Donates certain lands in Idaho to the Nez Perce Tribe of Indians.	Indian	11.25 acres	No consideration provided but Senator Morse made a statement re formula.	106	18729	Public Law 86-386.
H.R. 8295	Transfers certain irrigation works to the Navajo Tribe.	do	Not stated	No consideration provided	106	14048	Public Law 86-636.
H.R. 816	Provides for conveyance of certain lands to the Cheyenne and Arapaho Indians in Oklahoma.	do	3,900 acres	do	106	14221	Public Law 86-791.

The Morse formula amendments and enactments between 1946 and 1952, inclusive

Congress		Bill No.	Public Law No.	Amount of property involved	Proposed use of property	Consideration proposed	Consideration given as result of formula	Citation
No.	Session							
82	2	S. 2959	(1)	Approximately 30 acres	Training the National Guard	0	50 percent of the appraised fair market value.	CONGRESSIONAL RECORD, vol. 98, pt. 6, p. 7817.
82	2	H.R. 2190	544	Approximately 11 acres	Road	0	Senate receded from its own amendment in conference (H. Rept. 2496).	CONGRESSIONAL RECORD, vol. 98, pt. 7, pp. 9063, 9689.
82	2	H.R. 3368	(1)	Approximately 17.76 acres	Hatching fish	0	50 percent of the appraised fair market value.	CONGRESSIONAL RECORD, vol. 98, pt. 1, p. 488.
82	2	H.R. 7317	525	Approximately 263 acres	Drilling of water wells and general town expansion.	$1,950	Appraised fair market value	CONGRESSIONAL RECORD, vol. 98, pt. 7, p. 9328.
82	1	H.R. 4808	229	Approximately 150 acres	Easement for a public road	(2)	Amendment rejected by Senate on floor.	CONGRESSIONAL RECORD, vol. 97, pt. 10, pp. 13541–13542.
81	2	H.R. 2783	520	Approximately 0.143 acre	City use	0	50 percent of the appraised fair market value.	CONGRESSIONAL RECORD, vol. 96, pt. 4, p. 5348.
81	2	H.R. 4569	868	Approximately 640 acres	National Guard and veterans temporary housing.	0	Amendment rejected in conference (H. Rept. 3098).	CONGRESSIONAL RECORD, vol. 96, pt. 11, pp. 14709–14710.
81	1	H.R. 164	54	Approximately 10.11 acres	School purposes	(3)	50 percent of the appraised fair market value.	CONGRESSIONAL RECORD, vol. 95, pt. 4, p. 4254.
81	1	H.R. 3751	4 208	Steel fire tower	Observation tower for the International Peace Garden.	0	Amendment rejected in conference (H. Rept. 1193).	CONGRESSIONAL RECORD, vol. 95, pt. 6, p. 8013.
81	1	H.R. 6230	412	Approximately 0.18 of an acre.	Street construction	0	50 percent of the fair market value.	CONGRESSIONAL RECORD, vol. 95, pt. 11, p. 14768.
80	2	S. 2676	822	Approximately 5.17 acres	University expansion	0	50 percent of the appraised fair market value.	CONGRESSIONAL RECORD, vol. 94, pt. 6, p. 7913.
80	2	H.R. 5734	831	Approximately 430.91 acres	Public park and golf course	0	Senate receded from its own amendment on the floor.	CONGRESSIONAL RECORD, vol. 94, pt. 7, pp. 8718–8719, 9011.
80	2	H.R. 6448	803	Approximately 32 acres	Fairgrounds and recreational use.	0	50 percent of the appraised fair market value.	CONGRESSIONAL RECORD, vol. 94, pt. 7, p. 8242.

[1] Amended and passed Senate.
[2] Land exchange.
[3] To be fixed by the Secretary of the Interior.
[4] Private law.

Mr. MORSE. Mr. President, I think my record on the Morse formula, as shown by the foregoing, needs no further clarification or elaboration at this time. I am very proud to stand on this record of a one-man economy drive in the U.S. Senate, a record which I believe has resulted in a saving of at least $900 million in 14 years. But, more important, I am proud to stand on the record of the formula, because, in my judgment, it also has involved a matter of political ethics, for I have felt that turning surplus property into a political grab bag cannot be very well reconciled with good political ethics. So I have proposed the formula and have fought for it because I felt it would also make a contribution to cleaner government. I am perfectly willing to be judged on whether that has been accomplished by my insistence upon the formula.

Mr. President, I yield the floor.

WHY NOT USE FOREIGN AID TO STOP TRADE WITH CUBA?

Mr. PROXMIRE. Mr. President, in a few days the Senate will consider the foreign aid appropriation bill. One of the very controversial aspects of the bill involves the efforts by the House to provide limitations on foreign aid to countries whose ships are used to transport goods and materials—particularly war materials—to Cuba.

I believe this question deserves very thoughtful and careful inquiry before the Senate rejects those amendments.

Some newspaper articles indicate that it is assumed that the Senate will act quickly to reject those amendments or to replace them with language to make such action discretionary, with the result that our Government will take no action to discourage this trade.

Mr. President, yesterday, on the "Meet the Press" program, the Chancellor of the Exchequer of Great Britain, Reginald Maudling was asked by Mr. Spivak why Britain continues to trade with Cuba. Mr. Maudling's answer was the very logical one that he recognized the harmful effects on freedom and the benefits

to communism that the Cuban situation now represents; but he said that they feel that trade with Cuba should depend on the initiative of the United States of America. He said they feel they have the responsibility in some areas of Africa and Asia, and that they hope the United States would respond to their initiative, but they do not have any knowledge or understanding that the United States wishes them to desist and cease in their trade with Cuba.

Mr. President, ever since February 3 of this year, we have had an embargo on all trade with Cuba. It has been at considerable expense to American business; but I think it has been a wise, necessary, and desirable embargo. The economic effect on the Communist satellite in Cuba has been clear; but, unfortunately, the economic effect has not been nearly as strong as it would be if we obtained cooperation from our Allies. Judging from Mr. Maudling's statement of yesterday to the panel on the "Meet the Press" program, it seems that this is because the British Government has not been informed, or, at least, requested to reduce or eliminate their trade with Cuba.

Mr. President, this is not simply a matter of allied ships transporting arms to Cuba. Obviously, we are opposed to that, but the fact is that any trade with Cuba assists the Communists and constitutes a growing threat to freedom in this hemisphere.

On September 16, it was pointed out in an article published in the New York Times that—

> The use of allied ships for ordinary goods—
>
> To Cuba—
> releases Communist-bloc shipping for munitions deliveries to Cuba.

This is true; and, of course, it is also obvious that any kind of goods which go to Cuba—whether war goods or other goods—are beneficial to a buildup of the Communist economy and of the Communist strength in this hemisphere.

The article also points out that fully one-third of the Soviet deliveries to Cuba are said to be in ships chartered to allied countries.

At a recent press conference, President Kennedy is quoted as saying that—

> Our friends in NATO must realize the implications of their engaging in the Cuban trade.

Nevertheless, according to the article, Cuba has been getting machinery and industrial raw materials from Canada, diesel motors and chemicals from West Germany, and machinery and chemicals from Britain. The Netherlands and France have also exported goods to Cuba.

The title of the article is "United States Fails To Halt Supplies to Cuba in Allied Vessels."

SHOULD WE AID NATIONS WHOSE NATIONALS TRADE WITH CUBA?

Mr. President, I feel that it is perfectly appropriate for Congress to consider tying strings to our foreign-aid program and relating the foreign aid that we give to our Allies to their willingness to cooperate with us in the struggle against communism, especially against communism in this hemisphere. This is a far cry from asking for a military embargo on Cuba. It is a far cry from calling for an invasion of Cuba. It seems to me it is a modest and defensible proposal, and I believe we might seriously consider including in the foreign-aid bill a proviso to the effect that foreign aid should not be given to such countries—not only to those which give aid to Cuba, but also to those whose nationals trade with Cuba. I think we should give every consideration to such a proposal.

The statistics which I have before me show that trade with Cuba by some of our Allies has continued in 1962, as compared with 1961. Unfortunately, the State Department and the Department of Commerce cannot provide the complete figures. However, it is interesting to note that during the entire year 1961 the United Kingdom exported $13 million worth of goods to Cuba; and in the first 4 months of 1962 the United Kingdom exported to Cuba $3,170,000 worth of goods, or at an annual rate of approximately $9 million—a reduction, it is true, but not really a very substantial reduction, in view of the fact that since February 3, 1962, we have had an embargo on trade with Cuba. Furthermore, the United Kingdom has increased her imports from Cuba, when considered on an annual adjusted basis. For the full year 1961, she imported $15 million worth of goods from Cuba; and in the first 4 months of 1962 the United Kingdom imported $5,560,000 worth of goods from Cuba. On an adjusted annual basis, that means that the United Kingdom was importing in early 1962 more than $16,500,000 worth of goods from Cuba—or an increase in her imports from Cuba.

West Germany in 1961 imported $1,900,000 worth of goods and products from Cuba. But in the first 4 months of 1962 alone she imported more than that—$2,150,000. This represents a threefold increase. West Germany imported three times as much in the first 4 months of 1962, at an annual rate, as she imported in 1961.

It is true that West Germany has sharply reduced her exports to Cuba, but she still exported in the first 4 months of this year $1,650,000 worth, which, on an annual basis, would amount to $5 million, compared with $11 million exported to Cuba for the full year 1961.

Unfortunately, with respect to the country which traded most heavily in 1961 with Cuba—Canada—the Commerce Department and the State Department have made no figures available. These figures would be very interesting, indeed, if they were completed.

On the basis of information acquired during a telephone conversation of September 21, 1962, with the Department of Commerce, American Republics Division, I am informed that the Canadians are willing to deal with Cuba, but they have arrested the transshipment of American goods. Canadian disposition to trade has been quenched by Cuban bankruptcy. For example, Canada has closed the commercial section of its Embassy in Cuba.

Mr. President, so far as trade with Japan is concerned, the Commerce Department has informed me that the United States has acquired and relayed to the Japanese a Cuban document showing that sugar production in the immediate future will be insufficient to meet Cuba's commitments to the Communist bloc. This, coupled with U.S. efforts to divert Japan's sugar purchases, indicates that Japanese-Cuban trade will be sharply off the volume reached in 1961.

Although Cuba has sent a sugar mission to Japan, the Japanese are securing an increasing part of their sugar from India, Thailand, Natal, the Philippines, and Formosa.

Cuba is attempting to buy back its sugar—futures—from the bloc in order to meet its offer to sell Japan 400,000 tons during 1962.

It is expected that Japan will buy less than 200,000 tons of sugar from Cuba this year.

Japan's central bank export-import statistics deviate from the Commerce Department information we have; they show Japan exporting $12 million to Cuba in 1961, while importing $21 million, over 90 percent of this in sugar.

My source is the Japanese Embassy: Washington; New York.

Incidentally, in 1961 Mexico had substantial trade with Cuba, but this was because of transshipment of American goods and parts to Cuba.

In calendar 1961 Mexico exported $3,500,000 worth of goods to Cuba, including iron, steel, and pump replacement parts.

There were other substantial shipments from South American countries—for example, $3,400,000 worth from Chile, and there was additional trade.

I ask unanimous consent that a copy of the proclamation by the President of the United States on February 3, 1962, declaring an embargo on trade with Cuba, be printed in the RECORD at this point.

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

A PROCLAMATION—EMBARGO ON ALL TRADE WITH CUBA BY THE PRESIDENT OF THE UNITED STATES OF AMERICA

Whereas the eighth meeting of consultation of Ministers of Foreign Affairs, serving as organ of consultation in application of the Inter-American Treaty of Reciprocal Assistance, in its final act resolved that the present Government of Cuba is incompatible with the principles and objectives of the inter-American system; and, in light of the subversive offensive of Sino-Soviet communism with which the Government of Cuba is publicly alined, urged the member states to take those steps that they may consider appropriate for their individual and collective self-defense;

Whereas the Congress of the United States, in section 620(a) of the Foreign Assistance Act of 1961 (75 Stat. 445), as amended, has authorized the President to establish and maintain an embargo upon all trade between the United States and Cuba; and

Whereas the United States, in accordance with its international obligations, is prepared to take all necessary actions to promote national and hemispheric security by isolating the present Government of Cuba and thereby reducing the threat posed by its alinement with Communist powers;

Now, therefore, I, John F. Kennedy, President of the United States of America, acting under the authority of section 620(a) of the

Foreign Assistance Act of 1961 (75 Stat. 445), as amended, do—

1. Hereby proclaim an embargo upon trade between the United States and Cuba in accordance with paragraphs 2 and 3 of this proclamation.

2. Hereby prohibit, effective 12:01 a.m., eastern standard time, February 7, 1962, the importation into the United States of all goods of Cuban origin and all goods imported from or through Cuba; and hereby authorize and direct the Secretary of the Treasury to carry out such prohibition, to make such exceptions thereto, by license or otherwise, as he determines to be consistent with the effective operation of the embargo hereby proclaimed, and to promulgate such rules and regulations as may be necessary to perform such functions;

3. And further, I do hereby direct the Secretary of Commerce, under the provisions of the Export Control Act of 1949, as amended (50 U.S.C. App. 2021–2032), to continue to carry out the prohibition of all exports from the United States to Cuba, and I hereby authorize him, under that act, to continue, make, modify or revoke exceptions from such prohibition.

In witness whereof, I have hereunto set my hand and caused the Seal of the United States of America to be affixed.

Done at the city of Washington this 3d day of February 1962, and of the Independence of the United States of America the 186th.

[SEAL] JOHN F. KENNEDY.

By the President:

DEAN RUSK,
Secretary of State.

Mr. PROXMIRE. Mr. President, I ask unanimous consent that the entire text of an article entitled "United States Fails To Halt Supplies to Cuba in Allied Vessels," from the Sunday New York Times of September 16, 1962, be printed at this point in the RECORD.

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

UNITED STATES FAILS TO HALT SUPPLIES TO CUBA IN ALLIED VESSELS—EFFORTS TO CURB CHARTERING OF SHIPS CARRYING CARGOES FROM REDS ARE LAGGING

WASHINGTON, September 15.—The United States has had little success thus far in efforts to persuade its allies to do less business with Cuba and withhold ships being chartered to carry Soviet supplies to Cuba.

Moreover, U.S. officials do not expect much success and they are not especially worried at present. A high-ranking Government official expressed the administration feeling that the Cuba problem is less threatening this year than it was last year.

He called attention to the increasingly critical economic situation reported in Cuba. He also mentioned reports of an increasing loss of popular support by the government of Premier Fidel Castro.

The Governments of Britain, West Germany, and Norway were reported to have begun inquiries into the chartering of ships in their countries to deliver Communist-bloc supplies to Cuba.

INQUIRIES DISCOUNTED

However, the inquiries were regarded here as polite responses to diplomatic pressure from the United States. There was little expectation that they would result in any serious prohibitions.

The inquiries were believed to be centered chiefly on the question whether allied ships are engaged in delivering arms to Cuba during the current military buildup there. United States sources have said that they do not believe the arms are being transported in allied ships. However, it was noted that the use of allied ships for ordinary goods releases Communist-bloc shipping for munitions deliveries to Cuba.

According to one highly placed Government official, the fact that the Soviet Union and other Communist-bloc countries have been compelled to resort to the use of allied shipping represents a severe economic loss to the Communists. Fully one-third of Soviet deliveries to Cuba was said to be in ships chartered in allied countries.

President Kennedy declared at his news conference this week that the United States was disturbed by allied commerce with Cuba. "Our friends in NATO must realize the implications of their engaging in the Cuban trade," he said.

United States officials indicated that they would like to see further reductions in allied trade with Cuba, although it has dropped in recent years.

When the Castro regime took power in January of 1959, 80 percent of its trade was with the United States. Today 80 percent of its trade is with Communist-bloc countries.

Nevertheless, Cuba has been getting machinery and industrial raw materials from Canada, diesel motors and chemicals from West Germany, and machinery and chemicals from Britain. The Netherlands and France also have exported goods to Cuba.

According to figures available here, North Atlantic Treaty Organization countries sold Cuba about $138 million worth of goods in 1959 and purchased goods amounting to $79 million. In 1961, NATO exports dropped to $86 million and imports from Cuba to $32 million.

In addition, Japan conducted a $16 million annual trade with Cuba, exchanging light machinery for sugar. Chile was the only country in Latin America reported to have an appreciable trade with Cuba bartering various foodstuffs for sugar.

TWO ALLIES INCREASE TRADE

Two allied countries increased their trade with Cuba during the 2-year period, 1959–61, contrary to the general trend. Canada was the biggest allied trader with Cuba in 1961, exporting $31,800,000 worth of goods, slightly more than double her 1959 exports. The Netherlands increased her trade total with Cuba from $8,275,000 to $10,920,000.

The United States, which ended all imports from Cuba and limited sales to food and medical supplies, is now sending less than $50,000 worth of such supplies to Cuba each month.

SOVIET SAYS UNITED STATES FAILED

Moscow, September 15.—The Soviet Union asserted today that the United States had failed to persuade its allies to bar their ships from carrying Communist goods to Cuba.

Moscow maintained that the United States had sought, within the framework of the North Atlantic Treaty Organization, to compel NATO members to withdraw their merchant ships from chartered service in trade between the Soviet Union and Cuba.

Viktor G. Bakayev, Minister of Sea Transport, said that shipowners in many countries were eagerly seeking the lucrative contracts for carrying goods on a charter basis. He added:

"Lately the Government of the United States has been using NATO to bring crude pressure to bear on Britain, Norway, France, Italy, Greece, and other countries to force them to stop carrying goods to Cuba."

"But Washington has been unable to impose its will on its 'allies,' " the Minister said in an interview published by Tass, the Soviet press agency.

President Kennedy said at his news conference on August 28 that the United States was consulting its NATO allies on the question of the use of their ships in the Cuba trade. His remarks followed after the publication of a Tass report that five ships of West German, Norwegian, Greek, and Italian registry had been chartered to carry Soviet commercial cargoes to Cuba.

ADDRESS BY SENATOR ROBERTSON BEFORE NATIONAL BANK DIVISION, AMERICAN BANKERS ASSOCIATION

During Mr. PROXMIRE's speech on trade with Cuba,

Mr. SPARKMAN. Mr. President, will the Senator yield for an insertion in the RECORD?

Mr. PROXMIRE. Mr. President, I ask unanimous consent that I may yield to the Senator from Alabama with the understanding that I will not lose the floor and that his remarks will appear elsewhere in the RECORD.

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

Mr. SPARKMAN. Mr. President, earlier today the distinguished and very able chairman of the Senate Banking and Currency Committee, the junior Senator from Virginia [Mr. ROBERTSON] made a speech before the National Bank Division of the American Bankers Association at Atlantic City, N.J. As everyone knows, the Senator from Virginia has been a member of the Senate Banking and Currency Committee ever since he came to the Senate. He was put on the committee in January 1947. About 3 years or so ago, he became chairman of the committee. He is a very able and fair chairman. He is forthright in his views.

In his speech to the National Bank Division of the American Bankers Association he set forth many points in which the bankers and the banking industry are interested. I commend the address to the reading of fellow Senators, and I ask unanimous consent that it may appear at this point in the RECORD.

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

BETWEEN TWO WORLDS

(Remarks of Senator A. WILLIS ROBERTSON, of Virginia, Before the National Bank Division of the American Bankers Association, Atlantic City, N.J., Sept. 24, 1962)

It is a coveted honor to appear before this distinguished group of financial leaders here in Atlantic City. It is also a personal pleasure to be on the same program with a Comptroller of the Currency who is unusually able and energetic, and who is dedicated to improving the somewhat antiquated laws under which our national banks operate.

If I am expected to tell you today what the present administration is planning to do for—or to—the Nation's financial institutions, I would have to beg off for lack of a proper New Frontier crystal ball. Perhaps the officials of the administration who will appear later on this program can be more helpful. But future actions by the executive branch will depend in part upon the course of yet unrevealed future events as well as the decisions of the legislative branch. So, too, future actions by the legislative branch will be subject to similar degrees of uncertainty.

I would like to take this opportunity to say that I think highly of the job that the

Secretary of the Treasury, Mr. Douglas Dillon, has been doing. His staff—including Robert V. Roosa, Under Secretary of the Treasury for Monetary Affairs, who is an outstanding expert in his field—merits our respect. If such men had full charge of the administration's economic policies, I feel that we could rest better assured that our dollars would remain as good as gold and our economy as sound as our dollars.

Unlike these dedicated public servants, there are some extreme economic planners in Washington who would like to influence the administration to follow the mood of the Persian poet, Omar Khayyam, who wrote:

"Ah love, could you and I with Him conspire
To grasp this Sorry Scheme of Things entire,
Would not we shatter it to bits—and then
Remould it nearer to the Heart's desire."

I, for one, would prefer to take the counsel given by President Woodrow Wilson in his first inaugural address, when he said:

"We shall deal with our economic system as it is and as it may be modified, not as it might be if we had a clean sheet of paper to write upon."

You will recall that some of the administration's financial experts predicted that our national economy would be operating this year at an average rate of some $570 billion, with the slogan of "upward and onward" flying from the masthead of every business establishment. It is true that we are now turning out goods and services at an unprecedented rate. Our national income has reached an all-time high. Yet our gross national product—which registered a record seasonally adjusted annual rate of $552 billion in the second quarter of this year—was well below the $570 billion anticipated.

As a result, some of our more extreme economic planners are dissatisfied. They claim that we are on an economic plateau, although many indicators point upward. These economic planners cannot point with pride even to a plateau which, if it exists, would be the highest one in history.

The varied prescriptions of these planners may leave many bankers and other businessmen in a quandary about what may happen next. Most Americans may, indeed, find themselves in the fix of the English poet, Matthew Arnold, who wrote of wandering between two worlds, one dead, and the other as yet unborn.

As a Virginian, I cherish the thought that my colonial ancestors helped to cradle and defend the infancy of a nation dedicated to the principles of private enterprise and constitutional liberty. I would be the last to repudiate the philosophy of Patrick Henry, who said that "I have but one lamp by which my feet are guided, and that is the lamp of experience."

Many other nations have experimented first with one government and then another. Meanwhile, we have maintained our allegiance to what Benjamin Franklin said the framers of the Constitution in Philadelphia in 1787 had given us—"a Republic if you can preserve it."

We have enjoyed the same form of government for a longer period than almost any other nation. Under our Government we have been the freest, happiest, and most prosperous country in the world. It has been no coincidence, I believe, that we have made our remarkable record while operating under a written Constitution which created a Federal Government of strictly limited and delegated powers, and which left all other powers to the States and the people thereof.

Those of us who believe with Patrick Henry that experience is the only lamp unto our feet agree with Thomas Jefferson, another great Virginian, who said:

"In questions of power, then, let no more be heard of confidence in man, but bind him down from mischief by the chains of the Constitution."

We who share that philosophy frankly admit that in return for a system of private enterprise implicit in the Constitution is the willingness to accept a poor reward for an inadequate performance.

But some of our more extreme economic planners feel otherwise. Although more workers are now gainfully employed than ever before, these planners are disturbed by the fact that some unemployment persists. Yet they fail to recognize that our method of keeping unemployment statistics tends to overstate the problem by including persons looking only for parttime employment, persons transferring from one job to another, and persons content to be on relief and only casually looking for work.

The measures that these planners have in mind for the future remain uncertain, but they may well involve some further departure from constitutional principles and some further step toward socialism. In that event, I shall oppose them in the spirit of Robert Louis Stevenson, who said: "To travel hopefully is a better thing than to arrive."

Whatever the case, let us look forward to next year as a time of significant banking anniversaries and of significant action in behalf of modernizing banking laws: 1963 will mark the 100th anniversary of the permanent dual system of American banking. I applaud the American Bankers Association for its leadership in establishing a centennial commission to celebrate this event. I understand that the centennial, with the theme of a century of banking "Progress Through Service" under the National Bank Act, will include both State and National banks in the celebration.

I believe that it is particularly appropriate to recognize State as well as federally chartered institutions in this way. The intent of the National Bank Act of 1863, of course, was to bring all bank charters under Federal authority so that State banks would be superseded by National banks. But experience did not justify that plan. Today, State banks outnumber National banks by about two to one, and many State banks predate National banks.

The year 1963 will represent the 50th anniversary of the Federal Reserve Act, and the 50th anniversary of the Senate Banking and Currency Committee. The Federal Reserve Act was signed December 23, 1913, by a great President, Woodrow Wilson, whom we in Virginia are proud to claim as a native son. Earlier in the same year, the Senate Committee on Banking and Currency was itself established for the purpose of considering the proposed Federal Reserve Act. This act had been sponsored in the House of Representatives by another great Virginian, Carter Glass, who was my predecessor in the Senate. The Senate Banking and Currency Committee is now studying a number of suggestions for marking its 50th anniversary in an appropriate way.

Next year will witness the 30th anniversary of the Banking Act of 1933, in which Carter Glass also played a notable part. This act, among other things, established the Federal Deposit Insurance Corporation. It is fitting that the new headquarters office building of the FDIC is scheduled for occupancy in time to mark its 30th anniversary.

The year 1963, in other words, will be an occasion for commemorating a number of events which have helped to shape the banking world we know today. Next year will also be an occasion for reexamining today's banking world in the light of important reports recently completed or soon to be finished.

The last time the American Bankers Association met here in Atlantic City, I had the privilege of addressing the State bank division. I referred to my Financial Institutions Act, which had passed the Senate in March of 1957 and was then pending on the House side. The bill passed the Senate unanimously. If it had been brought to a vote in the House, I believe that it would have been passed easily by that body. But the bill was strangled in committee. Even so, many of the banking reports and most of the significant banking laws since that time have been the outgrowth of the studies and recommendations embodied in my Financial Institutions Act of 1957.

In February of this year, our distinguished Comptroller of the Currency, Mr. Saxon, appointed a splendid advisory committee to help him make a comprehensive study of the functioning of the national banking system. This study was completed only recently. I am sure that any recommendations for amendments to the National Bank Act and related statutes that may be submitted by Mr. Saxon will receive careful attention by the Congress.

In March of this year, President Kennedy appointed a Special Intragovernmental Committee on Financial Institutions. This Committee was charged with studying the proposals of the Commission on Money and Credit as a starting point for a complete review of legislation and administrative practices relating to the operations of our financial intermediaries. The Committee was directed to report to the President by November 30, 1962, what changes, if any, in Government policy toward private financial institutions could contribute to economic stability, growth, and efficiency.

Besides these reports, the Securities and Exchange Commission has underway a study and investigation of the adequacy of the rules of the national securities exchanges and national securities associations. The final SEC report to the Congress on its study of the stock market, together with recommendations for legislation, must be submitted to the Congress by April 3, 1963. The SEC report may well contain a number of recommendations affecting banks. There may be some consideration, for example, of over-the-counter trading in bank and other stocks, including the question of financial reports. There may also be some consideration of whether regulation U—dealing with requirements on loans by banks for the purpose of buying or carrying listed stocks—might be extended to cover other designated financial institutions, or to cover unlisted securities.

I should like to take this opportunity to pledge my cooperation during the 88th Congress to appropriate legislative recommendations forthcoming from each of these studies and reports.

I hope that all proposals to create a better financial world will be proposals within the framework of our Constitution and calculated to improve the working of a system of free competitive enterprise. Preservation of the soundness of the dollar should be the keynote of our banking and fiscal program.

The record of the Federal Government in that behalf in recent years has not been good. We closed the last fiscal year with a deficit of more than $6 billion. We are now confronted with a substantial deficit for the current fiscal year. Its ultimate size will be determined first by whether or not the the President spends all of the emergency funds made available to him, and second, by whether or not the Congress passes a bill to cut taxes. If the President uses all of his spending power and if we have a tax cut of as much as $10 billion, we could possibly run up the largest peacetime deficit in our Nation's history. In that event, great pressure might be brought to bear on the Federal Reserve Board to hold down interest rates by creating easy money to hide from the public the inflationary results of deficit financing. However, it is my belief as well

as hope that the Federal Reserve Board will not yield to that type of political pressure.

By next year, as I have said, our dual system of National and State banks will embody the results of 100 years of uninterrupted experience under the National Bank Act of 1863, and 40 years of earlier experience under the First and Second Banks of the United States. This dual system will also represent the outcome of 50 years of experience under the Federal Reserve Act of 1913.

That tested dual system, with its freedom of choice for the public and for bankers, should remain free of Government regulation to the greatest degree consistent with sound banking and the protection of depositors. We must work not only to preserve that dual system of banking, but to improve it.

It is also essential to maintain the freedom of the Federal Reserve in its conduct of monetary policy from undue control by other governmental agencies or by the Congress.

Being a creature of the Congress, the Federal Reserve should continue to operate ultimately under congressional direction. Yet the System was deliberately established to be less subject to political influence that the usual independent Federal body. In fact, the report of the House Committee on Banking and Currency, submitted by Carter Glass in 1913 on the proposed Federal Reserve Act, emphasized that "it cannot be too emphatically stated that the committee regards the Federal Reserve Board as a distinctly nonpartisan organization whose functions are to be wholly divorced from politics."

The independence of the Board stems from a number of legislative provisions. It reports annually to the Congress rather than to the executive branch of the Government. The Secretary of the Treasury and the Comptroller of the Currency—both representatives of the executive branch—no longer are ex officio members of the Federal Reserve Board as the act originally provided. The seven members of the Board of Governors are now all appointed for 14-year terms by the President with the advice and consent of the Senate, and can be removed from office only by impeachment.

I believe that bank supervision, examination, chartering, and regulation should be undertaken by banking experts rather than by nonbanking agencies or departments. Bankers as well as the public have a right to expect a uniform banking policy to be followed on mergers, branches, holding companies, and other important supervisory matters. They also have a right to a speedy decision on matters submitted to the discretion of the banking agencies and in all antitrust proceedings.

As the Financial Institutions Act of 1957 proposed, many Federal banking statutes should be modernized if banks are to meet today's industrial and commercial needs. Similarly, a great deal needs to be done to simplify some of the voluminous banking regulations and to bring them up to date.

Under present conditions, the banking system continues to evidence its ability to fulfill changing credit needs and new credit requirements. Our exports are being stimulated by widening bank lending under the new export credit insurance and guarantee program of the Foreign Credit Insurance Association. This program has been developed under legislation (Public Law 87-311, S. 2325) reported to the Senate last year by the Banking and Currency Committee. Our small businesses are being benefited by the new joint program recently announced by the Small Business Administration and the American Bankers Association to provide term loans for small businesses through the cooperation of both Government and banks.

The recent upsurge in savings deposits in banks has given rise to renewed interest in real estate and other higher yielding investments. According to the Office of the Comptroller of the Currency, real estate lending by national banks increased significantly during the first half of 1962, as time deposits of national banks rose 13 percent while demand deposits declined 8 percent.

Only recently, a bill, which I supported, was considered by the Senate Banking and Currency Committee (H.R. 7796) to provide national banks with greater encouragement to meet real estate credit needs for real estate and construction loans.

Banks as well as the public have benefited greatly from the adoption of Federal deposit insurance. By the end of last year, deposits in insurance banks totaled $281 billion. Of this total, an estimated $164 billion was insured under the limit of $10,000 for each depositor.

To preserve the integrity of this insurance program as well as to maintain public confidence in it, we must be certain to continue to make it possible for insured banks—and ultimately the FDIC—to pay off insured deposits immediately on demand. During the second session of the 87th Congress, the integrity of the FDIC insurance program would have been seriously impaired, in my opinion, if the interim financing provision of the standby public works bill (S. 2965) as first reported to the Senate, had passed without amendment into law. This provision would have allowed the President to finance the proposed program by transferring funds temporarily from unobligated balances of authorizations to borrow from the Treasury which are now reserved for the FDIC and several other agencies. All funds in excess of estimated needs for the current fiscal year could have been transferred, up to a limit of $2 billion.

Currently, the FDIC has an unused authorization to borrow up to $3 billion from the Treasury whenever needed. This borrowing authority was never intended to be drawn upon, even temporarily, for any other purpose than deposit insurance. It serves as a substantial backstop to the FDIC deposit insurance program, and helps to preserve public confidence in it.

Fortunately, this backstop authority has remained intact as a result of the fact that my amendment to strike the objectionable financing provision from the standby public works bill was adopted by a vote of 70 to 4. The final version of the bill, as it was sent to the President, called for $900 million in appropriations authority.

Not only must we preserve public confidence in the Federal system of deposit insurance, we must be equally certain to continue to provide Federal insurance free from inappropriate Federal controls over bank loan and investment policies.

One control which I understand is now under consideration would use the laws governing the Federal Deposit Insurance Corporation and a number of other agencies as instruments to effectuate what some persons consider to be social reform. The step under consideration would require the desegregation of all housing toward which Federal aid has been contributed in any way whatsoever.

The National Association for the Advancement of Colored People is exerting every pressure upon the White House to issue an Executive order intended to desegregate all housing. The NAACP wants to include not only dwellings financed with loans underwritten by the Federal Housing Administration or the Veterans' Administration. The NAACP also wants to include dwellings financed with a private loan from any financial institution whose deposits or share accounts are insured by the Federal Deposit Insurance Corporation or by the Federal Savings and Loan Insurance Corporation.

This step would represent yet another example of Federal control following Federal aid. From an economic standpoint, such an order would, I believe, be well-nigh disastrous. This action would adversely affect equities and investments in existing dwellings. Over $175 billion is now invested in mortgages on existing nonfarm residential properties alone. These investments largely have come from the hard-earned savings of individuals and families accumulated in banks, savings and loan associations, and insurance companies. Accordingly, we should always seek to protect—not threaten—their value.

A desegregation mandate would, I am convinced, also result in a sharp drop in new housing activity. According to a survey published in June by the National Association of Home Builders, builders who expected a cutback in their output under a FHA–VA antidiscrimination order estimate that their new construction activity would drop by more than 50 percent. A third of these builders predicted a decline of more than 75 percent. A drop in housing starts of this magnitude would, of course, be reflected in reduced national employment and income.

Already, less strength in underlying housing demand has been evidenced by easing occupancy and rising vacancies. A further unfavorable factor has been the upward trend in nonfarm real estate foreclosures—from 21,537 in 1950 to 44,075 in 1959, and to 73,074 in 1961. An Executive order on discrimination would compound the situation.

The effect upon bankers as well as the general business world of applying an Executive antidiscrimination order to insured banks could be worse than any immediate reduction in housing activity. It would raise the issue of whether we are to have a government of men believing that ends justify means, or whether we are to continue to have a government of laws. It would raise the possibility that an antidiscrimination edict might be broadened later to cover other types of bank activities, ranging from bank employment practices to bank policies regarding personal and business loans.

There can be no doubt that the Federal Government has no power except that granted to it by the Constitution. The Government issues charters to national banks and Government officials examine their operations. For these reasons, individuals, families, and others who deposit their money in such banks have a right to assume that their money will be safe. I shall always be thankful that I was privileged to vote for a law to insure bank deposits, first to the extent of $5,000, and later to $10,000 after inflation—due to deficit spending—had wiped out about half the previous value of the dollar.

We could not have maintained our dual banking system, of course, if the privilege of receiving the benefit of the Government insurance of deposits had been limited to national banks. So we passed a law that enabled State banks to participate also in the insurance program upon the payment of a modest fee. In return for that fee, the Government asserted the right to examine the records of all institutions participating in the program.

It is one thing for the Federal Government to charter banks, insure bank deposits, and examine bank records to make sure that banks are engaged in sound banking practices. But it is quite another matter for the Government to step in and dictate under what conditions State banks—as well as national banks—must lend their own funds. In my opinion, there is absolutely no constitutional authority for such an action.

Therefore, the burden of my theme to you today is this: Insist that all legislative proposals offered for our economic betterment be conceived soundly within the framework of the Constitution as the drafters of that immortal document intended.

In 1774, Colonial patriots in Massachusetts and Virignia began to lay the foundations for a New World. They believed in God. They also believed in independence. In 1776, they acknowledged not only that God was their Creator but also that He had endowed them with certain unalienable rights. Their code of ethics was based upon the teachings of the Bible.

In 1787, our forefathers met in Philadelphia and drafted a Constitution which William Gladstone regarded as "the most wonderful work every struck off at a given time by the brain and purpose of man." In doing so, they included provisions in that document for the protection of property as well as of human rights as taught in the Bible.

Therefore, if we are to have a new financial world in this space age, let it be based upon those precious principles of political and economic freedom that were born of the brain and purchased with the blood of our Founding Fathers.

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

Mr. SPARKMAN. I yield.

Mr. PROXMIRE. I am very glad the Senator from Alabama asked me to yield for that purpose, because I spoke to the American Bankers Association at 8 o'clock this morning, at a breakfast of the Agricultural Committee. While I talked individually with a number of bankers there, they were all very interested in hearing the distinguished chairman of the Banking and Currency Committee. They were looking forward to it. The Senator from Virginia [Mr. ROBERTSON] is considered an outstanding expert. He is extremely competent in this field, and I am sure his remarks were well received. I am delighted that the Senator from Alabama has put in the RECORD the address of the Senator from Virginia. I am looking forward to reading it.

Mr. SPARKMAN. Mr. President, if the Senator will yield further, may I add that the predecessor of the Senator from Virginia [Mr. ROBERTSON] in the Senate was the Honorable Carter Glass, who certainly made a name for himself in the field of banking and banking legislation. I am sure the Senator from Wisconsin, who is privileged to serve, as I do, on the Banking and Currency Committee, will agree with me that the Senator from Virginia has followed well in the footsteps of his predecessor, Senator Glass.

Mr. PROXMIRE. He has, indeed. As the Senator from Alabama has pointed out, he serves as chairman of the committee with great fairness and outstanding competence.

ENROLLED BILLS PRESENTED

The Secretary of the Senate reported that on today, September 24, 1962, he presented to the President of the United States the following enrolled bills:

S. 1023. An act to amend the act of August 20, 1954 (68 Stat. 752), in order to provied for the construction, operation, and maintenance of additional features of the Talent division of the Rogue River Basin reclamation project, Oregon; and

S. 1037. An act to amend the provisions of the Perishable Agricultural Commodities Act, 1930, relating to practices in the marketing of perishable agricultural commodities.

ADJOURNMENT UNTIL 10 A.M. TOMORROW

Mr. PROXMIRE. Mr. President, if there is no further business to come before the Senate, I move, in accordance with the previous order, that the Senate stand in adjournment until 10 a.m. tomorrow.

The motion was agreed to; and (at 5 o'clock and 20 minutes p.m.) the Senate, under the order of Thursday, September 20, 1962, adjourned until tomorrow, Tuesday, September 25, 1962, at 10 o'clock a.m.

NOMINATIONS

Executive nominations received by the Senate, September 24, 1962:

BUREAU OF CUSTOMS

John Neil McCardell, of Maryland, to be collector of customs for customs collection district No. 13, with headquarters at Baltimore, Md.

Edward F. O'Malley, of Maryland, to be Comptroller of Customs, with headquarters at Baltimore, Md.

DEPARTMENT OF LABOR

John F. Henning, of California, to be Under Secretary of Labor.

AGENCY FOR INTERNATIONAL DEVELOPMENT

Hollis B. Chenery, of California, to be Assistant Administrator for Program Review and Coordination, Agency for International Development.

Dr. Leona Baumgartner, of New York, to be Assistant Administrator for Human Resources and Social Development, Agency for International Development.

DIPLOMATIC AND FOREIGN SERVICE

Llewellyn E. Thompson, of Colorado, a Foreign Service officer of the class of career ambassador, to be Ambassador at Large.

HOUSE OF REPRESENTATIVES

MONDAY, SEPTEMBER 24, 1962

The House met at 12 o'clock noon.

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

Hebrews 10: 23: *Let us hold fast the profession of our faith without wavering.*

Almighty God, help us to begin this new week with a devotion and a determination that will enable us to conquer everything that threatens to divide and distract our loyalty to those nobler heights of truth and righteousness to which our life may ascend.

We pray that we may be inspired by continually calling to mind the personality and principles of our blessed Lord under whose banner of love all humanity is destined to go forward and upward.

Grant that we may seek to cultivate and champion for these days of strain and stress a more vivid and vital faith which will relieve us from all fear and renew us with courage.

May it be a real and radiant faith that will strengthen and sustain us as we strive to find the answer to the questions that haunt our minds and as we continue to watch and work for the coming of Thy kingdom of peace.

Hear us in the name of the Christ, Amen.

THE JOURNAL

The Journal of the proceedings of Friday, September 21, 1962, was read and approved.

MESSAGE FROM THE SENATE

A message from the Senate by Mr. McGown, one of its clerks, announced that the Senate had passed without amendment bills of the House of the following titles:

H.R. 218. An act to provide that individuals enlisted into the Armed Forces of the United States shall take an oath to support and defend the Constitution of the United States;

H.R. 6649. An act for the relief of C. W. Jones;

H.R. 12818. An act to amend the act of July 13, 1946, to authorize the construction, maintenance, and operation of certain additional toll bridges over or across the Delaware River and Bay; and

HR. 13067. An act to amend title VIII of the National Housing Act with respect to the authority of the Federal Housing Commissioner to pay certain real property taxes and to make payments in lieu of real property taxes.

The message also announced that the Senate had passed, with amendments in which the concurrence of the House is requested, bills of the House of the following titles:

H.R. 1488. An act for the relief of Clara G. Maggiora;

H.R. 1599. An act for the relief of Pasquale Marrella;

H.R. 1681. An act for the relief of Gabriel Chehebar, his wife, Marcelle Levy Chehebar, and their minor children, Albert, Zakia, Zaki, Jacques, and Joseph Chehebar;

H.R. 2371. An act for the relief of Ali Khosrowkhah;

H.R. 2977. An act for the relief of Kyoko Stanton;

H.R. 4478. An act for the relief of Aldo Francesco Carbone;

H.R. 5057. An act for the relief of Hans-Dieter Siemoneit;

H.R. 7708. An act for the relief of Mr. and Mrs. Gerald Beaver;

H.R. 8181. An act to authorize the construction of a National Fisheries Center and Aquarium in the District of Columbia and to provide for its operation;

H.R. 9669. An act for the relief of Molly Kwauk;

H.R. 10796. An act for the relief of Kazimierz Krupinski;

H.R. 10937. An act to amend the act providing for the economic and social development in the Ryukyu Islands; and

H.R. 11665. An act to revise the formula for apportioning cash assistance funds among the States under the National School Lunch Act, and for other purposes.

The message also announced that the Senate had passed a bill of the following title, in which the concurrence of the House is requested:

S. 3274. An act for the relief of Koon Chew Ho.

The message also announced that the Senate agrees to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the House to the bill (S. 1037) entitled "An act to amend the provisions of the Perishable Agricultural