

cropland; 50 percent of Russian labor is employed in agriculture, compared to 8 percent in the United States; and in take-home pay, the U.S. worker spends about 20 percent for food, as compared to 50 percent to 60 percent for the average Russian worker.

Operating a highly efficient food production plant, U.S. farmers, then, turn out enough food and fiber: For feeding and clothing 186 million people; for feeding a substantial number of hungry people elsewhere in the world and still ending up with

a surplus; and for outproducing the Communist system.

Representing a great strength of our system, the American farmer—in the long struggle against communism—may be one of the real heroes of freedom.

## HOUSE OF REPRESENTATIVES

WEDNESDAY, JUNE 6, 1962

The House met at 12 o'clock noon. The Chaplain, Rev. Bernard Braskamp, D.D., offered the following prayer:

Matthew 6: 33: *Seek ye first the kingdom of God and His righteousness.*

Our Creator and Benefactor, grant that we may be equal to the gigantic task of rightly comprehending and construing this exhortation which came from the lips of our blessed Lord.

We humbly confess that fundamentally and basically our range of interest and activity in the spiritual values of life is often so limited and alien to the mind of the Master who came to proclaim and establish the kingdom of God.

Our own hearts condemn us for we so frequently take such an indifferent and stoical attitude toward this mission which He felt to be of supreme importance.

May we be more eager and zealous in championing the cause of righteousness and in crushing those forces of iniquity which are scattering their power throughout the world and conspiring to undermine religion and the church.

Hear us for the sake of our Lord and Saviour. Amen.

### THE JOURNAL

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

### PERMISSION TO SIT DURING GENERAL DEBATE TODAY

Mr. ALBERT. Mr. Speaker, I ask unanimous consent that the Special Subcommittee of the Committee on the District of Columbia may be permitted to sit today during general debate.

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

There was no objection.

### AMENDMENTS TO NATIONAL SCHOOL LUNCH ACT

Mr. O'HARA of Michigan. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

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

There was no objection.

Mr. O'HARA of Michigan. Mr. Speaker, this morning some of you may have received a letter from the gentleman from New Jersey [Mr. FRELINGHUYSEN] with respect to the motion to recommit the school lunch amendments,

with instructions, offered at the close of legislative business yesterday.

The gentleman from New Jersey [Mr. FRELINGHUYSEN] indicates that unless the motion to recommit is adopted, the Secretary of Agriculture would be able to apportion special school lunch assistance funds among the States at his absolute discretion.

Mr. Speaker, that is not the case. If you have any doubt about this matter, I ask you to look at page 9711 of the RECORD of yesterday. My amendment to the Frelinghuysen amendment would be eliminated if the motion to recommit is adopted. I think that after you have read the RECORD you will agree that my amendment improves the Frelinghuysen amendment and that the motion to recommit should be defeated.

### AMENDMENTS TO NATIONAL SCHOOL LUNCH ACT

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

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

There was no objection.

Mr. FRELINGHUYSEN. Mr. Speaker, the gentleman from Michigan [Mr. O'HARA] has referred to a letter which I sent to my colleagues urging them to support the motion to recommit the school lunch bill with instructions. I did this because I feel it would be very undesirable for us to include a provision which would necessitate that the Secretary of Agriculture, before he could make any apportionment of funds under this program, determine the needs of students in each State for free or reduced price lunches, in addition to his taking into account the number of lunches already being served either free or at a reduced price.

To give him that responsibility would be to delay the program. It would deprive the States of their responsibility of determining where the areas of need lay within the States. The proposal by the gentleman of Ohio in the motion to recommit would give appropriate guidelines to the Secretary in making allotments to the States.

I think the basic responsibility of determining how this money should be distributed should rest with the States.

Mr. Speaker, I urge that the motion to recommit be agreed to.

### TEMPORARY INCREASE IN THE PUBLIC DEBT LIMIT

Mr. MILLS. Mr. Speaker, I ask unanimous consent that the Committee on Ways and Means may have until midnight Thursday, June 7, 1962, to file a

report on the bill (H.R. 11990) to provide for a temporary increase in the public debt limit set forth in section 21 of the Second Liberty Bond Act, along with any minority and/or supplemental views.

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

There was no objection.

### CALL OF THE HOUSE

Mr. QUIE. Mr. Speaker, I make the point of order a quorum is not present.

The SPEAKER. Evidently a quorum is not present.

Mr. ALBERT. Mr. Speaker, I move a call of the House.

A call of the House was ordered.

The Clerk called the roll, and the following Members failed to answer to their names:

[Roll No. 98]

Addonizio	Evins	Peterson
Alford	Flood	Pilcher
Ashley	Hall	Rains
Ashmore	Hébert	Reece
Blitch	Hoffman, Mich.	Roberts, Ala.
Bolton	Hollifield	Rousselot
Boykin	Horan	St. Germain
Bruce	Ichord, Mo.	Saund
Coad	Jones, Ala.	Seely-Brown
Colmer	Kearns	Sibal
Curtis, Mass.	Kitchin	Smith, Miss.
Daniels	Laird	Spence
Davis, Tenn.	Loser	Steed
Dent	McMillan	Teague, Tex.
Derwinski	MacGregor	Thomas
Devine	Magnuson	Westland
Diggs	Marshall	Whitten
Dooley	Meador	Williams
Everett	O'Konski	

The SPEAKER. Three hundred and seventy-eight Members have answered to their names, a quorum.

By unanimous consent, further proceedings under the call were dispensed with.

### QUESTION OF PERSONAL PRIVILEGE

The SPEAKER. The Chair recognizes the gentleman from Minnesota.

Mr. ANDERSEN of Minnesota. Mr. Speaker, I rise to a point of personal privilege.

The SPEAKER. The gentleman will state the grounds on which he bases his point of personal privilege.

Mr. ANDERSEN of Minnesota. Mr. Speaker, in the Washington Post of Tuesday, June 5, 1962, page 2, there is an article by Drew Pearson. He starts by saying:

Because ANDERSEN is a power, he got his assistant, William B. Morris, appointed to the Department of Agriculture.

Mr. Speaker, that is a lie.

He states further in the article, Mr. Speaker:

Digging behind the Morris letter, I learned that Billie Sol Estes not only purchased \$4,000 worth of stock in ANDERSEN's coal mine without receiving a single stock certificate to show for it.

And here is the lie, Mr. Speaker:

He also lobbied behind the scenes to protect ANDERSEN's stake in his brother's estate.

Referring to 1958, at which time I had never heard of Mr. Estes nor had I heard of him before last January.

I asked to be heard, Mr. Speaker.

The SPEAKER. The Chair recognizes the gentleman on his question of personal privilege.

Mr. ANDERSEN of Minnesota. Thank you, Mr. Speaker.

Mr. Speaker, it is a privilege to be in the Congress of the United States. I recall the occasions when our late beloved Speaker, Sam Rayburn, took the floor and spoke of upholding the integrity of this institution, the Congress of the United States.

Mr. Speaker, just as it is a great privilege to Members to serve in this House, it is likewise a great privilege for these newsmen up above us in the press gallery to report the doings of this great body to the people of America.

I hold in my hand the Washington Post of Tuesday, June 5, 1962, a newspaper supposedly devoted to protecting the rights of the people of America; and yet that same newspaper gives a special column, for some reason, not over on the comic page, where Drew Pearson's column really belongs, but on page 2, and it gives considerable space for a special article about H. CARL ANDERSEN. For permitting this man, Drew Pearson, to spew out these irresponsible statements, the Washington Post, in my opinion, should stand condemned.

Let me, on the other hand, pay compliment to the Evening Star, which published in full my news release of April 16, bringing out the facts. I thank them for so doing.

Before I pay my respects to columnist Drew Pearson, let me give you a few facts relative to him. Mr. Speaker, I feel sorry for this man. He is beyond the pale of decent society. He has developed an insane hatred for decent men and women, with whom he cannot associate. Let me make plain that while I am discussing this man I do not reflect upon the hundreds of fine newspaper men and women, many of whom are sitting up here in the press gallery today.

Certainly in a barrel of apples you will always find a few rotten ones. The rottenest of all these is this poor Drew Pearson, so warped in his mind and so diseased in his thinking that I pity him.

I have two little granddaughters, 7 and 9 years of age. I do not intend to permit any man so diseased in mind to destroy the opinions of those two little girls and their memory of their grandfather in the years to come.

Never once has this polecat ever mentioned the good that H. CARL ANDERSEN has done for the people of the United States through soil-conservation programs and the watershed-protection programs. All of that means nothing to this disgrace to the newspaper profession.

I state advisedly that this man and his kind and his helpers should be refused the right, the great privilege of

reporting the happenings in this House of Representatives. The great fourth estate should do its own housecleaning. There are today among them at least one-half dozen writers who have lied about H. CARL ANDERSEN in the last 2 months.

I shall pay my respects, by the way, to Life magazine, the New York Herald Tribune, Time, and such publications, in due time.

Mr. Speaker, I feel it is up to the House and up to the Speaker to protect the integrity of the Members of this body against men of the stripe of Drew Pearson, who publish lies. Worse than lies are the innuendoes and half truths which are published and which many good people accept as the truth.

Let me quote a little bit about this Drew Pearson, from the information compiled for me by the Legislative Reference Service of the Congressional Library. I am going to quote the opinions of great men and women of this Nation relative to this polecat who takes it upon himself to defame the good name of H. CARL ANDERSEN.

Mr. Speaker, I ask unanimous consent that this statement received from the Library of Congress be inserted in the RECORD at this point.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Minnesota?

There was no objection.

The matter referred to follows:

DEROGATORY REMARKS ABOUT DREW PEARSON  
Morris A. Bealle:

"Pearson's accuracy assays at only about 25 percent, his main effort being concentrated on getting a smidgeon of truth in each calumny and relying on that to carry it through. As a smear bund operative he doesn't even take off his hat to New York's night club commando.

"Throughout the Roosevelt stranglehold on America, Pearson was the main White House stooge and sewer-level rumor monger. Whenever there was a trial balloon to be run up, or a little propaganda to be put out, or an alibi for a presidential blunder to be framed, or someone else's boom to be pricked, or a little bile to be gotten off the Roosevelt or Wallace or Ickes chest about a solid somebody in Washington, mustachioed Drew would come arunning. He would jump through the hoop when ordered by Ringmaster Steve Early, and 5 days later this concatenated hokum would appear in the Pearson column as news or inside stuff.

"Pearson has been the party of the first part in many a well-founded libel suit but so far has escaped unscathed. . . . he participated in the theft from the mails of confidential letters written by a Republican manufacturer in Connecticut to a correspondent in South America.

"All the boys in the Washington press galleries, except the leftist stooges and Communist sympathizers and 'New' Deal dog robbers, have an abiding contempt for this fellow who had brought prostitution of their great profession to its zenith. They say: 'When bigger lies are told Pearson will tell them'."

Marion T. Bennett, Representative, Missouri Sixth Congressional District, on the floor of the U.S. House of Representatives, December 17, 1941:

"The article is a bare-faced falsehood. This attempted smear by the two character assassins, Pearson and Allen, would reach the level of crime, did it emanate from the source of truth.

"Pearson and Allen do not have the manhood or honor to admit their mistake. These two columnists have prevaricated. They are well known in informed circles because of their utter lack of regard for the truth and for being two of the most dishonest, unreliable, and vicious character assassins in America. They are a disgrace to the great newspaper profession. They apparently seldom take the trouble to ascertain the facts. They make their living in the half light of minds diseased by the filth they alone can imagine."

Theodore G. Bilbo, U.S. Senator, Mississippi, on the floor of the U.S. Senate, March 12, 1945: "It is not only generally known, but it is universally admitted, that Drew Pearson is the biggest and most notorious liar in America today. Not only is Pearson recognized as being the biggest liar, but he is also recognized as being the most perfect smear artist of the press and radio. He will go down in history as Drew Pearson the sponge, because he gathers slime, mud, and slander from all parts of the earth and lets them ooze out through his radio broadcasts, and through his daily contributions to a few newspapers which have not yet found him out."

FRANK BOYKIN, Representative, Alabama First Congressional District, as quoted by Representative MORRISON, of Louisiana, May 20, 1943: "Drew Pearson is the damnedest liar that ever lived."

Owen Brewster, U.S. Senator, Maine, on the floor of the U.S. Senate, June 12, 1948: "I have been a little puzzled by the apparent malevolence of Mr. Pearson.

"These attacks of various kinds have developed upon me, with all the cunning and skill he commands—and it is very considerable. I have a very wholesome respect for his tenacity and ingenuity in presenting half-truths in order to fortify whatever views he takes, sometimes walking a very tight rope between situations.

"He is able so to present a situation as to leave implications which are utterly unwarranted by a full disclosure of the facts.

Harry P. Cain, U.S. Senator, Washington, on the floor of the U.S. Senate, December 15, 1947: "The conversation described by Mr. Pearson never took place. Mr. Pearson has unfairly, unreasonably, and senselessly abused Mr. Reece through an imaginary dialog which was spawned by an individual who has been malicious, irresponsible, and mischief-making. Pearson has lied without reason or excuse. Through doing this he has insulted the intelligence of his readers and broken faith with his profession."

A. B. Chandler, U.S. Senator, Kentucky, on the floor of the U.S. Senate, April 25, 1944: "There is a definition for that sort of liar. He is called a revolving liar."

Eugene E. Cox, Representative, Second Congressional District, Georgia, on the floor of the U.S. House of Representatives, June 21, 1943: "This Washington Post happens to be the purveyor of the filth concocted by one Drew Pearson, whom I denounce as a filthy and cowardly villain, a venomous slanderer, and an insinuating rogue, who makes his living in the blackening of other men's reputations and the practice of blackmail blackmailism."

Stephen T. Early, White House secretary, as quoted by Representative MORRISON, of Louisiana, May 20, 1943: "There is no truth in any detail of this story."

Hamilton Fish, Representative, New York 26th Congressional District, on the floor of the U.S. House of Representatives, November 19, 1940:

"Certain scurrilous, false, and, I believe, libelous charges have been made against me.

"The Pearson-Allen statement is damnably false. This is not a personal issue, but if permitted to continue it may undermine the confidence of the American people in the integrity of our public officials and destroy



our free institutions and democratic government which is now under attack throughout the world.

"The only way I know of [dealing with these contemptible people] is through libel action or horsewhipping or the old gun method. It is too bad that that has gone out. That used to be resorted to in the old days of Benton and Clay. They would have taken a gun and gone after them."

Extension of remarks on the floor of the U.S. House of Representatives, December 26, 1940: "A typical example of the lack of regard for truth in the Merry-go-Round, published by Drew Pearson and Robert S. Allen. These smear columnists are rendering a disservice to the public and to public officials by their irresponsible and false statements and deliberate misrepresentations."

As quoted by Representative MORRISON, of Louisiana, May 20, 1943: "Drew Pearson in my opinion is the most contemptible, dishonest, and dishonorable smear propagandist in America, and by inference the most colossal liar in the Nation."

Walter F. George, U.S. Senator, Georgia, on the floor of the U.S. Senate February 21, 1944:

"[Pearson] began his whole tirade with a deliberate lie. It is not often that an ordinary, congenital, deliberate, and malicious liar such as Drew Pearson refers to a printed record on which it is possible to pin him down. What sort of a liar is he, Mr. President, when in the very face of the Record which he himself invites every word that he said is disproved?"

"Mr. President, I know some of the motive, some of the malice, back of this sudden attack by Drew Pearson on me. Down deep is a fight against representative government. It is a smear campaign against the legislative branch of this Government."

"Again I ask, What sort of a liar is Mr. 'Skunk' Pearson?"

Guy Gillette, U.S. Senator, Iowa, on the floor of the U.S. Senate, June 10, 1937:

"The intimation as stated in the article is absolutely without foundation."

John W. Gwynne, Representative, Iowa Third Congressional District, on the floor of the U.S. House of Representatives, November 23, 1945:

"I think if Drew Pearson were in court instead of in the newspapers, it would be proper to call some witnesses as to his truthfulness and veracity."

"The statement of Drew Pearson did contain one truth, believe it or not, I think it must have been an accident. \* \* \*

William F. Halsey, fleet admiral, U.S. Navy, as quoted by Morris A. Bealle: "Pearson is a blackguard who, by insinuations and outright lies, tried to destroy public confidence in the Navy's air arm. The scoundrel didn't have the guts to take a plane ride with a man he said got his wings by fraud."

Pat Harrison, U.S. Senator, Mississippi, on the floor of the U.S. Senate, March 28, 1935:

"This is so mendacious, it is willful, it is so misleading and untruthful, it is such a damnable lie that I cannot pass it by unnoticed."

"These audacious, misleading, incorrect statements carried in the 'Merry-Go-Round,' written by Mr. Drew Pearson, are written because of a motive."

CLARE E. HOFFMAN, Representative, Michigan Fourth Congressional District, extension of remarks on the floor of the U.S. House of Representatives, May 24, 1949: "A man who gratuitously smears innocent, defenseless individuals in order to sell his wares, advance his own financial interests, no doubt derives pleasure from the squirming and the suffering of his victims. Drew Pearson, who seldom misses an occasion to throw out a falsehood and insinuation or by innuendo to injure some innocent victim, if he runs true to form, must be chagrined by the death of James V. Forrestal, whom he so vigorously

and meanly attacked, because Forrestal is dead and no longer will be humiliated or suffer because of Pearson's slanderous, libelous statements."

Fred M. Howser, attorney general of California, statement upon filing libel suit against Pearson: "[Pearson made] untrue, false, and defamatory statements over the radio."

Cordell Hull, U.S. Secretary of State, letter, dated April 19, 1939, to Senator Reynolds, of North Carolina, inserted in the CONGRESSIONAL RECORD by Senator Reynolds on May 11, 1939: "[In regard to an article of April 14, 1939] Those parts of it of which I have knowledge are so thoroughly inaccurate and misleading that they could not in my judgment be substantiated by anyone."

Press conference, December 21, 1940: "[The Merry-Go-Round article bore earmarks that] would indicate it to be a deliberate misrepresentation. It is very disagreeable when we are so hopelessly overwhelmed with emergency matters to have an article of whole cloth thrown into our faces and sent over the Nation with the representation that it is based on actual knowledge."

As told by Representative MORRISON, of Louisiana, May 20, 1943: "Secretary of State Cordell Hull, in referring to Drew Pearson, said he is only one-third right one-tenth of the time."

Press conference, August 30, 1943: "I desire to brand these statements as monstrous and diabolical falsehoods."

As quoted by Senator George, of Georgia, February 21, 1944: "Pearson is an unmitigated and congenital liar."

As quoted by Morris A. Bealle: "The truth is not in him; he is a pathological liar."

Jesse H. Jones, U.S. Secretary of Commerce; statement inserted in the CONGRESSIONAL RECORD by Representative O'Connor, of Montana, April 2, 1942: "There is no truth in the 'Merry-Go-Round' story of April 1 about me. Practically all references to me and my work by those columnists over the year has been made for the purpose of injuring me, and where there has been any basis for reference to me, the facts are maliciously distorted through innuendo. This article is typical of their column."

Robert F. Jones, Representative, Ohio Fourth Congressional District; written statement presented to subcommittee of the Committee on Interstate and Foreign Commerce, U.S. Senate, dated July 1, 1947: "I believe that any competent lawyer, reading Pearson's testimony, would dismiss it instantly as the flimsiest hearsay and of no probative value. Pearson's first charge is wholly false and entirely unsubstantiated. The second charge is false."

"I am sure that the members of the committee have every right to take judicial notice of the fact that Pearson's credibility has been attacked upon scores of occasions. It is sufficient, I believe, to cite as witnesses in my behalf as to Pearson's reputation for truth and veracity members of the Washington press corps who in a poll voted him the most unreliable commentator."

As quoted by Morris A. Bealle: "Pearson makes his living by blackening characters. He is a smear columnist, a professional character assassin and the author of false and vile insinuations."

JOHN LESINSKI, Representative, Michigan 16th Congressional District, on the floor of the U.S. House of Representatives: "This is one of those damnable lies that has always been produced by Drew Pearson."

Douglas MacArthur, general, U.S. Army, as quoted by Morris A. Bealle: "There is no truth in Pearson's statement \* \* \* The facts are quite the contrary."

Kenneth McKellar, Senator, Tennessee, on the floor of the U.S. Senate, April 25, 1944:

"I do not know Pearson; but really he is an ignorant ass, is he not—this ignorant,

blundering, lying ass, who makes his living by lying on Senators and other public men."

"If ever there was an opportunity for my temper to be aroused by plain lying, it would be aroused by the plain lying of this so-called Washington columnist. He is just an ignorant liar, a pusillanimous liar, a peewee liar, and he is a paid liar. I understand he and Lillenthal are great friends. They are two of a kind. What is fitter than two liars standing up for each other."

"That is simply a willful, deliberate, malicious newspaperman's lie, out of the whole cloth. Lying, such as Pearson's, is the most despicable of all lying—lying for money."

"I say that that statement is a willful, deliberate, malicious, dishonest, intensely cowardly, low, degrading, filthy lie, out of the whole cloth. This falsely charges me with a felony. Every newspaper which has published this falsehood is guilty of a libel."

"Pearson makes his living by making sensational lying statements about men in high office. He actually makes his living that filthy way. He ought to have the contempt of every honest man."

"I want him to hear what kind of an infamous, dirty, lowdown, mean, lying scoundrel he is, and I think everyone else believes he is."

When a man is a natural-born liar, a liar during his manhood and all the time, a congenital liar, a liar by profession, a liar for a living, a liar in the attempt to amuse, or to be as he thinks smart, a liar in the daytime, and a liar in the nighttime. It is remarkable how he can lie."

A revolving liar. It suits Pearson exactly. A revolving mirror recording his lies on every side as it revolves around."

Listen to this egregious liar, this revolving liar, a lying brute. Why it is so asinine that it cannot be believed."

This revolving, constitutional, unmitigated, infamous liar, this low-lived, double crossing, dishonest, corrupt scoundrel, who claims to be a columnist. He is not a columnist. He is a monumental liar. That is, a monumental liar. This knave—and I am using very mild language—this ignorant, designing fellow trying to do something for his friend, Lillenthal, and probably being paid for it."

It is ridiculous, it is silly, it is asinine. It is worse. It is just a crooked statement of a crook who is trying to help another crook. I am now speaking for all my colleagues, as well as myself. This man is just an egregious liar, and this is an egregious lie, out of the whole cloth. There is nothing but lying from beginning to end. This is a patent lie, a willful, deliberate, malicious, low, groveling, infamous lie. There is not a word of truth in it."

"Pearson, Drew Pearson. By the way, is that a false name, or is that his real name? Does anyone here know? Is he like a movie actor, who takes another name? Is he a lady's man? Is he an American? Or is he a Jap or German parading under an American name? All the papers which pay for and publish the articles of this lying blackguard should cancel their contracts. What kind of a man is he who assumes to abuse and traduce and lie about public men, who tries to destroy the character of any person, in the Senate or out of the Senate; who tries to destroy the President of the United States; who tries to destroy our great Secretary of State."

"Gentlemen, I am not angry, I am just sorry that this great Nation of ours, this Nation of honest men, this Nation of Americans, has within its borders any person so low and despicable, so corrupt, so dishonorable, so groveling, so desirous of injuring the character and the accomplishments of his fellowmen, as this low-born, low-lived, corrupt, and dishonest Drew Pearson."

On the floor of the U.S. Senate, July 16, 1946: "On Sunday this miserably, lying, cor-

rupt, dishonest scoundrel, Drew Pearson, with a dishonest and disordered mentality and a putrid and corrupt morality, wrote and published another lying article about me.

"This is a lie out of the whole cloth, known to be a lie when Pearson wrote it, known to be a lie when Silliman Evans bought and paid for it, and no person with character sufficient to sleep with a hog or to associate with dogs or polecats would write such an article or would print such an article. Indeed, Pearson, in his mental makeup is a cross between a ranting maniac and a drunken Silliman Evans.

"The article has no resemblance to truth, but is simply the result of a disordered and corrupt mind working only for money paid for by Silliman Evans."

Joseph J. Mansfield, Representative, Texas Ninth Congressional District; extension of remarks on the floor of the U.S. House of Representatives, October 17, 1945: "I consider this paragraph so grossly erroneous in point of fact that it should not be permitted to go unchallenged. Certainly Mr. Pearson has been misinformed by someone."

Burnet R. Maybank, Senator, South Carolina, on the floor of the U.S. Senate, December 18, 1943: "Mr. Pearson's statement is false and unfounded. An absolute falsehood has been printed in the Pearson article."

J. P. Morgan & Co., statement inserted in the CONGRESSIONAL RECORD by Representative AUCHINCLOSS, of New Jersey, May 4, 1945: "The column of Drew Pearson contains references that are cruel, wholly false, and libelous."

JAMES H. MORRISON, Representative, Louisiana Sixth Congressional District, on the floor of the U.S. House of Representatives, May 20, 1943:

"Drew Pearson lied on the radio and I know he lied on the witness stand, which, down where I come from, is perjury. I have had occasion to check into the record of Drew Pearson to see what kind of reputation he has for telling the truth. I find that U.S. Senators, Members of Congress, Cabinet members, generals, and even the secretary to the President in no uncertain terms labeled him as a downright liar and garbage-can collector of filthy, manufactured synthetic lies.

"But Drew Pearson has not spent all of his time blackmailing, intimidating, and lying about public officials and Congressmen. His vocations describe a thwarted and frustrated man with a warped, twisted, and diseased idea of mankind and life. I want the Members of this House to know that Pearson, who poses as a great liberal, is at heart a money miser and one of the greediest men for cash I have ever met anywhere any time. If he cannot get it honestly, look out for the blackmail.

"His contribution to the war effort is based on a lowdown, degrading, cowardly, yellow, stinking pen to defame, to vilify, to humiliate, and to attempt to destroy America's No. 1 hero, Gen. Douglas MacArthur.

"Seldom do I have the unpleasant task of skinning a skunk. I hope I have done the job well."

James W. Mott, Representative, Oregon First Congressional District; statement before the House Naval Affairs Committee; as quoted by Representative MORRISON, of Louisiana, May 20, 1943: "Drew Pearson and Robert Allen are a pair of journalistic polecats."

Gerald P. Nye, U.S. Senator, North Dakota, as quoted by Representative MORRISON, of Louisiana, May 20, 1943: "Pearson is a master of the half truth. When a direct lie does not suit his purpose because it might be too dangerous, he can lie by inference by merely leaving out qualifying remarks and explanation."

James F. O'Connor, Representative, Montana Second Congressional District, on the floor of the U.S. House of Representatives,

April 2, 1942: "There is not a single word of truth in this publication. No such conversation occurred. I am glad there are others besides myself finding out the fact that you cannot believe all you read in that column gotten out by these two so-called headache boys."

Westbrook Pegler, columnist; column reprinted in the CONGRESSIONAL RECORD, May 24, 1949: "James V. Forrestal was a victim of the wanton black-guardism and mendacity of the radio which has been a professional speciality of Drew Pearson. Pearson has become a man of great power and special privilege because other decent men like Forrestal go in fear of fantastic lies to be spread over the Nation by radio, all to stimulate the sale of a brand of hats or laxative.

John E. Rankin, Representative, Mississippi, First Congressional District, on the floor of the U.S. House of Representatives, February 2, 1944:

"Drew Pearson, one of the well-known slimemongers of the radio revealed himself as one of the most vicious propagandists in America."

On the floor of the U.S. House of Representatives, February 8, 1944: "Those of us who listened in on Sunday night heard Drew Pearson, one of the radio scavengers of America, in a most contemptible manner, falsely attack one of the most elegant ladies in Washington. Every person who is familiar with the incident tells us that Drew Pearson was lying about her in his statement."

On the floor of the U.S. House of Representatives, June 11, 1945: "Drew Pearson went to bat for those saboteurs in the State Department who were exposed by the Dies Committee on Un-American Activities. A high ranking general in the U.S. Army told me more than a year ago that if he were to give out the Government secrets that were being broadcast by Drew Pearson he would be court-martialed immediately, and ought to be. Somebody in the State Department, in the War Department, and even around the White House, has been giving out secret information to Drew Pearson to broadcast to the world regardless of its cost in the lives of American boys on the various fighting fronts."

On the floor of the U.S. House of Representatives, April 27, 1948: "Much as I disagree with him on his blunders, there is one thing on which President Truman and I agree: Neither of us would believe Drew Pearson on oath."

Walter Reuther, president, United Automobile Workers, as quoted by Morris A. Bealle: "Pearson is not only a chronic liar but a fool."

Robert Reynolds, Senator, North Carolina, on the floor of the U.S. Senate, May 11, 1939: "Unfortunately, the only way a public official can avoid vilification by these two men, the authors of the Washington Merry-Go-Round, is to bow to their will and the will of those whom they serve.

"I am inclined to believe everything I see in the newspapers except what is written by Pearson and Allen.

"I challenge them and defy them to prove the truth of a single statement made by them which I have read here today—one single, left-handed, underhanded charge that they have made."

Robert F. Rich, Representative, Pennsylvania 15th Congressional District, on the floor of the U.S. House of Representatives, May 29, 1945: "I think any man who will take the radio and make a charge of that kind is what I would call an unsophisticated ass, because I do not believe a man with good, commonsense would make a charge of that kind."

Franklin D. Roosevelt, President of the United States, press conference, October 31, 1943, as told by John H. Crider, reporter: "Mr. Roosevelt called Mr. Pearson a liar. The President continued, he had no hesi-

tation in saying that the whole statement, from beginning to end, was a lie.

"But there is nothing in that, he went on, since the man is a chronic liar in his columns.

"It is the kind of journalism that hurts the press, the President declared, besides hurting the country."

Ellison D. Smith, Senator, South Carolina, on the floor of the U.S. Senate, June 10, 1937: "The insinuation is maliciously false."

Tom Stewart, Senator, Tennessee, on the floor of the U.S. Senate, April 25, 1944: "I do not think this man Pearson has the ability to slander anyone. One must be honest before one can slander another, and one must be able to tell something which at least approaches the truth."

Martin Sweeney, Representative, Ohio 20th Congressional District:

On the floor of the U.S. House of Representatives, May 25, 1939: "This article is a deliberate falsehood, and I cannot let the occasion pass without meeting the challenge of Drew Pearson and Robert S. Allen who have more than once published in their Washington Merry-Go-Round malicious falsehoods."

On the floor of the U.S. House of Representatives, April 16, 1942: "On Monday of this week, April 12, 1942, the Supreme Court of the United States rendered a decision in my favor in holding that an article, referring to me, published by Pearson and Allen was libelous per se."

Extension of remarks on the floor of the U.S. House of Representatives, April 28, 1942: "Messrs. Pearson and Allen these anemic patriots who heretofore have made their living smearing public characters."

Times-Herald, Washington, D.C., as quoted by Representative MORRISON, of Louisiana, May 20, 1943: "We dropped the Washington Merry-Go-Round out of the Times-Herald because of the poisonous attempts Pearson and Allen have made, and are still making, to smear the reputation of a great soldier, and in our opinion one of the greatest Americans of all time, Gen. Douglas MacArthur."

Harry S. Truman, U.S. Senator, Missouri; President of the United States:

On the floor of the U.S. Senate, February 11, 1943: "I merely wanted to make it plain that there was absolutely no foundation, in fact, for what Mr. Pearson said last night over the radio."

Press conference, March 11, 1948: "First I want to pay attention to a vicious statement that was made by a columnist. I had thought I wouldn't have to add another liar's star to that fellow's crown, but I will have to do it. This is just a lie out of the whole cloth."

As quoted by Associated Press, February 22, 1949: "If any s.o.b. thinks he can get me to discharge any member of my staff or Cabinet by some smart aleck statement over the air, he's mistaken.

"Very vicious attacks on my military aide have been unjust and I say advisedly, vicious."

As told by Anthony Leviero, reporter, February 24, 1949: "One questioner at the news conference noted that President Peron of Argentina and Drew Pearson had been nominated for the Nobel Peace Prize. Mr. Truman replied that probably they had nominated themselves."

Millard E. Tydings, Senator, of Maryland: On the floor of the U.S. Senate, July 7, 1941:

"There was not a scintilla of truth in this libelous statement—libel had been uttered—it had been maliciously uttered, and I have the documentary proof.

"The spreading of rumors in a whispering campaign is not a crime against an individual; it is a crime against society and that is the kind of campaign which Drew Pearson has tried, in his nefarious manner, to conduct.



"But he that filches from me my good name robs me of that which not enriches him and makes me poor indeed." This is what Pearson and Allen tried to steal. Where are they now? I have brought all the facts out into the light of day. Where are the skunks now? Down in their hole where they ought to be and where the company suits them."

On the floor of the U.S. Senate, June 18, 1945:

"Washington Merry-Go-Round" is written by an individual who names himself Drew Pearson, but most persons who are familiar with his utterances on a variety of subjects generally call him *Pew Smearson*. Normally, I would pay no attention to such garbage, but I am unwilling by silence to see this deliberate lie passed on to the American people.

"I fail to find within the limits of parliamentary language words to describe this worm masquerading in the physique and the clothing of a supposed man. In the last war this scoundrel, although away above the draft age, found asylum in an S.A.T.C., and the only powder he ever smelled was in the presence of ladies who might have adorned the windward side of the parade ground; and today, sitting in a comfortable chair, far removed from any danger, without any scintilla of fact or truth to support the statement, this supposed purveyor of information besmirches the character of one of the most gallant soldiers."

"I would call him a perpetual, chronic, revolving liar, and a few other things that I cannot add in the presence of this distinguished and rather ethical company. This man has engaged, to my personal knowledge, in the gentle art of blackmail, without any success. He has been guilty of attempting to buy public influence."

U.S. Department of the Army, Public Information Division, press section; memorandum for the press, reprinted in the CONGRESSIONAL RECORD, April 26, 1948: "The implications in Mr. Pearson's statement are not only unfair, but are absolutely without foundation, as proved beyond question in the course of the investigation into the entire situation."

Washington Post, as quoted by Morris A. Bealle: "Drew Pearson wrote a column which the Post, in the best judgment of its editors, deemed a personal attack, unfair on the face of it. The Post did not print this column. For the same reason the Post has omitted parts of all of Pearson's columns in the past."

Sumner Welles, Under Secretary of State, United States; press conference, December 28, 1940, as told by New York Times reporter: "Welles denied every detail of both accounts published by Messrs. Pearson and Allen, and quoted a letter he wrote them on December 22, asking for a retraction."

Burton K. Wheeler, U.S. Senator, Montana, as told by Representative Morrison, of Louisiana: "Senator Burton K. Wheeler, of Montana, stated Pearson had lied about him, stating that Drew Pearson was a black animal with a white stripe down his back. Wheeler declared that this very crowd in Washington, meaning Drew Pearson and his crowd, has been taught to smear every Senator and Member of the House who does not agree 100 percent with the New Deal bureaucrats."

EARL WILSON, Representative, Indiana Ninth Congressional District, on the floor of the U.S. House of Representatives, March 15, 1945: "This ruthless, double-barreled, diabolical, puerile liar, Drew Pearson. He is a liar, preceded by many uncomplimentary adjectives and is really everything he has been called and more."

Mark Woods, president, Blue Network, a subsidiary of the Radio Corp. of America, statement to the press, February 9, 1943: "While not mentioning either Mr. Winchell or Mr. Pearson by name, Mark Woods, president of the Blue Network, said that 'several

commentators have recently departed from their printed scripts to discuss issues in a biased and inflammatory manner.'"

Mr. ANDERSEN of Minnesota. What did his former mother-in-law, Eleanor Patterson say about this man during the war? Let me repeat that quote:

Incidentally, you GI Joes, when you happen to listen to the phony Quaker Pearson of a Sunday night—Bleeding Heart Drew—never forget that although he was 20 and in perfect health in 1917, he managed to "thee and thou" himself out of the service in World War I. Then, as now, Drew was a yellow-bellied slacker.

Mr. Speaker, this brings me to the horrible part of my remarks to you today. Just last week on Memorial Day while Mrs. Andersen and my son Alfred were placing flowers on the grave of my brother, who died just last August and was buried in the Fort Snelling Cemetery, this vile, corrupt creature, Drew Pearson, or one of his assistants was preparing this article. Let me read it to you:

The brother, Walter G. Andersen, suffered from shell shock during World War I and became a hopeless mental case.

Yes; he did. He was in France, in the trenches for 10 months, during World War I. He was hauling shells up to the front when the truck ahead exploded and he was shell-shocked. He was rendered helpless, and for 42 years he suffered the pangs of the damned, living in another world.

I was his guardian for 42 years. I took what care I could of him.

He was hospitalized in the Veterans Hospital at St. Cloud, Minn., for the rest of his life.

Think of that. This man gave his life for his country—is there anything wrong with our country taking care of him? But in Drew Pearson's mind this happened to be H. CARL ANDERSEN's brother.

To quote some more of the spewings of this degenerate man, this man who should never be allowed to sit up in this Press Gallery, listen to this:

Yet he continued to collect his veteran's pension even though incapable of spending the money.

That was the law. It simply accumulated in a fund that was administered by his Congressman brother.

Yes; and for 42 years I took meticulous care of that fund, and the probate court has commended me for that long guardianship of the estate, which we have just closed.

Now to further quote Drew Pearson. He says:

In 1958, however, the Representative's take in this fund was suddenly threatened. Legislation was introduced restricting the rights of relatives to inherit pension money from 'incompetent' veterans. This would have curtailed the pension the Representative's brother was accumulating. So the Representative from Minnesota carried on a vigorous but vain campaign in the Capitol cloakrooms to block the bill.

Ask yourself this question: Why does this character, Drew Pearson, bring up the subject of my brother? In 1958 I helped kill a proposed bill at the request of a fine little old lady, Mrs. Rogers, Congresswoman from Massachusetts, who

has now gone. This bill would have said to 210,000 dependents of incompetent veterans, "No, you parents cannot inherit from your son without proving yourselves to be paupers." Congresswoman Rogers came to me and said, "This bill is horrible. Won't you help to kill it?" I helped kill it. Drew Pearson says I did it because of personal interest in my brother's estate in the future. Yet I proved by the Veterans' Administration that only \$700 per share of that estate could ever revert to the Government under that proposed law.

No lobbyist came to me. Just Edith Nourse Rogers who persuaded me that that was a bad piece of legislation. There was no lobbying done. I got up on the floor here as some of you remember, and fought that situation out and temporarily won the issue that day. This damnable skunk makes use of innuendoes and half-truths, and they are worse than lies.

To read further:

This was acknowledged by his former legislative assistant, Peg Murray, who refused, however, to discuss the details.

"Congressman ANDERSEN is my friend," she finally blurted, and slammed down the phone.

Mrs. Peg Murray is a fine lady and gave wonderful service in my office prior to the time she retired, and I am proud of the fact that through the years these people who have worked for me have remained loyal to H. CARL ANDERSEN. What better tribute could a man have who has been in the Congress for 24 years?

Now listen to this, and I think here he is stooping down to a level that I hope never to see approached again in any news column by any of these men of the press. Listen to this:

Walter Andersen finally died of a heart attack last year as he stood holding a plate in a lunch line.

Now why does this damnable columnist make a statement like that? What is he inferring? Did not my brother have the right as a veteran to be in a veterans' hospital, the same right as all veterans have?

Then he says:

He left \$33,652 in accumulated pension money, a farm valued at \$21,000, and an undisclosed investment in Government bonds. The Representative has now collected his share of the estate.

This is another lie. My brother left under my trust \$51,000 in Government bonds. There was no farm. There was nothing else. Each of us received approximately \$7,000 as our share of the estate.

He does not care how he lies, my friends. I am exposing the skunk for what he is and I hope this speech will do some good to persuade the leadership that he and his minions have no place among these other fine men and women up here in the press gallery. He will lie about other Members of the House as he has lied about me. I am a great believer in laying the cards on the table in the hope that we can get that skunk out of this otherwise fine press gallery. I hope to come back in January and continue the attempt to clean out of the

press gallery these few writers who write deliberate lies. Here is one Congressman who has the guts to say what he thinks about these scoundrels. Excuse me if I am a little emotional on this matter at this point. I am disturbed because of this reference to my dead brother. I am sure any one of you would feel the same way under similar circumstances.

Then he goes on to say something further—but this has nothing to do with my brother. What I have to say about the Estes case will be said before the McClellan subcommittee. I requested a complete examination of my records by the Federal Bureau of Investigation and they have done so. I am not answering scum like Drew Pearson in reference to a case which will shortly come before a proper committee of the Congress. I stand here and say to you—I have done no wrong. My conscience is clear. I just happened to be walking by a wall when it tumbled over on me. This could have happened to any of you Members of Congress.

I have seen some of my colleagues look a little doubtful at me. You have no reason to do so. I have thought that I noticed this even among a few of my old friends.

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

Mr. ANDERSEN of Minnesota. I yield to my good friend from Iowa.

Mr. JENSEN. Have I ever treated you with anything but high respect?

Mr. ANDERSEN of Minnesota. I have never seen anything to the contrary.

Mr. JENSEN. Of course you have not. Mr. ANDERSEN of Minnesota. We are two fighting Danes, and that is why I am up here today.

Mr. JENSEN. I have held you in the highest regard. I have known you 24 years. I sat with you in the Appropriations Committee for 20 years. I have never seen you do anything that was not upright and honest.

Mr. ANDERSEN of Minnesota. Thank you very much, Mr. JENSEN.

Mr. JENSEN. Let me say this to you, Mr. ANDERSEN, that I respect you for doing exactly what you have done in the past.

Mr. ANDERSEN of Minnesota. Thank you sir.

Mr. JENSEN. Certainly the man who has condemned you and written about you wrote about me a number of times and then finally really told a big one on me and I sent word to the gentleman that he had best not ever mention my name again, either good or bad in his dirty column, and he has not mentioned my name in his column since—and he better not mention it.

Mr. ANDERSEN of Minnesota. Mr. JENSEN, I want to say this, I do not know of a better man on the floor of the House than Mr. BEN JENSEN.

My friends, I have tried to make my case. I appreciate the understanding with which all of you have listened to me, and I repeat again that H. CARL ANDERSEN has never done anything wrong in connection with the Estes affairs. My conscience is clear, so help me God.

I thank you, Mr. Speaker.

## AMENDMENTS TO NATIONAL SCHOOL LUNCH ACT

The SPEAKER pro tempore (Mr. ALBERT). The unfinished business is the vote on the motion offered by the gentleman from Ohio [Mr. ASHBROOK] to recommit the bill (H.R. 11665) to revise the formula for apportioning cash assistance funds among the States under the National School Lunch Act, and for other purposes.

The question is on the motion to recommit.

The question was taken, and the Speaker pro tempore announced that the "ayes" had it.

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

The SPEAKER pro tempore. The Chair will count. [After counting.] One hundred and thirty Members are present, not a quorum.

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

Mr. OSTERTAG. Mr. Speaker, a point of order.

The SPEAKER pro tempore. The gentleman will state it.

Mr. OSTERTAG. Mr. Speaker, is this a straight motion to recommit?

The SPEAKER pro tempore. That is not a point of order.

Mr. OSTERTAG. A parliamentary inquiry.

The SPEAKER pro tempore. The gentleman will state his parliamentary inquiry.

Mr. OSTERTAG. I want to know what we are voting on, whether we are voting on a motion to recommit with instructions, or on a straight motion to recommit.

The SPEAKER pro tempore. It is a motion to recommit, with instructions.

The Clerk will call the roll.

The question was taken; and there were—yeas 159, nays 221, not voting 57, as follows:

### [Roll No. 99]

#### YEAS—159

Adair	Chenoweth	Halleck
Alger	Chiperfield	Halpern
Andersen,	Church	Harrison, Wyo.
Minn.	Clancy	Harsha
Anderson, Ill.	Collier	Harvey, Ind.
Arends	Conte	Harvey, Mich.
Ashbrook	Corbett	Hiestand
Auchincloss	Cramer	Hoeven
Avery	Cunningham	Hoffman, Ill.
Baker	Curtin	Hosmer
Baldwin	Curtis, Mo.	Jensen
Barry	Dague	Johansen
Bass, N.H.	Derounian	Jonas
Bates	Derwinski	Judd
Battin	Dole	Keith
Becker	Dominick	Kilburn
Beckworth	Dorn	King, N.Y.
Beermann	Durno	Knox
Belcher	Dwyer	Kunkel
Bell	Ellsworth	Kyl
Bennett, Mich.	Fenton	Laird
Berry	Findley	Langen
Betts	Fino	Latta
Bow	Ford	Lindsay
Bray	Frelinghuysen	Lipscomb
Broomfield	Garland	McCulloch
Brown	Gavin	McIntire
Broyhill	Glenn	McVey
Bruce	Goodell	Mailliard
Byrnes, Wis.	Goodling	Martin, Mass.
Cahill	Griffin	Martin, Nebr.
Cederberg	Gross	Mason
Chamberlain	Gubser	Mathias
	Hall	May

Merrow  
Michel  
Miller, N.Y.  
Milliken  
Minshall  
Moorehead,  
Ohio  
Morse  
Mosher  
Nelsen  
Norblad  
Nygaard  
Osmer  
Ostertag  
Pelly  
Pillion  
Pirnie  
Poff  
Quile  
Ray

Reifel  
Rhodes, Ariz.  
Riehlman  
Robison  
Roudebush  
St. George  
Saylor  
Schadeberg  
Schenck  
Scherer  
Schneebeil  
Schweiker  
Schwengel  
Scranton  
Shipley  
Short  
Shriver  
Siler  
Smith, Calif.  
Springer

Stafford  
Taber  
Teague, Calif.  
Thomson, Wis.  
Tollefson  
Tupper  
Utt  
Van Pelt  
Van Zandt  
Waggonner  
Wallhauser  
Weaver  
Wells  
Whalley  
Wilson, Calif.  
Wharton  
Widnall  
Wilson, Ind.  
Younger

#### NAYS—221

Abbitt	Griffiths	O'Brien, Ill.
Abernethy	Hagan, Ga.	O'Brien, N.Y.
Addabbo	Hagen, Calif.	O'Hara, Ill.
Albert	Haley	O'Hara, Mich.
Alexander	Hansen	Olsen
Andrews	Harding	O'Neill
Anfuso	Hardy	Passman
Aspinall	Harris	Patman
Bailey	Harrison, Va.	Perkins
Barrett	Hays	Pfost
Bass, Tenn.	Healey	Pike
Bennett, Fla.	Hechler	Poage
Blatnik	Hemphill	Powell
Blitch	Henderson	Price
Boggs	Herlong	Pucinski
Bolling	Hollifield	Purcell
Bonner	Holland	Randall
Brademas	Huddleston	Reuss
Breeding	Hull	Rhodes, Pa.
Brewster	Ichord, Mo.	Riley
Brooks	Inouye	Rivers, Alaska
Buckley	Jarman	Rivers, S.C.
Burke, Ky.	Jennings	Roberts, Ala.
Burke, Mass.	Joelson	Roberts, Tex.
Burleson	Johnson, Calif.	Rodino
Byrne, Pa.	Johnson, Md.	Rogers, Colo.
Cannon	Johnson, Wis.	Rogers, Fla.
Carey	Jones, Mo.	Rogers, Tex.
Casey	Karsten	Rooney
Celler	Kastenmeier	Roosevelt
Chelf	Kee	Rosenthal
Clark	Kelly	Rostenkowski
Cohelan	Kilgore	Rough
Cook	King, Calif.	Rutherford
Cooley	King, Utah	Ryan, Mich.
Corman	Kirwan	Ryan, N.Y.
Daniels	Kluczynski	Santangelo
Davis,	Kornegay	Scott
James C.	Kowalski	Selden
Davis, John W.	Landrum	Shelley
Dawson	Lane	Sheppard
Delaney	Lankford	Sikes
Denton	Lennon	Sisk
Dingell	Lesinski	Slack
Dowdy	Libonati	Smith, Iowa
Downing	McDonough	Smith, Va.
Doyle	McDowell	Staggers
Dulski	McFall	Steed
Edmondson	McSweeney	Stephens
Elliott	Macdonald	Stratton
Everett	Mack	Stubblefield
Fallon	Madden	Sullivan
Farbstein	Mahon	Taylor
Feighan	Matthews	Thompson, La.
Finnegan	Miller, Clem	Thompson, N.J.
Fisher	Mills	Thompson, Tex.
Flynt	Moeller	Thornberry
Forrester	Monagan	Toll
Fountain	Montoya	Tuck
Frazier	Moore	Udall, Morris K.
Friedel	Moorhead, Pa.	Ullman
Fulton	Morgan	Vanik
Gallagher	Morris	Vinson
Garmatz	Morrison	Walter
Gary	Moss	Watts
Gathings	Moulder	Whitener
Gialmo	Multer	Wickersham
Gilbert	Murphy	Willis
Gonzalez	Murray	Winstead
Granahan	Natcher	Wright
Grant	Nedzi	Yates
Gray	Nix	Young
Green, Oreg.	Norrell	Zablocki
Green, Pa.		Zelenko

#### NOT VOTING—57

Addonizio	Bromwell	Diggs
Alford	Coad	Donohue
Ashley	Colmer	Dooley
Ashmore	Curtis, Mass.	Evins
Daddario	Davis, Tenn.	Fascell
Dent	Devine	Flood
Boykin		Fogarty
		Hébert



Hoffman, Mich. Meader  
Horan Miller  
Jones, Ala. George P.  
Kearns O'Konski  
Keogh Peterson  
Kitchin Philbin  
Loser Pilcher  
McMillan Rains  
MacGregor Reece  
Magnuson Rousselot  
Marshall St. Germain Williams

So the motion to recommit was rejected.

The Clerk announced the following pairs:

On this vote:

Mr. Kearns for, with Mr. Keogh against.  
Mr. MacGregor for, with Mr. Hébert against.

Mrs. Bolton for, with Mr. O'Konski against.

Mr. Devine for, with Mr. Fogarty against.  
Mr. Rousselot for, with Mr. Saund against.

Until further notice:

Mr. McMillan with Mr. Bromwell.  
Mr. Loser with Mr. Curtis of Massachusetts.  
Mr. Ashley with Mr. Westland.  
Mr. Kitchin with Mr. Meader.  
Mr. Alford with Mr. Sibal.  
Mr. Dent with Mr. Horan.  
Mr. Daddario with Mrs. Reece.  
Mr. Donohue with Mr. Seely-Brown.  
Mr. Philbin with Mr. Dooley.

The result of the vote was announced as above recorded.

The doors were opened.

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

Mr. FRELINGHUYSEN. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The question was taken; and there were—yeas 370, nays 11, not voting 56, as follows:

[Roll No. 100]

YEAS—370

Abbt Buckley Dulski  
Abernetthy Burke, Ky. Durno  
Adair Burke, Mass. Dwyer  
Addabbo Burleson Edmondson  
Albert Byrne, Pa. Elliott  
Alexander Byrnes, Wis. Everett  
Anderson, Ill. Cahill Fallon  
Andrews Cannon Farbstein  
Anfuso Carey Fascell  
Arends Casey Feighan  
Aspinall Cederberg Fenton  
Auchincloss Celler Findley  
Avery Chamberlain Finnegan  
Ayres Chelf Flno  
Bailey Chenoweth Flynt  
Baker Chipfield Ford  
Baldwin Church Forrester  
Baring Clancy Fountain  
Barrett Clark Frazier  
Barry Cobelan Frelinghuysen  
Bass, N.H. Collier Friedel  
Bass, Tenn. Conte Fulton  
Bates Cook Gallagher  
Battin Cooley Garland  
Becker Corbett Garmatz  
Beckworth Corman Gary  
Belcher Cramer Gathings  
Bell Cunningham Gavin  
Bennett, Fla. Curtin Gialmo  
Bennett, Mich. Curtis, Mo. Gilbert  
Berry Daddario Glenn  
Betts Dague Gonzalez  
Blatnik Daniels Goodling  
Blitch Davis Granahan  
Boggs James C. Grant  
Bolling Davis, John W. Gray  
Bonner Dawson Green, Oreg.  
Bow Delaney Green, Pa.  
Brademas Denton Griffin  
Bray Derounian Griffiths  
Breeding Derwinski Gross  
Brewster Dingell Gubser  
Bromwell Dole Hagan, Ga.  
Brooks Dominick Hagen, Calif.  
Broomfield Dorn Haley  
Brown Dowdy Hall  
Broyhill Downing Halleck  
Bruce Doyle Halpern

Hansen  
Harding  
Hardy  
Harris  
Harrison, Va.  
Harrison, Wyo.  
Harsha  
Harvey, Ind.  
Harvey, Mich.  
Hays  
Healey  
Hechler  
Hemphill  
Henderson  
Herlong  
Hiestand  
Hoeven  
Hoffman, Ill.  
Hollifield  
Holland  
Hosmer  
Huddleston  
Hull  
Ichord, Mo.  
Inouye  
Jarman  
Jennings  
Jensen  
Joelson  
Johnson, Calif.  
Johnson, Md.  
Johnson, Wis.  
Jonas  
Jones, Mo.  
Judd  
Karsten  
Karth  
Kastenmeier  
Kee  
Keith  
Kelly  
Kilburn  
Kilgore  
King, Calif.  
King, N.Y.  
King, Utah  
Kirwan  
Kluczynski  
Knox  
Kornegay  
Kowalski  
Kunkel  
Kyl  
Laird  
Landrum  
Lane  
Langen  
Lankford  
Latta  
Lennon  
Lesinski  
Libonati  
Lindsay  
Lipscomb  
McCulloch  
McDonough  
McDowell  
McFall  
McIntire  
McSweeney  
McVey  
Macdonald  
Madden  
Mahon  
Mallard  
Martin, Mass.

Martin, Nebr.  
Mathias  
Matthews  
May  
Morrow  
Miller, Clem  
Miller, George P.  
Miller, N.Y.  
Milliken  
Mills  
Minshall  
Moeller  
Monagan  
Montoya  
Moore  
Moorehead, Ohio  
Moorhead, Pa.  
Morgan  
Morris  
Morrison  
Morse  
Mosher  
Moss  
Moulder  
Multer  
Murphy  
Murray  
Natcher  
Nelsen  
Nix  
Norblad  
Norrell  
Nygaard  
O'Brien, Ill.  
O'Brien, N.Y.  
O'Hara, Ill.  
O'Hara, Mich.  
Olsen  
O'Neill  
Osmers  
Ostertag  
Passman  
Patman  
Pelly  
Perkins  
Pfost  
Pike  
Pillion  
Pirnie  
Poage  
Poff  
Price  
Pucinski  
Purcell  
Quile  
Randall  
Reifel  
Reuss  
Rhodes, Ariz.  
Rhodes, Pa.  
Riehlman  
Riley  
Rivers, Alaska  
Rivers, S.C.  
Roberts, Ala.  
Roberts, Tex.  
Robison  
Rodino  
Rogers, Colo.  
Rogers, Fla.  
Rogers, Tex.  
Rooney  
Roosevelt  
Rosenthal  
Rostenkowski

NAYS—11

Alger  
Andersen, Minn.  
Ashbrook  
Beermann  
Goodell  
Johansen  
Mason  
Michel  
Ray  
Taber  
Waggonner

NOT VOTING—56

Addonizio  
Alford  
Ashley  
Ashmore  
Boland  
Bolton  
Boykin  
Coad  
Colmer  
Curtis, Mass.  
Davis, Tenn.  
Dent  
Devine  
Diggs  
Donohue  
Dooley  
Ellsworth  
Evins  
Fisher  
Flood  
Fogarty  
Hébert  
Hoffman, Mich.  
Horan  
Jones, Ala.  
Kearns  
Keogh  
Kitchin  
Loser  
McMillan  
MacGregor  
Magnuson  
Marshall  
Meador  
Nedzi  
O'Konski  
Peterson  
Philbin  
Pilcher  
Powell  
Rains  
Reece  
Rousselot  
Ryan, Mich.  
St. Germain  
Saund  
Seely-Brown  
Sibal  
Smith, Miss.  
Spence  
Teague, Tex.  
Thomas  
Westland  
Whitten  
Williams

So the bill was passed.

The Clerk announced the following pairs:

Mr. Hébert with Mrs. Bolton.  
Mr. Fogarty with Mr. Sibal.  
Mr. Keogh with Mr. O'Konski.  
Mr. McMillan with Mr. Ellsworth.  
Mr. Loser with Mr. MacGregor.  
Mr. Ashley with Mr. Kearns.  
Mr. Scherer with Mr. Devine.  
Mr. Donohue with Mr. Westland.  
Mr. Philbin with Mr. Dooley.  
Mr. Alford with Mr. Seely-Brown.  
Mr. Diggs with Mr. Rousselot.  
Mr. St. Germain with Mr. Horan.  
Mr. Kitchin with Mr. Meader.  
Mr. Peterson with Mrs. Reece.  
Mr. Evins with Mr. Hoffman of Michigan.  
Mr. Ashmore with Mr. Curtis of Massachusetts.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

Mr. ALGER. Mr. Speaker, once again I find it necessary to take the floor to protest the continuation of the school lunch program as unconstitutional and outside the jurisdiction of the Federal Government. I want to make it clear to my colleagues that I am wholeheartedly in favor of schoolchildren drinking milk and having enough to eat, but I am wholly against the Federal Government providing food, clothing, or other necessities of life. In our free Republic this is not the function of the Federal Government.

I protest, too, the confusion of the intent of Congress in the continuation of this program. When Federal assistance to school lunch programs was started in the midthirties it was for the purpose of helping to dispose of surplus agriculture commodities. We have now expanded the program to the point where the President creates surpluses to provide school lunches in order to carry on a Government-sponsored plan for proper nutrition. Again, I say, this is not the role of the Federal Government.

It is time we in Congress stand on constitutional principles before we vote to continue old programs or institute new ones which violate the Constitution. It was on the basis of principle that the school board of the Richardson, Tex., school district only last night voted to discontinue Federal assistance for its school lunch program in spite of the fact that such assistance totaled some \$130,000 in the past fiscal year. This is the kind of responsible action our citizens are prepared to take. Surely Congress can do no less.

#### GENERAL LEAVE TO EXTEND

Mr. BAILEY. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to extend their remarks on the bill just passed.

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

There was no objection.

#### PERSONAL ANNOUNCEMENT

Mr. TRIMBLE. Mr. Speaker, in roll-call No. 99 I was unavoidably absent. Had I been present, I would have voted "nay."

## TAX RATE EXTENSION ACT OF 1962

Mr. DELANEY. Mr. Speaker, by direction of the Committee on Rules, I call up House Resolution 675 and ask for its immediate consideration.

The Clerk read as follows:

*Resolved*, That upon the adoption of this resolution, it shall be in order to move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 11879) to provide a one-year extension of the existing corporate normal-tax rate and of certain excise-tax rates, and for other purposes, and all points of order against said bill are hereby waived. That after general debate, which shall be confined to the bill, and shall continue not to exceed three hours, to be equally divided and controlled by the chairman and ranking minority member of the Committee on Ways and Means, the bill shall be considered as having been read for amendment. No amendment shall be in order to said bill except amendments offered by direction of the Committee on Ways and Means, and said amendments shall be in order, any rule to the contrary notwithstanding. Amendments offered by direction of the Committee on Ways and Means may be offered to any section of the bill at the conclusion of the general debate, but said amendments shall not be subject to amendment. At the conclusion of the consideration of the bill for amendment, the Committee shall rise and report the bill to the House with such amendments as may have been adopted, and the previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion, except one motion to recommit.

Mr. DELANEY. Mr. Speaker, I yield 30 minutes to the gentleman from Ohio [Mr. BROWN]; pending that I yield myself such time as I may consume.

Mr. Speaker, House Resolution 675 provides for the consideration of H.R. 11879, a bill to provide a 1-year extension of the existing corporate normal-tax rate and of certain excise-tax rates, and for other purposes. The resolution provides for a closed rule, waiving points of order, with 3 hours of general debate.

H.R. 11879 continues the present corporate tax rate and certain existing excise tax rates for 1 year. In addition, it continues for 6 months the present 10-percent tax with respect to the transportation of persons. At that time, the bill provides for the expiration of the excise tax on all forms of transportation of persons except transportation of persons by air. The tax on the transportation of persons by air is continued for an additional 6 months, or until July 1, 1963, but at a 5-percent rather than a 10-percent rate.

The existing tax rates which this bill continues for 1 year, or until July 1, 1963, are the present 52 percent corporate income tax rate, which would otherwise revert to 47 percent, and the present rates of excise tax on distilled spirits, beer, wine, cigarettes, passenger cars, automobile parts and accessories, and general telephone service. All of the taxes affected by this bill, except those relating to general telephone service and transportation of persons, are taxes which were increased at the time of the Korean war. The Tax Rate Extension Act of 1959 added the latter two taxes to the list of taxes subject to automatic reduction.

If the bill were not enacted, it is estimated that there would be a revenue loss of from \$4 to \$4.3 billion in a full year of operation and a loss of revenue in the fiscal year 1963 of from \$2.7 to \$2.9 billion.

Mr. Speaker, I know of no opposition to the rule and I urge the adoption of the resolution.

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

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

Mr. GROSS. Did the gentleman say that all or nearly all of these taxes were levied during the Korean war?

Mr. DELANEY. That is right.

Mr. GROSS. The taxes were initiated or were increased as a result of the Korean war; is that correct?

Mr. DELANEY. That is correct.

Mr. GROSS. Is the Korean war over?

Mr. DELANEY. The gentleman and I both know that we still have the same conditions now that existed then.

Mr. GROSS. Perhaps this question should be asked of the chairman of the Committee on Ways and Means, and if the gentleman cannot answer it I shall ask the gentleman from Arkansas, the chairman of the committee, why there is in this bill each year an extension of the tax on luxuries as well as on essentials? Why we do not have a bill or legislative procedure by which we can, if we desire, vote to continue the tax on nonessentials and vote against a continuation of the taxes on essentials?

Mr. DELANEY. According to the testimony before the Committee on Rules, the chairman of the Committee on Ways and Means explained that they did not have sufficient time to cover some new taxes that will be here later, for example, the fuel tax on jets. Some of these taxes will automatically expire at the end of this year, except as relates to the transportation by air. I think the gentleman will get a full explanation in committee.

Mr. GROSS. If the gentleman will yield further, I was reading in the newspapers of the position of the Secretary of the Treasury, Mr. Dillon, who now says that next year the Kennedy administration will call for an income tax reduction. Does this bill have the approval of Mr. Dillon?

Mr. DELANEY. I understand that Mr. Dillon does approve of this bill, but that question could be better asked of the chairman of the Committee on Ways and Means, who will take the floor immediately on the adoption of the rule.

Mr. GROSS. I thank the gentleman from New York.

Mr. BROWN. Mr. Speaker, I yield myself such time as I may consume, and ask unanimous consent to revise and extend my remarks.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

Mr. BROWN. Mr. Speaker, as the gentleman from New York [Mr. DELANEY], a member of the Committee on Rules, has so ably explained, this rule does make in order, with 3 hours of general debate, the consideration of the bill H.R. 11879, under a closed or gag rule that will prevent the offering or

consideration of any amendments except those that may be submitted by the Committee on Ways and Means.

So here we are back again with another closed or gag rule before the House, on the theory the House itself is unable to work its own will on tax legislation, when the only real question before this body is whether or not we shall extend for another year the so-called Korean War Emergency Tax Act, although the Korean war, that is, the fighting, at least, of that war, has been over for 9 long years.

What I am about to say I hope will not be considered any reflection of any kind upon the Committee on Ways and Means of this House, which is a very able legislative committee charged with great responsibility, and especially no reflection upon the chairman of that great committee [Mr. MILLS], for whom I have profound respect, admiration, and affection, and with whom I have served for nearly a quarter of a century in this House. I realize that perhaps the Committee on Ways and Means, and especially its chairman, have had the greatest responsibility and the most difficult legislation submitted to them, and placed upon him for consideration during the past year of any committee or chairman in the history of this Congress.

Yet as I look at this legislation which is to be considered here today I cannot help but wonder, in view of recent events, why it is before us now.

The rule on this bill was requested, as I recall, early this week. The hearings were held yesterday. The measure is being considered today. This is a bill to extend for another year the Korean war emergency tax rates on corporation income, 30 percent on the first \$25,000 of net corporate earnings and 52 percent upon all net earnings above the first \$25,000. It carries an increase in each bracket of corporate tax rates of 5 percent. And, to continue as the gentleman from New York has explained, the bill provides for the imposition of a number of war emergency excise taxes for another year which would otherwise expire as of midnight, September 30, unless this bill becomes law.

The bill also carries, as the gentleman from New York has explained, another provision which would on December 31, midnight next, eliminate the present 10 percent excise tax on transportation of passengers by rail, by ship, and by bus, and would reduce from 10 percent to 5 percent the excise tax on transportation of passengers by airplane.

But, I am intrigued by the fact that while the committee reported this bill, I believe late last week, the application for the rule was heard by the Committee on Rules yesterday, and the bill is before us here today, on Wednesday of this week, that on Monday, 48 hours ago, the great, able and distinguished Secretary of the Treasury, who has the reputation of being an able financier, and an equally great authority on taxes, speaking in New York before a group of financial writers, stated this administration, which he represented and does represent, expected to submit to the Congress, before this session is adjourned, a bill to



reduce Federal taxes. If I understand correctly, reference was made by the Secretary not only to individual income taxes, but to corporate income tax rates as well. And, being of inquiring mind, I am just wondering why, if this administration and our great Secretary of the Treasury are so interested in tax reductions, and feel that tax reductions are so necessary for the welfare and benefit of the Nation, why they are today asking the Congress to enact this particular bill so as to extend for another year these Korean war emergency taxes which fixed these high tax rates—the highest in the history of the Nation, with the exception of the war years when we had excess profit taxes—the highest rates ever levied against corporations in peacetime, as I have said. Why do they not eliminate or reduce these taxes at this time?

In other words, if a tax reduction is such a good thing that they will submit a tax cutting program to the Congress before adjournment—which I understand is scheduled to come sometime before the congressional elections this November—if it is wise and necessary to submit legislation of that kind at that time—why would it not also be wise and necessary, in the interest of reducing the tax burden on the American people, in order to spur economic activity in this country and to fight off any possibility of a depression as the result of continued deficit financing, in which we have engaged—requiring increasing of the national debt to the highest point in all the history of this Nation or of any other nation, for that matter—to start with tax reduction right now by having the administration ask and request that the Congress not extend this so-called Korean War Emergency Tax Act for another year.

They leave out the Korean war emergency, of course, in the title of this bill because that war has been over, as I said a few moments ago, 9 long years.

If it is a good thing—and perhaps there may be some grave question about it—to reduce taxes on the American people next January, as we are being told the administration will at least propose some time between now and the adjournment of Congress; or, perhaps I should say will at least request—if it is a good thing to do effective December 31, or beginning January 1 of next year, why would it not be a good thing to reduce taxes right now, a good thing for the American people, and American business and industry which seemingly has been recently stricken by economic fears, to say the least, as to what may happen next in this country. Why would it not be a good idea, a good policy, and the better part of wisdom, to take such action right now, and to say to American industry and business, "We are going to lighten the tax burden on you so as to help you survive the present economic squeeze, to help solve the present unemployment situation, to create greater economic activities," as I believe the Secretary used the phrase when he was describing this proposed fine new tax reduction bill that will be offered to the American people, I presume early in September, or perhaps a little later if Con-

gress remains in session, but certainly before the next election rolls around. Either you believe in tax reduction, and believe it is necessary, or you do not believe in tax reduction.

Can it be, as some of the whispers heard about this proposed tax reduction bill to the effect that actually it will reduce income taxes in certain brackets percentage-wise but at the same time will make taxable a great deal of income now exempt, even going so far as to tax the benefits received by those under social security, or unemployment compensation, or as retirement, or the interest received on tax-exempt bonds, or perhaps make subject to tax the interest on loans individuals must pay on homes they are attempting to purchase?

So I cannot help but come to the conclusion—and I am speaking very frankly at this time about tax reduction in view of the fact that we have a bill here before us today to extend present taxes, which would otherwise expire on June 30, for another year—that if tax reduction is proposed by the Secretary of the Treasury, will be a good thing in January, would not such tax reduction be good right now. Perhaps the whole new tax proposal is thrown out as a sort of bait, if I may use that phrase, for the consumption of the gullible among our population, in hope they may believe that if they will support this administration's programs, if they will go along and reelect a Democratic Congress in November then they will get tax reduction next January. Certainly all this is an interesting development, this that is happening here today, and this proposal that is being made by the Secretary of the Treasury at this particular time.

I believe it will be most interesting for the Members of this body, and for the people of the United States generally, to keep tab on what happens from now on out in connection with this proposed tax reduction bill that will be submitted to us, as the Secretary of the Treasury has said, sometime before this session of Congress adjourns.

Again, and in conclusion, I would like to ask this very simple question, which I believe the American people have the right to have answered. If a tax reduction is necessary, why wait until after the elections? Why wait until January 1? If the American people deserve and need tax reductions to spur economic activities in this country, as is claimed may be needed, then why not act now, when the opportunity is right here? Why wait? Why throw out this so-called bait late next August or in September, or perhaps early in October?

That is a question I believe many Americans will be asking in the weeks and months ahead.

I have raised this question because I believe it is worthy of study, and even more worthy of a definite answer from the administration.

Mr. Speaker, I reserve the balance of my time.

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

The previous question was ordered.

The SPEAKER. The question is on the resolution.

The resolution was agreed to.

Mr. MILLS. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill H.R. 11879.

The motion was agreed to.

Accordingly, the House resolved itself into the Committee of the Whole House on the State of the Union for the consideration of the bill H.R. 11879, with Mr. DELANEY in the chair.

The Clerk read the title of the bill.

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

Mr. MILLS. Mr. Chairman, I yield myself 15 minutes.

Mr. Chairman, once again, as has been the case in every year since 1954, it is incumbent upon the membership of the Committee on Ways and Means to recommend to the House the passage of a bill providing for an extension of certain tax rates that were initially levied during the period of the Korean conflict and which would otherwise expire on June 30 of this year.

Mr. Chairman, one of the basic issues that is involved in the pending bill is fiscal responsibility. Either we are going to continue to impose taxes at rate levels that will currently produce the revenues that are required for the responsible financing of Government, or we are not.

Mr. Chairman, the membership of the committee does not relish the task of recommending the extension of tax rates which have been previously indicated by me to have been enacted initially on a temporary basis and which we are recommending be again extended on a temporary basis. There are certain factors, however, which led the committee to feel that there was justification for this recommendation to the House.

In the first place, Mr. Chairman, there is some \$4 billion of revenue in a full year involved in the differences between the rates of taxation that would be continued in effect by this proposal and what they would be reduced to under existing law. Our fiscal situation, Mr. Chairman, undoubtedly is such that we could not expect to have a balanced budget on the basis of existing facts and provide for a reduction of as much as \$4 billion of revenue in a full year. And, secondly, Mr. Chairman, if the Congress should reach the conclusion that taxes should be reduced now or at some time in the future, the Congress might want to select a different pattern for tax reduction from that pattern which exists in these so-called Korean tax rates. Thus, Mr. Chairman, we think it advisable at this time, at least, to provide for the 1-year extension of these taxes recommended by the committee.

Mr. Chairman, these taxes that we are talking about are the difference between 30 percent and 25 percent in the normal tax on corporate income; the difference between \$10.50 and \$9 per proof gallon on distilled spirits; the difference between \$9 and \$8 per barrel on beer; the difference in the rate of taxation on wines of approximately 11 percent; the difference between \$4 and \$3.50 per thousand on cigarettes; the difference in the tax on passenger cars of 10 percent and 7 percent of the manufac-

turer's price; the difference in the tax on automobile parts and accessories of 8 percent to 5 percent on the manufacturer's price; and the difference between 10 percent and 0 percent on the general telephone service.

There is one change, Mr. Chairman, that the committee has recommended in these taxes, and this particular tax is not one of the so-called Korean taxes. That has to do with the tax on the transportation of persons, and I want to speak briefly about that, Mr. Chairman. It will be recalled that this tax at one time was 15 percent of the fare. That was reduced after the Korean conflict to 10 percent of the fare charged.

The President recommended, Mr. Chairman, that this tax with respect to travel on trains, buses, and waterways be eliminated at the close of business on June 30 of this year, but that it continue for the remainder of the year at 10 percent on airline tickets. On January 1, 1963, he recommended that 10-percent rate on those tickets be reduced to 5 percent, but, at the same time, that there be instituted for the first time a 2-cent-per-gallon tax on jet fuel used by commercial airlines, 3 cents per gallon on fuel used by private passenger airplanes, and also that there be imposed for the first time a tax of 2 cents a gallon on fuel used in transportation on our inland waterways.

Mr. Chairman, it was decided by the committee that we did not have time this year to conduct the lengthy hearings that would be necessarily involved in those suggestions, and to make recommendations to the Congress with respect to them, certainly in time for these rates to go into effect on January 1 next. So, in lieu of that, rather than to reduce revenue in the process of making a change in this pattern, the committee is recommending to you in this bill that the 10-percent rate of taxation on transportation of persons on all modes of transportation where the tax applies remain at 10 percent until December 31 of this year. At that time the tax would drop to zero on tickets purchased for transportation on railroads, buses, or waterways. It would drop to 5 percent from 10 percent on tickets purchased for airline transportation, and that 5 percent on airlines would remain in effect for 6 months, and expire on June 30, 1963.

This combination and this pattern develops about \$18 million more revenue, in fact, than would the result from the enactment of the proposal of the President, had it been included in the bill. Now, this gives the committee and the Congress the opportunity of going into these so-called user taxes with respect to airlines and bargelines next year, since the committee could not do it this year. That is the only change, actually, Mr. Chairman, between this program recommended today by the committee and the program that the committee brought to the House involving this subject matter last year.

Mr. Chairman, I would feel that it is incumbent upon us to take this action recommended by the committee today. I trust that the House will see fit to ac-

cept the recommendation and pass this legislation.

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

Mr. MILLS. I would be glad to yield to the gentleman from Iowa.

Mr. GROSS. I would like to address the question to the gentleman from Arkansas that I addressed to the gentleman from New York [Mr. DELANEY] a little while ago: Why are we confronted with a bill each year for the extension of these taxes that includes the tax upon liquor and other luxuries—beer, perfume and so on and so forth—in the same bill with a continuation of war-levied taxes upon essentials?

Why is not the tax upon luxuries taken out of this bill and made permanent, if we must have this additional tax revenue? Is it for the purpose of carrying this bill through—the thought that the taxes upon these nonessentials will carry this bill through? What is it?

Mr. MILLS. No; that has nothing to do with it. The gentleman's party, represented by President Eisenhower, first recommended to us a continuation in 1954 of these taxes. That recommendation was for 1 year. President Eisenhower and President Kennedy have been very nonpartisan about this matter. They have both made the same recommendation to us, that it be for a 1-year extension each time. There has been no recommendation to us that we make these taxes permanent.

Now, Mr. Chairman, the gentleman from Iowa talks in terms of a division between the taxes in this bill that are on essential and nonessential items. Let me remind the gentleman that insofar as the excise taxes are concerned, we are talking about taxes on distilled spirits, beer, wine, cigarettes, the manufacturer's tax on automobiles and parts, that were raised during the Korean war.

The tax on transportation of persons, the tax on general telephone service, were not in the Korean proposals to begin with. These items were written in by the Senate for termination, as I recall, in 1959. In the conference we prevailed upon the Senators not to insist upon a termination of these taxes nor an immediate reduction in these taxes, whichever happened to be the case. We asked them to agree to continue the existing rates of tax for 1 year. So, since 1959 we have included the telephone service tax and the transportation-of-persons tax, although they were not Korean taxes to begin with in the package that we refer to as the Korean extension bill. Those are items that were put in here that were not initially in this field of so-called Korean war taxes.

The tax on corporations which was raised from 25 percent to 30 percent was a Korean tax. I do not know, among these excises, which of these the gentleman would refer to as Korean taxes. I am not talking about the telephone tax or the tax on transportation of persons as being on essential items or nonessential items.

Certainly I would agree with the gentleman that a man could live without cigarettes, a man could live without dis-

tilled spirits or beer or wine. Maybe those are the ones the gentleman has in mind as being nonessential items.

Mr. GROSS. And the gentleman could live without perfume, could he not?

Mr. MILLS. That is only incidentally involved here.

Mr. GROSS. I thought that was one of these taxes.

Mr. MILLS. The tax on perfume is involved here, but only to the extent that distilled spirits are used in the manufacture of perfume; but to answer the gentleman's earlier question, yes, I could live without it.

Mr. GROSS. If the gentleman will yield further, I would like at the outset to say that I do not share some of the so-called bipartisan play, or whatever you want to call it, that goes on between President Eisenhower and President Kennedy, particularly with respect to free trade, the foreign giveaway program, and some of those other programs.

Mr. MILLS. I am sure that the gentleman will, with respect to the trade program, when we bring it out here. I am sure the gentleman will be for that because in that program we are facing up to what the gentleman has called to our attention; this matter of the most-favored-nation treatment for Poland and Yugoslavia. We are taking that away from those countries, and I am sure the gentleman would not want to vote against the bill that did that.

Mr. GROSS. If I am 16 feet under and cannot remonstrate, I will be for it; but that is the only way I will be for it.

Mr. MILLS. I know the gentleman will be here; I have every confidence he will be here and that he will support that program when it comes up.

Mr. GROSS. Mr. Chairman, I appreciate the history that the gentleman has given us with respect to the items contained in this bill.

Mr. MILLS. I would suggest the gentleman look at page 3 of the report.

Mr. GROSS. But I am still at a loss to understand why they cannot be separated.

Mr. MILLS. I do not quite understand what the gentleman means by separated. Would the gentleman impose a permanent tax on wines, beers, whisky, and cigarettes?

Mr. GROSS. I would not be opposed to that, but we are put in the position here of having to vote for a bill, or of not voting against a tax upon what I consider and I think most people consider to be luxuries.

Mr. MILLS. Which of these taxes would the gentleman like to reduce at this time?

Mr. GROSS. I would like to continue the tax upon the luxury items contained in this bill and vote against the continuation of the excises that were levied as a result of the Korean war.

Mr. MILLS. Which ones?

Mr. GROSS. You have the telephone tax.

Mr. MILLS. That is not one of the Korean taxes; I have already called the gentleman's attention to that.

Mr. GROSS. I do not care; let us say "the taxes" period.

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



Mr. MILLS. I yield to the gentleman. Mr. MONAGAN. The gentleman has said, I believe, that the President recommended that the tax on transportation be terminated as of June 30.

Mr. MILLS. With respect to train, bus, and waterway transportation of persons.

Mr. MONAGAN. The committee has not followed that recommendation, as I understand it?

Mr. MILLS. That is right.

Mr. MONAGAN. Some of us in Connecticut have a railroad problem in relation to the New Haven Railroad. We had hoped that the committee might have recommended the termination of this tax as of June 30 because of its effect upon the New Haven road.

Mr. MILLS. I understand that problem. Some of them, including the gentleman, have talked to me about it. I have a great sympathy for the situation that exists in the gentleman's section with respect to this matter. I know it is of concern to the several Governors of the New England area and other areas where there is a great deal of commuter service rendered by railroads.

This follows the pattern that I outlined of eliminating these taxes on December 31. It is my understanding that these railroads in the East intend to ask for rate increases, fare increases, that will absorb this 10-percent tax. People will not at that point be any better off, but the 10 percent coming to the Government will be converted to income for the railroads. I want everybody to understand that. I am told that is what will happen when this tax goes off. I do not know whether or not that was the reason for that suggestion. It takes some time to get these rate adjustments into effect. I think the gentleman would perhaps admit that it would be rather unusual for these applications to be processed by the Interstate Commerce Commission, and rate adjustments go into effect for the benefit of the railroads much earlier than January 1, anyway. These applications for the adjustments can go along concurrently with the collection of these taxes for the remainder of this year and perhaps be placed in effect concurrently with the termination of this tax itself. The individual at that particular point would be paying the same amount. The railroad would get at this point the 10 percent that was going to the Federal Government.

Mr. MONAGAN. I did not understand it was contingent upon any rate increase.

Mr. MILLS. It is not contingent upon any. I am telling my friend, the gentleman from Connecticut, what I understand to be the plan of the eastern railroads that he is referring to as being in need of the elimination of this tax. We did this same thing about 2 years ago to help the theater people. We did it with our eyes open. We knew that they intended to convert the 10-percent admission tax on theater tickets into income by increasing the price somewhat, and they did it. Maybe they did not do it all the way, but they did it, and we knew what we were doing.

I want the House to know what we are doing in this case by the elimination of the tax on the transportation of persons so far as transportation on the railroads in the East is concerned. I am told the same thing is not true in the planning of the railroads in the West or the South, that they do not intend to ask generally for rate increases to absorb this 10 percent. But very definitely it is intended, I am told, by the railroads that traverse the gentleman's territory in New England. So the two things could be made to coincide.

Mr. MONAGAN. The question was as to the time of forgiving the tax. I am very happy it is going to be done at the end of the year, but because of the acute status of this particular railroad it was hoped that it was something that could be done as of June 30.

Mr. MILLS. The railroads could not have gotten an increase in this rate by July 1. It would have been utterly impossible.

Mr. MONAGAN. I do not understand this was contingent upon any rate increase.

Mr. MILLS. Does the gentleman mean to say the railroad itself will benefit from the elimination of the 10-percent tax, except that it be permitted to absorb some part of it in a rate increase?

Mr. MONAGAN. Yes, I think it would, because there would be that much less tax the railroads would have to collect and pay.

Mr. MILLS. The railroad is not paying the tax. You and I are paying the tax when we travel. It is not coming out of the coffers of the railroad at all, unless the gentleman means this would mean increased transportation over the railroads. They could ask for a rate increase.

That is what they intend to do, I am told.

Mr. MONAGAN. That increased travel is part of the picture.

Mr. MILLS. I am told that; now whether it is true or not, I do not know, but the information came to me from very reliable sources.

Mr. MONAGAN. I thank my colleague.

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

Mr. MILLS. I yield to the gentleman from Ohio.

Mr. VANIK. I commend the distinguished chairman and members of the committee for their work on this bill. My question refers to the transportation tax which is being eliminated. Outside of the statement made by one of the airline executives, was there any statement made before the committee which would indicate the airlines are not going to move into a price increase after they get the 5-percent price reduction?

Mr. MILLS. Not at all. There has been no direct indication to the committee from any, except one, that the gentleman refers to, and that was in a letter and so far as I know that was the only letter which I received. However, the newspapers have carried stories indicating that other airlines will also not raise their rates to absorb the tax reduction. They may endeavor to absorb it, but I do not think they will. If

they do, I would think they might well put themselves in a position of inviting this very thing that they do not want—this tax on jet fuel.

Mr. VANIK. I certainly support tax cuts if they result in lower costs to the traveling public.

Mr. MILLS. I would anticipate that this reduction from 10 to 5 percent insofar as airline travel is concerned would be passed on in benefits to the travelers rather than to the airlines themselves.

Mr. VANIK. I thank the gentleman. I would hope so too.

Mr. MILLS. I thank my colleague.

Mr. BAKER. Mr. Chairman, I yield myself 10 minutes.

Mr. Chairman, the chairman of our committee, the gentleman from Arkansas, always presents every bill fully and comprehensively. He has done so today. I shall reluctantly vote for the bill, H.R. 11879, and with the same reluctance I recommend to the membership of this body that they vote for the bill.

The reasons I shall vote for the bill and make the recommendation that you vote for the bill are based solely and alone on my conception of fiscal responsibility and a balanced budget. I believe in a balanced budget. I believe it is the only way this great Republic can continue to be strong and continue to hold its own in this great competitive war in which we are engaged with international communism. We are facing a Federal deficit in fiscal 1962 which, as you know, ends on June 30—on the 30th day of this month—of \$9 billion. No later than Monday of this week, the distinguished Secretary of the Treasury, Mr. Dillon, appeared before our committee and stated that he still says there will be a balanced budget for the fiscal year 1963. I hope he is correct; however, a very responsible group of experts, the staff of the Joint Committee on Internal Revenue Taxation, has most recently made an estimate of a \$4 billion deficit for the fiscal year 1963. Those reasons alone are sufficient to justify the enactment of this bill. As I said earlier, I shall reluctantly vote for the bill. Take the figures of the Secretary of the Treasury which I fear are much too sanguine and optimistic, that with existing taxes the budget will be balanced for fiscal year 1963 if H.R. 11879 is not enacted ipso facto we have a \$4 billion deficit. On the other hand, if the staff of the Joint Committee on Internal Revenue Taxation, headed by Mr. Colin F. Stam, one of the world's great experts, and his fine staff, if they are correct, at present levels without taking into account the balance of this Congress—how many more hundreds of millions may be spent unbudgeted, and they are coming in all the time—and with a \$4 billion deficit, then the failure to enact this bill means an \$8 billion deficit for fiscal year 1963.

I am sure the chairman made it clear, but I would only add this in light of some of the questions which will be asked by Members: All excises are not involved in this bill at all; there are certain categories of excises which are what we call permanent excises and I think these temporary excises are just as permanent, in fact, as the ones legally designated as

permanent, but they are not involved. For instance, the tax on cosmetics—and when responsible Members talk about a popular appeal, I do not think you could find anything that has more popular appeal than to repeal the tax on cosmetics. I know that from experience, having introduced a bill to that effect. I think it ought to come off. But it ought to come off at a time when we have a balanced budget.

I favor just as strongly, and I think more strongly than some of the officials who in the past 2 or 3 days have made headlines recommending a tax reduction from top to bottom, a tax reduction across the board—I have advocated for years—the gentleman from Florida [Mr. HERLONG] and I have introduced what is known as the Herlong-Baker bill which would provide a 1-percent tax cut annually as long as we had a balanced budget. I favor it because every time we have cut taxes, every time, there has resulted an increase of the revenue received more than the amount of the tax cut. That is true historically. It happened twice while Andrew Mellon was Secretary of the Treasury. It happened in the 83d Congress when the great American Representative Daniel A. Reed was chairman of this committee. We cut taxes in the 83d Congress and we raised more revenue than we did the year before.

Canada has repeatedly reduced taxes each year and in each instance they have gotten more money. So I favor a tax cut based on reason and sense. In the matter of these excises we should take out the ones that should be taken out but still tie it all to a balanced budget and start here in the Congress by cutting expenditures.

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

Mr. BAKER. I yield to the gentleman.

Mr. YOUNGER. Is it the gentleman's opinion that the reduction in taxes while we have a balanced budget is wise?

Mr. BAKER. I would answer that, "Yes."

Mr. YOUNGER. Because as I understand it the time we should reduce taxes is when we are operating on a balanced budget.

Mr. BAKER. I agree.

Mr. YOUNGER. And I feel rather sure that the estimate of a \$4 billion deficit in 1963 is wrong, but that we will have closer to a \$7 billion deficit even at the present tax rates for fiscal 1963 if we keep on appropriating money as requested.

Mr. BAKER. I thank the gentleman for his contribution.

I would like to address an inquiry to the chairman of the committee. In one of the President's messages to Congress was a recommendation that the Congress impose a tax of 2 cents a gallon on fuel used in boats on inland waterways and an annual user's tax on pleasure boats. The first question for the chairman is: Since that does not appear in bills on the agenda of the Ways and Means Committee, where is that bill?

Mr. MILLS. The bill itself, because of other provisions, was referred by the Speaker to the Committee on Interior

and Insular Affairs. But the chairman of the Committee on the Interior has indicated that he will rely upon the membership of our committee to help him and his committee with respect to these tax features in somewhat the same manner that the Committee on Public Works relied upon our judgment to help in the development of the tax features of the highway trust fund.

Mr. BAKER. I thank the gentleman. I should like some information for my benefit as an individual Member of Congress. I have received literally hundreds and hundreds of letters from constituents, boatowners and people who use these inland waterways, wanting to know if this tax is going into effect this year.

Mr. MILLS. The gentleman might tell them not to be disappointed if it does not go into effect this year.

Mr. BAKER. I shall strenuously oppose such tax this year, and if I am back next year I shall oppose it also.

Mr. MILLS. There would be other members of the committee who might join the gentleman.

Mr. BAKER. I thank the gentleman.

Mr. Chairman, in conclusion may I say that I see nothing else to do but to pass this bill; then next year let us do our best to have sensible, reasonable tax revisions, a balanced budget, and a tax reduction.

The CHAIRMAN. The time of the gentleman from Tennessee has expired.

Mr. BAKER. Mr. Chairman, I yield 10 minutes to the gentleman from Missouri [Mr. CURTIS].

Mr. CURTIS of Missouri. Mr. Chairman, in one sense it is unnecessary to take the time of the Committee, because the Committee on Ways and Means has rather overwhelmingly recommended to the House that this bill pass, and I certainly join in that recommendation. However, I take this time because I believe there are some very basic facts and fiscal policies involved in this tax bill and other proposals of the present administration. It is time that not only the House evaluate what our fiscal and tax policy should be, but I believe the people of the country need to become aware of the fact that there is a very fundamental difference between the philosophy of the present administration and certainly those of us on this side of the aisle; and I do not believe I am too presumptuous in stating that there are many on the other side of the aisle who share a different tax and fiscal policy. One of our difficulties, however, is trying to find out just what this administration's fiscal and tax policy is.

We have received messages in regard to tax matters that are in conflict; we have received requests on the budget that do not coincide with a certain fiscal policy, and other requests that seem to represent a different point of view. Tax policy, of course, is only one aspect of fiscal policy.

Fiscal policy relates to both revenue and expenditure. This particular tax bill, and the moneys that are to be derived from it, is budgeted. In other words, part of the budget that the President has presented to us for fiscal 1963

relies upon these anticipated revenues for its final balance. It was presented to us as a balanced budget, even though I think any realistic examination leads to only one conclusion, and that is that it was not truly in balance at all.

Revenues were anticipated on the basis of what the expenditure rate was to be. In our present fiscal situation the administration has shown no indication. In fact, through the spokesman, the Secretary of the Treasury, before our committee, and the Director of the Bureau of the Budget, they have indicated it is the administration's policy not to cut expenditures but, if anything, to increase expenditures, and with the anticipated falloff in revenue as the result of the fact that we are not going to obtain a gross national product of \$570 billion which this administration used as a base upon which to estimate its revenues for fiscal 1963. It is very clear that this administration's policy is committed to deficit financing.

Now, we have to go along, as the gentleman from Tennessee so aptly pointed out, on the theory of those of us who believe in a balanced budget, that of course we do not reduce our revenues if we do not reduce expenditures. We should at least try to keep up the revenue side of a balanced budget if we believe in it. There is only one answer, if you want to vote a bill like this down, and that is to instruct, in effect, the Committee on Ways and Means to authorize the administration to sell more Government bonds. Next week there will be on the floor of the House a debt limitation bill, because there is a deficit of around \$7 billion for fiscal 1962, and there have to be bonds sold in order to make up that deficit, because there are not the tax revenues.

The administration—and we will discuss it at some length next week—in its presentation, in its request for increasing the Federal debt limit, has said that it will not reduce expenditures. It has stated in effect that if the recovery does not move forward—as it has not, I might say—then they would actually recommend increasing the expenditures as a method of stimulating the economy, even though fiscal 1963 or calendar 1963, fiscal 1962 or calendar 1962, in terms of gross national product, have set new records or will set new records and therefore can, under that definition, be termed as the top of a business cycle. The theory of the deficit financiers in the past has been that we incur deficits in periods of recession and then we recoup those deficits, with budget surpluses, in periods of prosperity, and such a theory is obviously being abandoned by this administration, if they ever adhered to it at any time.

We have over in the Senate—and I want to get through this in a hurry—some of these conflicting proposals from this administration as they relate to tax and fiscal policy. This House passed a tax bill and sent it over to the Senate, and even the House was aware, because it was brought out on the floor of the House in debate—of course, not contradicted by the chairman or the majority members of the Committee on Ways and Means—that it was creating



an imbalance for fiscal 1963. This bill over in the Senate will actually create an imbalance of about \$1.2 billion for fiscal 1963, and if some of the features of that bill are knocked out, like withholding on interest and dividends, the loss to the Treasury and revenues will approximate \$1.5 billion. Maybe the tax bill will be abandoned. But, where does the tax philosophy of the bill that sits over in the Senate fit with the tax philosophy expressed in this bill, which is to gain revenue, not to lose it? Where is the tax bill philosophy of the bill sitting over in the Senate in regard to a balanced budget?

Now, we have been listening and reading in the newspapers—in fact, we interrogated the Secretary of the Treasury in regard to proposed liberalization of schedule F, the depreciation allowance for business, which, incidentally, in my judgment, and certainly in the judgment of people in the past, should have been done by law; not by administrative decree.

It certainly should not have been to hand out to the textile industry or any other select group this special privilege, because it is something to which all business should be entitled, not just a selected group. But where does liberalized depreciation fit in the overall tax policy of this administration? A tax reform has been suggested for next year—and I emphasize "reform," which I know the chairman of our committee, the gentleman from Arkansas [Mr. MILLS] and all of the members of our committee are deeply concerned about and are very much interested in. It has been in our minds for some time. I asked Secretary Dillon in reference to this so-called tax cut about which we just learned. I learned about it in the newspapers; I do not know where the chairman learned about it. I might ask, if the chairman would say, was this the result of a policy in consultation with the Ways and Means Committee chairman that Secretary Dillon announced that there was going to be a tax cut for next year, or is this a matter that has not yet been presented to the gentleman as chairman of the committee?

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

Mr. CURTIS of Missouri. I yield to the gentleman from Arkansas.

Mr. MILLS. The matter has not yet been discussed with the chairman of the committee, I might say, but let me add, if the gentleman will yield further—

Mr. CURTIS of Missouri. Yes.

Mr. MILLS. There may well be some misunderstanding. I have not yet had an opportunity to read what the Secretary said in New York. He may have suggested a tax rate reduction in connection with reform. I am not certain that emphasis upon a tax rate reduction without equal emphasis upon reform could have led to the conclusion that brought about this speculation. But, as I say, I have not yet read his remarks. I have a copy of his speech in my office which I shall read before the day is out.

Mr. CURTIS of Missouri. I thank the chairman of the committee. There is a big distinction between reform and

reduction, although the two can certainly be combined.

Mr. MILLS. Will the gentleman yield further?

Mr. CURTIS of Missouri. I yield further to the chairman of the committee.

Mr. MILLS. The gentleman has said, as has the chairman of the committee on so many, many occasions, that one of the very important elements of any reform of the tax law involved a reform of the rate structure.

Mr. CURTIS of Missouri. Yes.

Mr. MILLS. And, that would be a downward reduction in the rate structure.

Mr. CURTIS of Missouri. Yes.

Mr. MILLS. The gentleman from Missouri said that, as I have said it.

Mr. CURTIS of Missouri. Yes, indeed, I have. There is a different basic fiscal theory behind tax rate reduction in relation to reform, I suggest, and I know the chairman agrees, than that of tax reduction which is designed to produce economic effect, to stimulate the economy, as certain economists advocate. That was what I was going to as my next point, because the President has delivered a message to the Congress asking for standby authority to reduce taxes in order to stimulate the economy. So, it is very obvious that part of the fiscal tax policy of this administration is to use our tax laws and our revenue laws to affect the economy in this fashion, unrelated to a balanced budget. This has to do with the theory of deficit financing with which I, incidentally, am so fundamentally in disagreement. But at one time the administration talks about a balanced budget, and at another time it very obviously is directed the other way. I think their basic tax policy and fiscal policy does not base itself on a balanced budget, but does indulge in deficit financing.

Mr. Chairman, one thing that Secretary Dillon was asked by myself during the hearings was whether he was in accord with the statement made by the Secretary of the Department of Commerce, Mr. Hodges, right after the stock market decline. Secretary Hodges had said we needed a tax cut right then. Secretary Dillon said no; that was not an administration policy; it was simply the Secretary of Commerce expressing his own views. So, one thing above all, I hope, which will come out of the debate here, and the debate next week, is a clarification of what the administration's fiscal tax policies really are.

Those of us who believe in a balanced budget would like to take issue with the economic, fiscal, and tax policy of the administration as it is being presented to us.

Mr. Chairman, my final point refers to the second aspect of the budget. To this day the administration has not come forward with any recommendations in the nondefense area where we can cut back expenditures. Last year, during the Berlin crisis, when the President said that we needed to increase expenditures for defense, several of us directed a letter to the President and asked him where he would recommend that we cut back in the nondefense area. That

letter has remained unanswered. However, spokesmen for the administration, I say again, in our hearings on this bill and on the debt limitation, stated that they did not intend to cut back expenditures. When I tried to find out what was the result of the President's so-called economy plea to his Cabinet officers last October, there was no documentation of it, simply a statement, "Well, we did cut back and about \$750 million was cut back," but we were not given the details to show that. I think I can rightfully regard that as unproven until it is substantiated. So here we are being asked to maintain our revenues without any indication on the part of the administration that they intend to exercise discipline in the expenditure area.

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

Mr. CURTIS of Missouri. I yield to the gentleman.

Mr. YOUNGER. Does the gentleman state that the budget that was presented by the President included revenues from the extension of these taxes for the full year?

Mr. CURTIS of Missouri. Yes, they do, with the modification on the proposals to cut back in transportation, which the chairman of the committee has accurately explained.

Mr. YOUNGER. By cutting back these taxes on January 1, does that make any difference in the revenue, or was that included in the budget originally?

Mr. CURTIS of Missouri. It makes a little difference, but it is essentially balanced off by the proposal that the administration had of cutting back on transportation taxes.

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

Mr. CURTIS of Missouri. I yield to the chairman.

Mr. MILLS. If we take this combination in the bill, in this area of the transportation tax, it would produce, as I recall, \$18,300,000 more money than the President had in his mind in making this budget recommendation earlier in the year.

Mr. CURTIS of Missouri. Our modification, in other words, actually gives more revenue, not less.

Mr. YOUNGER. So far as the budget is concerned?

Mr. MILLS. That is right.

Mr. CURTIS of Missouri. So far as what has been budgeted is concerned.

Mr. YOUNGER. I thank the gentleman.

Mr. KNOX. Mr. Chairman, I yield 10 minutes to the gentleman from Texas [Mr. ALGER].

Mr. ALGER. Mr. Chairman, nobody knows better than I how futile it is to take the floor of this House to talk about reducing taxes, with the votes the way they are and the administration program what it is. But even as I felt it necessary, together with the gentleman from California, to express these views in the report, as a responsible member, or as responsible members of the Committee on Ways and Means, I feel it necessary to make these few remarks today, some of which have been said

before, and undoubtedly better than I can say them, but I may add a few.

First of all, we should be reducing taxes, not continuing or increasing the tax burden, as this administration is doing.

Secondly, taxes ought to be rolled back the way they were put on, starting with wartime taxes; and this is a good place to start.

Thirdly, as I have said, this is a wartime emergency tax, and as our chairman stated at the outset, this is a yearly affair; we continue to do something as an emergency, and one of the most permanent things in the world is an emergency tax. We continue a wartime tax. All of us know better than that and I shall not dwell further on it.

The President and many economists, even the men immediately around him, have said time and time again, and has been said whatever the administration, that when business needs a stimulus, an incentive, that should be a tax cut.

Our President keeps saying this even as he continues and increases the taxes. It seems to me what we ought to do is take the President up on this, to have depreciation reform instead of the reform called investment credit, to reduce the taxes by not continuing these taxes, since it is in the President's mind through the statement by the Secretary of the Treasury, Mr. Dillon, recently that there would be something in the nature of a tax reform to help business. This is what the President has said several times before.

I believe in and have championed since I have been in Congress a balanced budget, based always on reducing spending, reducing the debt, and reducing taxes, in that order. We have proved before that by reducing taxes we can produce greater revenue. That is a point that, again, I think most economists will concede, that as we permit business to retain their money and plow it back, more jobs are given, more goods are produced, and they make more profit, and that means more taxes to Uncle Sam. We will not develop that point here at this time, but it seems to me it needs to be mentioned, because that reason alone might very well be the reason for not continuing this tax, yet today we say in the report and in the speeches here on the floor that we have to have revenue for a balanced budget, and the way to do it is to continue adding burdens to business, and they pass them on to the consumer, which means the consumer cannot buy or spend. This is a vicious circle, because finally the Government will take over all business, and then we will not have a private economy at all, we will all be working for Uncle Sam, as we Members of this body are.

Last year along with some others I decided we were no longer going to pick up the tab for these big spenders. I have heard in every year, in every administration, how we are going to cut back the spending, but the bills increase. We do it with the authorization, followed up by the necessary appropriation later. I also know the old budget-padding feature, as I think our people and the

Members should be reminded, that of course the Government ups the ante to the extent it thinks Congress will cut out requests. Since we have cut the budget, we go home and say we have spent what ought to be spent, yet oddly enough we are increasing spending in every field. This is not responsible government.

Let other Members say what they will, my position as a responsible Member is that I am not picking up the tab any longer. I am, therefore, trying to hasten the day when the administration makes the agonizing decision, as the gentleman from Missouri said, of cutting back in its spending. Now might be an awfully good time, by starting to deny the Government money. I know the Government can print money ad infinitum, because there is no limit there, but my remarks are coupled with a debt limitation that would not give the Government more money. If we did have that limitation we would cut down our spending. We would have to.

Further, it is high time these taxes are called what they are. This is not a tax on wealthy people. The rich are not going to pay the tax. They have attorneys to find loopholes in the law so that they will not pay the taxes. The tax is borne by the people of modest income, below \$8,000 or \$6,000 a year. This tax hits at the heart of these people. So today I am solidly on the side of those people who make \$6,000 or \$8,000 a year or less. Let my colleagues defend their position on the other side, because that is exactly how I see it. If we confiscated the income over \$10,000 or \$12,000 a year we could do it for 1 year, and it would be enough to run the Government for not more than a month or two. The tax is being paid by the little people. If they would tell their Congressmen what to do, if they would present their side, we would not be before the Congress today asking for another increase.

Finally, I happen to disapprove of the preamble of every tax bill that it seems we get, which shows this administration, and I fear previous administrations, but far more now, are using tax laws to effect social reforms and not to raise necessary revenue. I abhor this use of the stick and carrot which now, apparently, describes the actions of this administration, and for my part I shall not vote for this and, indeed, am opposing it, and I would like to relate the remarks I just made to the minority remarks which can be found on page 11 of the report.

The CHAIRMAN. The time of the gentleman has expired.

Mr. BAKER. Mr. Chairman, I yield 2 minutes to the gentleman from New York [Mr. LINDSAY].

Mr. LINDSAY. Mr. Chairman, I ask unanimous consent to speak out of the regular order.

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

There was no objection.

Mr. LINDSAY. Mr. Chairman, a funny thing happened on the way to the floor. I looked for a copy of the New York Herald Tribune on the newspaper racks in the Speaker's lobby and would

you believe it—it is not there. And do you know, Mr. Chairman, it was not there yesterday either. In fact, there are not even any back copies—not even the empty hanging rod is there.

Now, Mr. Chairman, this is getting a little bit spooky. I do not suggest that anyone has canceled the order. But where is the poor old Herald Tribune? It was such a nice newspaper, Mr. Chairman. We all miss it. We all know there has been a kind of newspaper burning going on in the White House. But what has the poor old Herald Tribune ever done to the House of Representatives to warrant banishment?

Please, Mr. Chairman, we promise we will not say a word to the President if you let us have back our Herald Tribune again. Why, under the separation of powers he could not even come into the Speaker's lobby, so he will not know about it. It is such a little thing to ask.

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

The CHAIRMAN. Is there objection to the request of the gentleman from Louisiana?

There was no objection.

Mr. BOGGS. Mr. Chairman, the gentleman from New York [Mr. LINDSAY]—and I am sorry he is not on the floor—for whom I have very great respect, made the statement that the House of Representatives had canceled its subscription to the New York Herald Tribune. Now, I am not one to get into a controversy about newspapers and what they print and what they do not print, but the gentleman from New York is misinformed. The House of Representatives has not canceled its subscription to the New York Herald Tribune. I am informed that each day there come here to the cloakroom, or the Speaker's lobby, approximately seven copies of the New York Herald Tribune. The fact that one of them may not have been there means probably that some one of the many people who frequent this library may have inadvertently—and I use that word somewhat advisedly—walked away with it. He may have found the reading material so interesting that he wanted to take it somewhere else. But this body has not canceled any subscription to the newspaper, the New York Herald Tribune, or any other newspaper.

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

Mr. BOGGS. I yield to the gentleman from Kansas.

Mr. AVERY. I wonder if the gentleman from Louisiana would agree that probably that particular paper is more in demand by the reading public than it might have been 2 weeks ago?

Mr. BOGGS. It may be; I do not know.

Mr. Chairman, I merely want to correct the RECORD. I think it is very fine to make speeches here, but I think one should attempt to tell the truth.

Mr. BAKER. Mr. Chairman, I yield 10 minutes to the gentleman from Michigan [Mr. CHAMBERLAIN].

Mr. CHAMBERLAIN. Mr. Chairman, I rise to record my protests for the sixth



year to that portion of this bill that would maintain automotive excise taxes on passenger cars, parts, and accessories at their Korean war levels and to express again my deep concern about the tax inequity that we are perpetuating.

Just as we turn the pages of the calendar from season to season, June always brings us serving here in the Congress again to the season for extending these temporary wartime excise taxes.

Again, as in past years, we have a closed rule—to which we have become accustomed—and once more we find tobacco, corporations, automobiles, telephones, travel, liquor, beer, and wine all in the same keg. Perhaps I should be getting used to it. Perhaps I should be more realistic knowing how futile my protests have been over the years. But I refuse to give up because I am convinced that this automotive excise tax that we are about to extend for the ninth time is unjust in that it discriminates against one of the most important segments of our economy.

As you may know, this tax was increased to 10 percent in November 1951 as a temporary measure and has been extended annually since 1954. Without its extension today it would revert by law to 7 percent on June 30. We must remember the original purpose of this tax was to discourage automotive production during the Korean war in order to divert more of our industrial capacity to the war effort. I like to characterize it as putting the emergency brake on automotive production—for that is what it did—and though we have heard talk of getting America moving we still have that same emergency brake applied as firmly as we did when it was our deliberate purpose to retard automobile production.

Although each year I have endeavored to underscore the importance of the automobile industry in terms of employment, raw material consumption, and overall economic impact, I again remind you that automobile production utilizes 20 percent of all steel, 62 percent of all rubber, 35 percent of all zinc, 11 percent of all aluminum, 47 percent of all lead, and 63 percent of all leather sold in the United States; that one business in every six is automotive; that one of every five retail dollars is spent for automotive products; that 10,500,000 people—one of every seven workers—are employed in highway transport industries; that 77 percent of U.S. families own automobiles; and that 41 million persons rely daily on automobiles to get to work.

If you are one who thinks that the automobile has little impact on your community, just try to picture, if you can, life in your hometown without automotive transportation and all the businesses related to it.

As you may know, automobile production is up this year and it is hoped that this will be the best year since the record production of 1955. This optimistic note may cause you to question the need for reducing automotive excise taxes to stimulate further automobile production. But let me point out, if you will, what this increased production has, in fact, meant for our economy in terms

of employment. In March 1961 nationwide unemployment was 7.7 percent. A year later, in March 1962, this figure was 6.2 percent, a decrease of 1.5 percent. You may ask, but does this prove that increased automobile production was responsible for this decrease in unemployment? That I cannot say. But it certainly does not indicate any adverse effects on our economy, and I would again point out that the automotive industry has long been recognized as the bellwether for all business activity. But in looking deeper for a correlation between this decrease in unemployment and automobile production, I asked the Labor Department to compare the unemployment figures in March of this year with those of March 1961 in 18 of our major automotive manufacturing centers throughout the country. Without exception unemployment in every one of these industrial centers was appreciably reduced from a year ago. For example, in Youngstown, unemployment was down from 11.8 percent to 6.3 percent, a reduction of 5.5 percent; in Cleveland, unemployment was down from 9.6 percent to 5.3 percent, a reduction of 4.3 percent; in Pittsburgh, unemployment was down from 12.7 percent a year ago, to 9.5 percent in March of this year, a reduction of 3.2 percent; in Kenosha, Wis., unemployment was down from 8.7 percent to 3.8 percent in March 1962, a reduction of 4.9 percent; in Detroit, unemployment was down from 15.2 percent to 8.8 percent, a reduction of 6.4 percent; in Flint, Mich., unemployment was down from 23.3 percent to 3.3 percent, a reduction of 20 percent this year; in Lansing, Mich., unemployment was down from 14.8 percent to 4.4 percent, a reduction of 10.4 percent. And the same is so for each of the other automotive areas indicated by the Department of Labor as follows:

#### Unemployment

	March 1961	March 1962
Nationwide.....	7.7	6.2
Trenton, N.J.....	8.2	6.4
Canton, Ohio.....	11.6	7.0
Youngstown, Ohio.....	11.8	6.3
Pittsburgh, Pa.....	12.7	9.5
Chicago, Ill.....	6.8	5.1
Indianapolis, Ind.....	6.3	5.2
Cleveland, Ohio.....	9.6	5.3
Allentown-Bethlehem-Easton, Pa.....	8.6	5.7
Lorain-Elyria, Ohio.....	12.0	6.3
Huntington-Ashland.....	15.0	10.9
Akron, Ohio.....	9.8	5.6
Toledo, Ohio.....	9.9	8.7
Birmingham, Ala.....	8.7	6.0
Kenosha, Wis.....	8.7	3.8
Detroit.....	15.2	8.8
Flint.....	23.3	3.3
Lansing.....	14.8	4.4

These figures satisfy me that automobile production has a marked effect on our economy and that, even though this production is presently at a high level, we should take such measures as we can to assure this continued prosperity.

Just recently the statement of the Automobile Manufacturers Association submitted to the Ways and Means Committee with respect to the pending legislation came to my attention. Among other things, the statement points out that automobile excise taxes are in fact internal tariffs having a depressing ef-

fect on the growth of the industry. I would like to quote in part from this statement:

In his tariff message to Congress the President stressed the harmful effects upon our economic growth of high tariff barriers. He stated that "a more liberal trade policy will in general benefit our most efficient and expanding industries. \* \* \* Increasing investment and employment in these growth industries will make for a more healthy, efficient, and expanding economy and a still higher American standard of living." He went on to state, "once artificial restraints are removed, a vast array of American goods, produced by American know-how with American efficiency, can compete with any goods in any spot in the world." \* \* \* If we look homeward rather than abroad, it becomes apparent that selective excise taxes are, for the industries affected, equivalent to tariff barriers. The automobile industry, a pioneer in the mass-production efficiencies that create expanding markets, is subject to the artificial restraint of a high selective excise tax.

The rationale for the reduction of tariffs on selected imported products applies with equal force to internal selective excises. If selective tariffs have a harmful effect on growth, then that effect exists whether the tariff is an internal one or an external one.

But, in addition to all the logical arguments against this discriminatory tax that have been recited from year to year, we find that there are other factors that we must consider today. Just this past week the plunge of the stock market shook every community in the country and reverberated around the world. As yet this has not been fully assessed, but there is basic agreement that it indicates some maladjustment in our economy. About the first reaction from the administration was talk of tax cuts. Some form of tax reduction may be needed, but I respectfully suggest that we give broader consideration to the problem of revising our total tax structure. The elimination of excise taxes would correct longstanding inequities and still leave the desired stimulating effect on the economy. That there is a potential market for more and less costly automobiles is substantiated by the fact that growth in new-car sales has failed to keep pace with the increasing use of automotive transportation over the last decade. The growth in the use of passenger cars has more than doubled new-car sales. This means that we have been living off our transportation capital. The average age of passenger cars is above prewar levels. It is time we release the emergency brake and get things rolling.

Of course, such a tax reduction might not be in the most attractive form in a political year, for it is hard for voters to see how the removal of a tax that has been well hidden will directly benefit them, but the time has come for us to face up to fact and do what we should have done long ago.

To those who talk of added incentives to business by giving tax credits for new investment or accelerated depreciation, and to those who feel action should be taken to restore confidence in the business community, I say here is something positive that can be done to help, here is something that would have a healthy and stimulating influence on every city, town, and village in the country. Such

a tax reduction would reduce the cost of an automobile by an average of \$230. This mutually would encourage even greater sales, greater production, more jobs, and start a chain reaction throughout the whole economy right down to the bank in your hometown that finances automobile sales and to your local gasoline dealer. Of course, I recognize as much as any of you that we have a pressing need for revenue to finance our Federal Government, especially when we consider the prospect of the deficit for this fiscal year and the proposed increase in our national debt. But I say to you that much of the loss of revenue would be recouped by an increase in tax receipts from automobile manufacturers, automotive suppliers, production workers, transportation companies, dealers, salesmen, finance companies, and many, many others down the line. By perpetuating this discriminatory tax, we are doing our best to kill the goose that laid the golden egg. If there is one thing that America has become noted for throughout the world, it is for our industrial pioneering in the mass production of automobiles. In this we have led the world. But look what we are doing to reward this outstanding contribution to our economy. We have singled out this one basic industry and imposed a 10-percent tax on it that we have not imposed on other manufactured products. I have never argued that the automobile should not pay its share, for it most certainly should; but as I pointed out last year, if we are to insist on retaining our excise taxes, the time has come for us to give serious consideration to the enactment of a general manufacturing excise tax which would fairly and equitably distribute the tax burden on all manufacturing rather than making the automobile haul the whole excise taxload. Such a broadening of the tax base would permit a much lower tax rate as well as insure greater stability in annual revenues.

I am encouraged that this year we are at least giving some recognition to the discrimination inherent in our excise tax structure and while I would like to see affirmative action taken to reduce or repeal the automobile excise tax, I commend the action of the committee in reducing the excise taxes on transportation and only hope that in the fullness of time similar remedial action will be taken with respect to automotive excise taxes.

Mr. Chairman, in conclusion, may I again say that it is my intention to vote against this bill on final passage because with the closed rule under which it is being considered, this is the only way I may voice my protest against the continued extension of this discriminatory 10-percent automobile excise tax. I say this to make it clear that my vote should not be construed as favoring the reduction of alcohol, tobacco, or corporate taxes. While I anticipate that this tax will be extended again, as it has been in the past, I could not forgo this opportunity to call your attention to the basic injustice inherent in the tax. It is my intention to continue to point out these injustices so that the automobile excise tax will not become welded firmly into our tax structure and lose its

somewhat fictional designation as a temporary tax.

Again, I urge my colleagues to reflect on the inequities that we are today perpetuating and join me in opposing the extension of the automobile excise tax.

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

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

Mr. KNOX. Mr. Chairman, I want to compliment the gentleman from Michigan for the fine statement of fact he has brought to the House today. I assure him that I share his great concern. When the committee was considering this bill which was to extend the excise tax and the corporate tax, I brought to the attention of the committee the question of the excise tax on automobiles. I think the automobile industry is sharing more than its just share of cost as far as the Government is concerned through the medium of Federal taxes. I desire to assure the gentleman that when the committee meets next year and this question comes up again, it is my hope that the administration will have its house in order so that we may be able to make some reductions, especially in the field of the Korean tax structure.

Mr. CHAMBERLAIN. I appreciate the gentleman's remarks.

Mr. BAKER. Mr. Chairman, I yield such time as he may require to the gentleman from Massachusetts [Mr. MORSE].

Mr. MORSE. Mr. Chairman, I rise in support of H.R. 11879, even though there are provisions of it with which I do not wholeheartedly concur. For example, I think that the day has long since passed when this Congress should take effective action in reducing the corporate income tax rate. Certainly, the events of these last 10 days have revealed the urgency of a comprehensive revision of our entire income tax structure.

I am particularly gratified that this bill will in most cases eliminate after December 31, 1962, taxes on transportation of persons.

I have been concerned about this particular tax since I became a Member of this body in January of 1961. My able and distinguished colleague from the neighboring State of Connecticut, Congressman ABNER W. SIBAL, called a conference of some of his associates in the House at that time to enlist their support of his efforts to effect a repeal of the tax on the transportation of persons. Congressman SIBAL's work led him to file, just 42 days after he became a Member of this House, a bill, H.R. 4465, that would achieve that end. I personally know Congressman SIBAL's work in seeking affirmative committee action on his bill and of his relentless efforts to persuade the administration of the necessity of legislative relief. I know how gratified he was when the President of the United States this year subscribed to the principle of H.R. 4465, when he sent his message on transportation to the Congress in April, almost 14 months after the introduction of the Sibal measure.

As one Member of this body, I would like to pay public tribute to Congressman

SIBAL for his leadership in this field. His efforts and those of his distinguished colleague, the gentleman from Connecticut, Congressman SEELY-BROWN, have contributed greatly in marshaling congressional support for the repeal of the passenger excise tax which is embodied in H.R. 11879.

Mr. BAKER. Mr. Chairman, I yield to the gentleman from Iowa [Mr. GROSS] such time as he may require.

Mr. GROSS. Mr. Chairman, I rise in opposition to the pending bill.

Mr. Chairman, I could support the extension of taxes on nonessential items, but as I have previously stated, I cannot support taxes that were levied on essentials as a war measure. We have heard here today the same old story that next year we will take another look and try to do something else.

What must be done is to stop the profligate spending that is taking place. It is ludicrous for Secretary of the Treasury Dillon or anyone else to talk about tax reductions and at the same time support spending measures that plunge the Nation ever deeper into debt.

Mr. ROGERS of Florida. Mr. Chairman, the legislation under consideration today is of great interest to every segment of the Nation's economy. There are two sections of this bill which are of particular interest to Florida. Those sections deal with the tax on transportation of persons, and the tax on general telephone service.

I have introduced legislation to repeal the tax on all forms of personal transportation. This tax was imposed during wartime to discourage unnecessary travel, and like so many wartime measures, it is still with us. This tax has no purpose in our modern economy, and particularly so in the economy of Florida, where travel and tourism play prominent roles. Anything which discourages travel is directly opposed to the interests of Florida, and it is for this reason that I hope the tax will be entirely repealed.

As provided for in the legislation before us today, the transportation tax would be repealed on all forms of transportation except air. The tax on air travel would be reduced from 10 to 5 percent on December 31, 1962, and would remain at 5 percent until June 30, 1963, at which time it would be repealed.

The legislation which I introduced would treat the airlines the same as all other travel media by repealing the tax now applied to each one. I see no reason to exempt one segment of the personal transportation industry from the relief granted to the others by the legislation before us today.

The second section of the legislation now being considered is one which is grossly unfair to a very large group of American taxpayers. The tax on general telephone service is paid by the large number of telephone subscribers in the Nation in the amount of 10 percent each year, and the citizens of Florida paid out over \$14 million for using this vital utility in 1960.

I have also introduced legislation to repeal the tax on telephone service, believing that this tax is another one which



has outlived its purpose. The telephone tax is another wartime measure, and was imposed during World War I to curb unnecessary usage of the telephone. The tax was removed shortly after the war. It has since been reinstituted, was broadened during World War II, and has never been repealed for a second time.

The telephone users of America are great in number. The tax burden imposed on them under present law is unjust because they are taxed on an essential utility. Yet there is no Federal tax on the use of gas, water, and electricity.

Mr. Speaker, the telephone companies of this Nation are now compelled to collect and remit to the Federal Government the 10-percent tax currently imposed on the American telephone user. Were the Congress to repeal this tax, each of these Americans would realize a 10-percent reduction in his telephone bill.

I believe that Government spending can be greatly reduced. One positive way in which we can reduce these expenditures is by reducing taxes. The less we tax the less we spend. By limiting revenues, Federal agencies will anticipate these cuts and react with trimmed budgets. If bureaucracy knows there will be less coming in, it will respond with less expansive programs and planning.

I urge the Congress to enact the repeal of tax now imposed on personal transportation and general telephone service. Should this action be taken, the people of Florida and the Nation would indeed be grateful.

Mr. VAN ZANDT. Mr. Chairman, I arise in support of H.R. 11879 which continues the present corporate and certain existing excise tax rates for 1 year.

In addition, it continues for 6 months or until December 31, 1962, the present 10-percent tax with respect to the transportation of persons. At that time the bill provides for the expiration of the excise tax on all forms of transportation of persons except transportation of persons by air which is continued for an additional 6 months or until July 1, 1963, but at a 5 percent rather than a 10-percent rate.

In supporting this legislation, I do so with reluctance because I have longed for the day when we could reduce corporate taxes and repeal all wartime excise taxes.

Furthermore, I find myself in the same position many Members do, in view of President Kennedy's statement that disapproval of the legislation would result in a revenue loss of from \$4 billion to \$4.3 billion in a full year of operation.

With Government spending at an all-time high and our national debt nearing \$300 billion, one has little choice but to support the request for the extension of corporate and wartime excise taxes.

There is one redeeming feature of the bill and that is the provision whereby the 10-percent tax with respect to the transportation of persons by railroad and bus will be discontinued December 31, 1962.

I might add that my bill, H.R. 587, which has been pending before the House Committee on Ways and Means since

January 3, 1961, provides for repeal of the tax on the transportation of persons.

I am glad that the bill before us contains much of the language of my bill, H.R. 587, because for the past several years I have been active in trying to repeal the 10-percent passenger tax.

During previous Congresses since the close of World War II and in the present Congress, I introduced bills designed to repeal the 10-percent passenger tax. It was a source of disappointment in 1958 when the House conferees found it necessary to refrain from concurring in the action of the Senate in repealing the 10-percent tax on the transportation of persons.

Again in 1959 Congress voted to reduce the passenger tax to 5 percent effective July 1, 1960. This action was later nullified, solely for budgetary reasons, when the House by a narrow margin voted to extend the 10-percent passenger tax another year. The Senate, disregarding the vote of the Senate Finance Committee for complete repeal of the 10-percent passenger transportation tax, voted against either repeal or the scheduled reduction of the tax on July 1, 1960. As a result, under Public Law 86-564, the effective date of the 5-percent reduction was postponed to July 1, 1961.

There is no doubt that the 10-percent passenger tax paid by users of for-hire airlines, bus, rail, and water carriers is providing a detriment to for-hire carriers of all modes of public transportation.

The transportation tax on passengers was levied in 1941 at 5 percent. It was increased in 1942 to 10 percent and raised again to 15 percent in 1944. It was decreased to 10 percent in 1954 and as previously mentioned its outright repeal was favored by the Senate in 1958 but failed to win the approval of both Houses of Congress.

It is common knowledge that the passenger tax was enacted during World War II and applied to travel at home and abroad. It was levied as an emergency measure designed to curb civilian travel on the then overburdened public transportation facilities. The tax on foreign travel has since been repealed.

Purely a wartime measure, the passenger tax is now regarded as a means of revenue despite the fact that it is highly instrumental in discouraging the use of the now underutilized modes of public transportation.

It is recalled that a similar tax on passengers was levied in 1917 during World War I, but it was repealed effective January 1, 1922 or shortly after the end of the war.

It is also of significance that Canada in 1949 repealed its 15-percent World War II passenger tax. Meanwhile, we continue to tax domestic travel but exempt travel to foreign countries. This is a form of rank discrimination and serves as a source of discouragement to those who wish to heed the oft-repeated admonition, "See America First." Thus it is proving detrimental not only to public carriers but to the resort and recreational industry of our Nation. The 10-percent passenger tax affects in an adverse manner all forms of public transportation at whose expense private

means of transportation and private carriers not subject to the tax become the sole beneficiaries.

Revenues from passenger transportation are practically the only source of revenues for bus companies and the main source of revenue for the scheduled airlines.

It has been estimated that about 80 percent of the bus carriers are small businesses. These small carriers have been especially hurt by the impact of increased costs and the financial condition of many of them is cause for grave concern.

The financial situation facing many bus companies is further aggravated by decreasing patronage which is threatening the continuance of many bus services. Studies conducted in various States by State legislative committees since 1957 confirm the fact that a material amount of passenger traffic was being diverted from the common carriers by bus to private transportation resulting in the abandonments of bus routes and failures of bus companies. The present Federal excise tax of 10 percent on passenger travel discriminates in favor of private transportation and encourages it over essential public transportation. This is directly contrary to the recommendations of the reports filed by the various State legislative committees.

The intercity bus industry has experienced a steady decline in its volume of passenger traffic since the end of World War II. During this period there has been a decline from 32 billion passenger-miles to about 24 billion—a decrease of 25 percent—in a growing domestic market. While the total bus fleet has decreased about 30 percent during this period, the bus industry is still operating under 50 percent of its capacity. Since the majority of users of intercity buses comprise persons in the low-income level, the 10-percent passenger tax imposes a much heavier relative burden on them.

According to the recent report titled "National Transportation Policy," released by a special study group for the Senate Commerce Committee, all of the domestic common carriers of passengers have found the number of empty seat-miles increasing since 1946. The rate of increase has been most pronounced in railroad service causing the passenger deficit to climb from less than \$200 million in 1946 to over \$700 million in 1957.

The report states:

Although bus service has improved in terms of seats and speed, the number of passenger-miles in regular route service has declined since 1951.

With regard to the Nation's airlines the Senate study group found:

While the available seat-miles for domestic trunk and local airlines from 1946 to 1959 increased from 7,490 million to 45,793 million, or almost six times, the revenue passenger-miles increased from 5,910 million to only 29,151 million or a little over five times. The result has been an increase of empty seats from 1,580,000 to 16,642,000 or by an increase of 15,062,000 empty seat-miles.

In addition to the findings by the special study group for the Senate Commerce Committee the national trade as-

sociations for all three of the major public carriers—air, bus, and rail—report that they are currently operating below their capacity for handling passenger traffic. Both the buslines and railroads are operating well below 50 percent of capacity while the current load factor of the airlines of 59.5 percent is at the lowest level in 10 years.

Since I represent a congressional district in Pennsylvania that percentage-wise has one of the largest railroad populations in the country, I have firsthand knowledge of the financial plight of the Nation's railroads.

The marked decrease in rail passenger travel is revealed by the fact that the volume dropped from 59 billion passenger-miles in 1946 to 17 billion in 1960, a decrease of over 70 percent. This rail passenger deficit since 1946 has averaged \$585 million a year and because freight revenues have had to absorb it there has been a steady decline the past 5 years of the overall railroad rate of return from 4.22 percent in 1955 to 2.13 percent in 1960. As long as freight revenue must absorb passenger traffic losses the need to seek increases in freight rates is not lessened.

Our Nation as a whole is the chief beneficiary of a financially sound railroad system. With the vast investment in railroad passenger facilities and the heavy demands made upon the industry for such services in World War II, the constant decline in the railroads' percentage of passenger business handled by all classes of public carriers is of national concern. The 10-percent passenger tax is a detriment to the efforts by the railroads to increase passenger revenues and thereby avoid further curtailment of service and poorer facilities. On the other hand, constantly rising passenger deficits are a dire threat to the railroad industry and will eventually result in rendering the Nation's railroad system wholly unprepared for emergencies of peace and war.

Speaking of the ill effects of the passenger tax, the Treasury Department stated in December 1947:

The prewar history of railroad rates indicates that coach travel is rather sensitive to changes in passenger fares. Accordingly, under normal conditions, the profits of railroads may be affected substantially by the existence of the tax. Because of large fixed costs a small decrease in passenger revenue can have an important effect on profits from passenger operations.

It is not my contention that repeal of the 10-percent passenger tax will serve as the sole remedy for the passenger deficit on our Nation's railroads. I do contend, however, that repeal of the 10-percent passenger tax will have a stimulating effect and aid immeasurably in securing an increase in the volume of passenger traffic which is sorely needed by the Nation's railroads in their battle for economic survival. We should not lose sight of the fact that during World War II we relied upon the Nation's railroads for 97 percent of all organized military travel needs. Today the future of the railroad industry is threatened by operating deficits of over \$700 million a year.

We cannot afford to ignore the plight of the Nation's railroads because to do so we are turning a deaf ear to the needs of a strong arm of our national defense. In fact, we should take affirmative action to strengthen our essential public carriers by recognizing that the current 10-percent passenger tax is not only discriminatory and regressive but it tends to undermine our national defense at a time when world tensions and the threat of an all-out war were never more prevalent.

One of the strongest recommendations for repeal of the excise tax on passengers is contained in the following excerpt from the report of the Interstate Commerce Commission on railroad passenger train deficit, May 18, 1959:

The excise tax on passengers was designed primarily to discourage unnecessary wartime travel and only secondarily as a revenue measure. Obviously the reasons for its imposition no longer exist. More important, however, it is harmful to our transportation system and is highly discriminatory.

Without repeating all of the reasons advanced for the repeal of the transportation tax, we wish to emphasize that it is having a serious effect upon the passenger-train service of the railroads. Since the tax on passenger travel tends to discourage the public from using common carriers, it thereby aggravates the ever-mounting passenger deficit. While we recognize that the repeal would not provide a cure-all for the passenger deficit problems, such action would remove a serious deterrent to a greater use by the traveling public.

In strongly urging that the Congress take action to repeal the tax outright, we are not unaware of the efforts which various Members of the Congress have made and are presently making in this regard. We are also not unmindful of the revenue needs of the Government. We are, however, convinced that any possible loss of revenue would be more than offset by the public interest in strengthening and preserving a transportation system capable of meeting adequately the country's need for service both in peacetime and during emergencies in conformity with the national transportation policy as declared by the Congress.

One of the chief stumbling blocks against outright repeal of the 10-percent tax on passengers is the assumption that such action would result in a loss of tax revenues. There has been no consideration of the effect of the repeal on the increased business in the resort, recreational, hotel and restaurant industries which would result in an increase in tax revenues.

Nor has there been any consideration given to the beneficial effect from the standpoint of aiding in alleviating unemployment that would result by making it possible for the airlines, bus, railroad, and ship industries to stabilize their unemployment.

Finally, an increase in passenger traffic on the public transportation system of the Nation would result in a tax yield that would compensate for any decrease in revenues occasioned by the repeal of the 10-percent passenger tax.

According to information available for the fiscal year 1960, the Government collected a total of \$255 million, nearly half of which or \$119 million represented a tax-deductible expense because it involved business travel.

There is little doubt that if the \$119 million in tax-deductible expense for travel had not been allowable it would have increased the taxable income of business firms. Assuming these firms were in the average 50-percent income bracket the Government would have collected nearly \$60 million in additional tax revenue. In addition it has been estimated that a 5-percent increase in passenger revenues would have increased public carriers taxable net income by about \$114 million.

In conclusion, it is apparent that repeal of the 10-percent passenger tax will not necessarily result in a heavy loss of tax revenues and the piecemeal form of reduction by postponing it for 6 months is realized as a gradual approach to outright repeal December 31, 1962.

The effect will be one of considerable return in the form, I feel certain, of higher income taxes resulting from the greater volume of passenger traffic generated and from elimination of many tax deductible expenses.

Therefore, I am gratified that favorable action is being taken with respect to the repeal of the 10-percent transportation tax on persons.

Mr. MACDONALD. Mr. Chairman, Webster defines an "anachronism" as "anything incongruous in point of time with its surroundings." No better example of an anachronism can be found than the present excise tax on transportation of persons. This is an outdated and outmoded sales tax imposed on the individual who travels.

These taxes were levied as a war measure for extraordinary revenue and as a method of discouraging nonessential civilian use of transportation facilities. While the emergency which brought about these excises is long past, the "temporary" taxes remain. This is in sharp contrast to the situation with respect to similar taxes imposed during World War I which were repealed in 1921. When Congress enacted the passenger excise tax legislation in 1941, it was never thought that these taxes would become a permanent fixture of our Nation's tax structure. The longer these taxes are continued, the greater the danger that they will be perpetuated.

At the time the excise tax was levied, most travel taxed was of the vacation and pleasure type. It was deemed a luxury on which it was proper to levy an excise tax. However valid this may have been in the past, travel has become a necessity for ever larger segments of our population. Conservative estimates put over one-third of passenger transportation as necessary business travel. It seems to me that this tax could most properly be characterized as a sales tax on an essential service and not as an excise tax on a luxury.

Excise taxation of passenger travel is clearly inconsistent with attempts being made to encourage travel within the United States by foreign travelers. We are unique among nations in penalizing travel by our own people within their country. This is certainly to the detriment of the Nation's resort and recreational industries, the American traveling public, and the public carriers.



The need for revenue produced by this tax does not appear so acute that it must be obtained regardless of its effect on the traveler and at the expense of a vital public transportation system. The time is long overdue for the elimination of an excise tax that is regressive in effect, and outdated in purpose.

Mr. FASCELL. Mr. Chairman, I rise in support of the legislation before us at this time.

During my years in Congress I have closely followed and been associated with matters in this field. In 1956, I sponsored a bill to repeal the tax on travel to the Caribbean so our people could be relieved of this tax burden for their foreign travel. This was enacted into law on July 25, 1956.

Again in 1959, I sponsored a bill calling for the outright repeal of tax on travel. This bill was incorporated into the overall excise tax bill, which became effective on June 30, 1960, containing a provision reducing travel tax from 10 to 5 percent with the reduction to become effective as of July 1, 1960.

President Eisenhower, in his budget message of January 1960, asked for a deferment of this tax reduction in view of the national budgetary requirements. This was done on June 8, 1960, by means of the Public Debt and Tax Rate Extension Act of 1960—H.R. 12381—which I supported.

While the travel tax cannot be completely repealed until such time as it will be fiscally feasible, we recognize that a special problem does exist at the present time with the aviation industry.

It is common knowledge that the domestic airline industry is in the midst of serious financial stress.

The year 1960, when the entire industry reported a total profit of only \$68,000, was thought at the time to be a turning point. Instead, in 1961, the industry suffered a net loss of \$34 million. That alarming trend has neither halted nor lessened, and losses for the first quarter of 1962 amount to a staggering \$17½ million, as compared with a loss of \$12 million for the first quarter of 1961. This represents an increase of 42.4 percent in red ink.

H.R. 11879 will extend the present 10-percent transportation tax on airlines, trains, and buses until December 31, 1962, at which time the entire 10-percent tax will go off of rail and bus travel and drop to 5 percent on airline passenger travel.

I am in favor of the bill, although I regret that the change could not have been made on July 1 instead of December 31.

Experience has shown that a 5-percent reduction in airline fares—the amount of the reduction in the transportation tax—does not stimulate passenger business. It will then be ineffective in benefiting the airlines, and will be diffused to a point of being ineffective as a benefit to the traveling public.

Obviously the industry is in need of additional revenue, and it is therefore my recommendation that this 5 percent be passed along to the airlines, in the form of a noninflationary 5-percent fare increase which would replace the 5-percent tax reduction. The cost of air

transportation to the public would remain unchanged, but the additional 5 percent to the airlines would lessen their serious financial crisis and at the same time enable the Government to regain some of the 52-percent corporate tax which the Treasury used to derive from a healthy domestic airline industry.

Mr. DERWINSKI. Mr. Chairman, in supporting H.R. 11879, the extension of excise taxes for 1 additional year, I did so primarily because the bill contained the elimination of the wartime-imposed transportation tax on railroads.

However, this reduction constituted minimum virtue in the bill, since I have long advocated removal of all wartime-imposed excise taxes.

It is especially interesting that first Secretary of Treasury Dillon and then President Kennedy are offering vague promises concerning across-the-board reduction of personal and corporate tax rates in 1963. If the Federal Government is in the position to operate on reduced income, I think a most practical step would be to remove all wartime-imposed excise taxes. There would be a dual benefit—first, restoration of public confidence in Government, in general, when one action abides by an original commitment to reduce a tax imposed in an emergency when the emergency has passed. The longer we continue to collect these excise taxes, they grow in volume and become a permanent part of Government income structure.

Second. The Internal Revenue and individual and business taxpayers would be spared the tremendous cost of collection and administration of these taxes, thus directly and indirectly stimulating the economy. We would then be able to achieve a reduction in personnel in the Internal Revenue Service. Employers would be able to free employees for productive operations rather than have them serve as Government "hacks" and accounting agents and the public would receive the benefit in terms of purchasing power brought about by reduction in gross costs of products purchased.

One other point, Mr. Chairman, that I feel should be emphasized is the unfortunate situation that faces Members of the House when Ways and Means Committee legislation is before us. The restrictive nature of the rules under which H.R. 11879 and other bills from that committee are presented, presents the House Members with a "take it or leave it" situation in which we must accept or reject a bill, knowing it has some virtue or some fault and not being able to participate in a legislative attempt to write a more acceptable bill. This problem faced us when the so-called tax reform measure passed the House some months ago, and will face us next week when the tariff proposal reaches the floor. Certainly, some modification of the rigid rule granted Ways and Means Committee legislation is in order, and would result in more practical legislative practices.

Mr. LANE. Mr. Chairman, it is generally agreed that there must be some reduction of personal income and corporate income taxes to stimulate economic growth. I believe legislation for

that purpose is urgently needed. In the meantime, we have to meet a June 30 deadline.

Unless the Tax Rate Extension Act of 1962 is approved by that date, the present corporate income tax rate of 52 percent would automatically revert to 47 percent. In addition, a number of excise taxes would expire.

H.R. 11879 is in the nature of a holding action until the details of a corporate income tax reduction—plus a personal income tax reduction which is a matter outside the coverage of H.R. 11879—can be agreed upon and put into effect.

Meanwhile, this bill provides for repeal of all forms of transportation tax except air. The present 10-percent tax on transportation of persons by railroads, buses, or on waterways will end on December 31, 1962. The bill further stipulates that the tax on transportation of persons by air will continue for 6 months beyond December 31, 1962, or until July 1, 1963, but at a rate reduced from the present 10 to 5 percent.

As I have long advocated the elimination of such taxes, I consider these provisions of the bill to be a confirmation of my views. The lifting of these taxes will benefit our hard-pressed transportation industry, especially the railroads, airlines, and bus companies by encouraging greater use of their facilities. Because these taxes were imposed as an emergency measure during World War II to curtail civilian travel in favor of military or defense production needs, the reason for their retention is no longer applicable.

I had hoped that the 10-percent nuisance tax on telephone service would be abolished because I have spoken out against this tax many times as unfair to the companies providing the service and to their patrons. The millions of telephone subscribers in the Nation would benefit by a 10-percent reduction in their bills if this tax were repealed.

The elimination of the transportation tax on passengers is a good beginning. The gradual repeal of wartime taxes should reach out to cancel a similar burdensome tax on general telephone service. Increased use of this communication medium will more than compensate for the loss of tax revenues.

It is recognized that the repeal of these emergency excise taxes—plus a reduction of personal and corporate taxes in separate legislation—will liberate purchasing power and venture capital for a real and sustained growth in economic activity.

The Tax Rate Extension Act of 1962 is a step in that direction. It points toward other major adjustments in the revenue-raising formula that will provide the necessary income for the Federal Government, but in a manner that will stimulate private enterprise.

H.R. 11879 is not merely a routine tax extension bill. It shows an awareness of the tax relief that is essential to inspire and promote progress. For that reason, and with the reservation noted above, I voted for the Tax Rate Extension Act of 1962.

The CHAIRMAN. If there are no further requests for time, under the rule the bill is considered as read. No amend-

ments are in order to the bill except amendments offered by direction of the Committee on Ways and Means.

Are there any committee amendments?

Mr. MILLS. Mr. Chairman, there are no committee amendments.

The CHAIRMAN. Under the rule, the Committee rises.

Accordingly the Committee rose; and the Speaker having resumed the chair, Mr. DELANEY, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee having had under consideration the bill (H.R. 11879) to provide a 1-year extension of the existing corporate normal-tax rate and of certain excise-tax rates, and for other purposes, pursuant to House Resolution 675, he reported the bill back to the House.

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

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

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

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

#### CALL OF THE HOUSE

Mr. BRUCE. Mr. Speaker, I make the point of order that a quorum is not present.

The SPEAKER. Evidently a quorum is not present.

Mr. ALBERT. Mr. Speaker, I move a call of the House.

A call of the House was ordered.

The Clerk called the roll, and the following Members failed to answer to their names:

#### [Roll No. 101]

Addonizio	Diggs	Norrell
Alford	Donohue	O'Konski
Ashbrook	Dooley	Peterson
Ashley	Dwyer	Philbin
Ashmore	Evins	Pilcher
Auchincloss	Flood	Powell
Bailey	Fogarty	Rains
Bass, Tenn.	Hoffman, Mich.	Reece
Boland	Horan	Rousselot
Bolton	Jensen	St. Germain
Boykin	Jones, Ala.	Saund
Broomfield	Kearns	Seely-Brown
Buckley	Keogh	Shelley
Clark	Kitchin	Sibal
Coad	Loser	Smith, Miss.
Colmer	McMillan	Spence
Curtis, Mass.	MacGregor	Steed
Daddario	Magnuson	Thomas
Davis, Tenn.	Marshall	Walter
Dawson	Mason	Watts
Dent	Meador	Westland
Derwinski	Morrison	Whitten
Devine	Moulder	Williams

The SPEAKER. On this rollcall 365 Members have answered to their names, a quorum.

By unanimous consent further proceedings under the call were dispensed with.

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

The bill was passed.

A motion to reconsider was laid on the table.

#### GENERAL LEAVE TO EXTEND

Mr. MILLS. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to extend their remarks on the bill just passed.

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

There was no objection.

#### MR. JUAN TERRY TRIPPE

Mr. DULSKI. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD and include newspaper articles.

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

There was no objection.

Mr. DULSKI. Mr. Speaker, under leave to extend my remarks, I would like to include an excellent editorial and article that appeared in the Buffalo Evening News, Buffalo, N.Y., concerning Mr. Juan Terry Trippe, founder and president of Pan American Airways. The editorial and article follow:

#### THE TRIPPE YEARS

Pan American Airways long ago spread its wings beyond the bounds implied by its corporate name. But the international carrier has never surpassed the vision of its founder—Juan Terry Trippe. He observes his 35th anniversary as president of the line today.

It was in 1927 that this young (then 28) ex-naval aviator established "Pan Am" service between Key West and Havana, a 90-mile distance that is in the news again these days for less harmonious reason than union by air of the United States and Cuba. Since then, the enterprise expanded into South America and, eventually, around the earth far beyond limits of pan-Americanism.

The philosophy that has guided the Trippe operation of Pan American, gaining both business and national respect, is simple. He believes that a flag airline has a duty to be a partner with Government in the national interest and that air transport must provide mass transportation at a price average people can afford to pay. As guidelines, these have been eminently successful.

The Trippe airline, for such it was and is, has fulfilled the first principle in peace and war. Even before World War II, Pan American served the U.S. Government on the assignment of displacing the Nazi interests operating the Colombia airline in this hemisphere; when Pearl Harbor came, Pan American Clippers went to war.

It demonstrated the invaluable aid a peacetime air fleet in being is to national defense. Later, in the Korean war, it carried desperately needed supplies to embattled forces, logging 32 million miles and 2,300 Pacific crossings. Its aircraft fly 64 "routine" missions a day between West Germany and Berlin today.

Pan Am and its guiding genius Juan Trippe, on his 35th anniversary year, can look backward with pride and satisfaction and to the future with confidence. He has been a real pioneer of the airways.

AFTER 35 YEARS, JUAN TRIPPE RUNS A \$600 MILLION AIRLINE—PIONEER STARTED PAN AMERICAN AS 90-MILE LINE, NOW HAS 65,000-MILE, WORLD-GIRDLING OUTFIT

NEW YORK, June 1.—Thirty-five years ago today a 27-year-old bond salesman turned dabbler in commercial aviation and formed a new company to fly the 90-mile Key West-to-Havana route.

From such a beginning Juan Terry Trippe and his infant Pan American Airways blazed a worldwide pattern of air trails stretching nearly as far as three times around the earth.

Now Pan American World Airways, the company flies about 65,000 route miles, a

distance unequaled by any other private enterprise carrier, although this is exceeded by Government-owned or subsidized foreign lines.

Its 130 planes, about half of them \$6 to \$7 million jets, touch down in 80 countries.

A subsidiary is building a global chain of 26 hotels on six continents, partly to accommodate patrons who last year traveled more than 6 billion revenue miles.

#### ASSETS TOTAL \$600 MILLION

In another sideline activity, Pan American since 1953 has run the Atlantic missile range for the Air Force out of Cape Canaveral—an operation requiring 9,000 employees ranging from frogmen to mechanics and sailors on a fleet of 10 seagoing ships.

Six hundred more of Pan American's 32,000 employees are assigned, under an Army Signal Corps contract, to the electronic environmental test facility and drone test range in Arizona.

From \$200,000 in capital raised by Cornellius V. Whitney, a classmate at Yale University, Pan American's assets have risen to about \$600 million.

Characteristically, Mr. Trippe, a retiring and somewhat aloof man for all his dynamism, paid no formal heed to today's milestone.

His office in Manhattan, which soon will occupy a new 69-story Pan American building erected astride Grand Central Terminal, reported he was away on the system—in Bermuda.

#### WITH BORROWED MONEY

Some long-time employees of supervisory rank never have met the big boss, and many have seen him only two or three times.

Although Mr. Trippe's vision of aviation's future probably dates from boyhood, when he flew model planes in New York's Central Park, his first adult enterprises in the field were disappointing.

A Navy flier in World War I, he got his feet wet in the early 1920's by organizing Long Island Airways, using war vintage planes bought with borrowed money.

Passengers were taken up on sightseeing flights, and the company offered a charter service and did contract work for motion picture concerns.

Then, Mr. Trippe turned to another enterprise, Colonial Air Transport, flying between New York and Boston. Colonial received the country's first domestic air mail contract.

#### CHINA CLIPPERS IN 1937

He left Colonial and launched Pan American after financial backers quarreled with his plans to extend operations to Chicago and to Miami and Havana.

By 1937 Pan American had inaugurated its China Clipper service, and a few years later thrust its routes across the Atlantic to Europe, and a little later to Africa. The airline had begun to roll up "firsts" in commercial aviation.

Pan American claims to have pioneered among airlines in radio communications, emergency lifesaving equipment, tailoring of aircraft to operational needs, instrument flying, and serving meals aloft.

Talents in diplomacy aided Mr. Trippe in complex negotiations as Pan American fanned out, and he proved adroit in complementary arrangements necessary in Washington.

#### A MOST DECORATED MAN

Mr. Trippe early committed his company to an attempt to apply to commercial air transportation the American genius that expressed itself in industry as the techniques of mass production.

One of the most decorated of American civilians, Mr. Trippe has been honored with medals and orders of 17 countries. Seven colleges and universities have awarded Mr. Trippe honorary degrees.



The story is told that on the morning of his marriage on June 16, 1928, to Elizabeth Stettinius, daughter of the late industrialist and Secretary of State, Edward Stettinius, Mr. Trippe had to be called from his desk to the altar.

#### PAN AMERICAN AIRWAYS MARKS 35TH YEAR

Mr. BECKER. Mr. Speaker, I ask unanimous consent to address the House for 1 minute, to revise and extend my remarks, and include a newspaper article.

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

There was no objection.

Mr. BECKER. Mr. Speaker, it is my pleasure to represent in Congress several thousands of Pan American World Airways' employees and their families who live in my district. Needless to say, I am immensely proud of these people who contribute so much to international aviation.

It has likewise been a pleasure for me to have before our Airlift Subcommittee of the House Armed Services Committee, as a witness, Mr. Juan T. Trippe, president of Pan American World Airways. Mr. Trippe's testimony has been invaluable to our subcommittee, and his advice and suggestions have made notable contributions to the policies now being pursued by the Department of Defense in building a greater airlift potential, in time of peace or in time of great national emergency.

Pan American, which has pioneered so many of our air transport philosophies which are now considered standard operations procedure, recently blazed a new trail with the purchase of two new uncompromised cargo-aircraft at a cost to the company of approximately \$13 million. While other carriers stand around looking for Government support and aid in this vital field, Pan American took it upon itself to take a calculated risk and invest its own funds in all-cargo equipment.

Mr. Speaker, the president of Pan American, Mr. Trippe, had remarkable foresight 35 years ago when he and a group of fellow classmates at Yale University—all of whom had been Navy pilots in World War I—gambled on the possibilities of over-ocean flight. That their thinking was correct is manifested today in the remarkable success of Pan American despite tremendous competition from foreign-government-owned airlines, particularly across the North Atlantic.

Mr. Speaker, the New York Journal-American of June 1 carried a most interesting article written by Emanuel Doernberg, commemorating Mr. Trippe's 35th year as president of Pan American. Under leave to extend and revise my remarks, I include the Journal-American article as a part of the RECORD:

TRIBUTE TO ONE MAN'S VISION—PAN AMERICAN MARKS 35TH YEAR; FOUNDER TRIPPE STILL AT HELM

(By Emanuel Doernberg)

Thirty-five years ago this month, a man with vision and courage set up an airline with a single plane to handle the 90-mile Key West to Havana run.

Today, Juan Trippe, the man with so much foresight, heads up this same company—now the globe girdling Pan American World Airways.

The growth and development of this vast international carrier, founded on the hopes and dreams of one man and on a borrowed \$200,000, is one of the most dramatic examples of the opportunities inherent in a free enterprise system.

From a company with a single Fokker F-7 plane, in 1927, Pan American today has a fleet which includes 55 long-range American built jets valued at \$330 million, and provides directly for the employment of 23,000 people at an annual payroll of upward of \$152 million.

In addition, Pan American provides work to more than 9,000 at Cape Canaveral through its own operations and those of subcontractors and, through its hotel chain operations, for hundreds throughout the world.

#### STARTED YOUNG

If ever a man was air-minded it is Juan Trippe. Born June 27, 1899, in Seabright, N.J., this big, energetic executive can recall flying model airplanes in Central Park as a boy. In 1918 he left Yale to become a naval aviator.

When the Yanks came marching home, Trippe resumed his college career and graduated from old Eli in 1922. For a short period he served with a banking firm, but the flying machine was his real love. He organized Long Island Airways and later, with friends, formed Colonial Air Transport, which won an airmail contract for the New York to Boston route.

The vision of an international air carrier was strong in Trippe. A fellow student at Yale—Cornelius V. Whitney—raised the \$200,000 Trippe wanted and, in 1927, Pan American was born. Trippe has headed the line since, through depressions, recessions, and wars.

#### RESISTS HIGH FARES

Pan American has prospered and grown because it has used as a guide two basic tenets of Trippe's philosophy: a U.S. flag international carrier must act as a partner to Government in the national interest, and air transport must provide mass transportation at prices to fit the average man.

In respect to the latter, Trippe has asserted: "Air transport has the choice of becoming a luxury service to carry the well-to-do at high prices—or to carry the average man at what he can afford to pay. Pan American has chosen the latter course."

Always pushing for lower fares, Pan American this year put into effect group fares to further reduce prices. Through this lowering of mass transportation fares Trippe hopes to see further his dream of bringing nations of the world closer together.

"Foreign travel is no longer a luxury," he says. "It is a necessity if Americans are to understand the problems, politics, the religions, the ideas and the ideals of other nations. Our people must become world-minded if our Nation is to discharge well its new responsibilities as the leader of the free world."

#### MEDICARE AND THE WILL OF THE PEOPLE

Mr. LANE. Mr. Speaker, I ask unanimous consent to address the House for 1 minute, to revise and extend my remarks, and include an editorial.

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

There was no objection.

Mr. LANE. Mr. Speaker, the clear and the courageous editorials of the

Lynn (Mass.) Sunday Post have acquired a reputation for coming to grips with current issues.

The Post never slants its editorials in deference to any group.

It is a young paper, run by veteran newspapermen, and public confidence in its policies is reflected in its growing circulation.

Medical care for the aged in some form is both necessary and inevitable. Any pioneering legislation, however, is always opposed by a small but vocal minority that stubbornly clings to the status quo in a changing world that repudiates their resistance to progress.

More than 25 years ago they predicted that the Social Security Act would drive the Nation into bankruptcy. Their attitude toward an extension of that successful system to provide medical care for the aged is just as old fashioned today.

The Post puts its finger on the determining factor when it states:

But anybody who cares to do so can make inquiries among his friends and neighbors and will find that there is almost unanimous support for the social security approach to the problem of providing national health insurance for persons in their declining years.

I recommend to your attention the following editorial on the subject of "Medical Care for the Aged" from the May 27 issue of the Lynn Sunday Post:

#### MEDICAL CARE FOR THE AGED

President Kennedy has placed his full support behind a program to provide medical care for the aged and has made it plain that he intends to get favorable action out of Congress during the current session.

Mr. Kennedy's courageous battle to obtain passage of the King-Anderson bill has aroused the same kind of opposition encountered by the late Franklin D. Roosevelt when he fought for enactment of the social security laws a quarter century ago.

At the same time, however, President Kennedy has stirred up widespread support for the proposed legislation. In addition to organizations of senior citizens, who could naturally be expected to favor the legislation, the King-Anderson bill is being strongly favored by organized labor, by thinking citizens in all walks of life, and even by many members of the medical profession.

The principal opposition is being voiced by the heavily financed American Medical Association and its branches, which are spending millions of dollars in various information media to belound and confuse the issue.

But anybody who cares to do so can make inquiries among his friends and neighbors and will find that there is almost unanimous support for the social security approach to the problem of providing national health insurance for persons in declining years.

Here in Lynn we have found that many good Republicans are strongly in favor of President Kennedy's medical care proposals, even though they may oppose some other phases of his overall program.

Medical care for the aged is not a partisan matter. It is an issue which, sooner or later, affects everybody. It is to be doubted that those members of the medical profession who are fighting so bitterly to prevent the adoption of this progressive legislation will succeed in frustrating the will of the people.

Their opposition to expansion of the social security system to provide for medical care for the aged seems doomed to suffer the same fate as the bitter-end opposition voiced more than 25 years ago to the introduction of the social security system itself.

### NEED FOR A DEPARTMENT OF URBAN AFFAIRS

The SPEAKER. Under the previous order of the House, the gentleman from Pennsylvania [Mr. SCRANTON] is recognized for 15 minutes.

Mr. SCRANTON. Mr. Speaker, many weeks ago, the House gave consideration to Reorganization Plan No. 1, which would have raised the Housing and Home Finance Agency to departmental status, and likewise given Cabinet rank to its administrator. This plan was overwhelmingly defeated. The main reason for the defeat was the defect in the plan itself. Anyone thoroughly appraising the plan from an objective and nonpolitical standpoint could not fail to find it inadequate and ineffective.

The problems of the urban areas are large in number and deep in substance. They involve housing, transportation, air pollution, water pollution, recreational facilities, juvenile delinquency, unemployment, education, public health, crime, highways, and airports, welfare programs and many others. In all of these, the Federal Government now has some participation through one department or another.

Under Reorganization Plan No. 1, of these problems only housing was included in the Department of Urban Affairs and not all housing at that. For example, loans for veterans' housing were not included, and neither was the Federal Home Bank Board. These two units alone comprise over 70 percent of the Government housing programs.

Accordingly, Reorganization Plan No. 1 would actually have established merely a Department of Housing, including only 30 percent of all Government housing programs. As such, it was of no real assistance to the urban areas.

An objective analysis of the Federal Government demonstrates that it is almost impossible to divide programs into their urban and rural aspects. Thus, establishing a Department of Urban Affairs to do a first-rate job for urban areas is almost an impossibility, as it would divide programs now carried on by other departments.

But there is a solution to a real need here. Urban officials should have a center in Washington where they can obtain the necessary information about Federal activities for urban areas and where they can plead their cause for needed Federal assistance. This could be achieved by establishing an Office of Urban Affairs in the executive, where all the information—department by department—on all urban matters would be available. Such an office would answer one of the real needs in this field.

Secondly, the same office, along with a division of information, should include a division of research, the main purpose of which would be to study urban needs and Federal participation therein.

I have introduced H.R. 11674, to establish such an office in the executive with two divisions: one for information and coordination of Federal Government urban activities, and the second for research in this field. This would be the most important step forward that could be made for urban areas. It would

slice through bureaucracy and redtape and offer a means to quicker solutions of the needs for the people in the cities of America.

Interestingly enough, in establishing Reorganization Plan No. 2, the administration has recognized the principle behind this scheme. In Reorganization Plan No. 2, they request the establishment of an Office of Science and Technology as a new unit within the Executive Office of the President.

In the message from the President requesting approval by the Congress for this plan, he states:

However, the (National Science) Foundation, being at the same organizational level as other agencies, cannot satisfactorily coordinate Federal science policies or evaluate programs of other agencies. Science policies, transcending agency lines, need to be coordinated and shaped at the level of the Executive Office of the President, drawing upon many resources both within and outside of Government. Similarly, staff efforts at that higher level are required for the evaluation of Government programs in science and technology.

Exactly the same principle applies in this instance, and necessitates the establishment of such an Office for Urban Affairs in the executive rather than a Department of Urban Affairs.

### THE CROSSROADS BREAKFAST

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

Mr. SCHWENGEL. Mr. Speaker, on Sunday, May 6, 1962, the International Crossroads Sunday morning breakfast celebrated its 16th anniversary at the YMCA in Washington, D.C. The President of the United States sent his greetings through the Honorable Brooks Hays, special assistant of the President. Dr. Raymond W. Miller, president of Public Relations Research Associates, represented the speakers. James F. Bunting, general secretary of the YMCA represented the Washington and National Council YMCA, while I extended greetings in behalf of the many Members of Congress who have supported this program over the years.

The session was devoted to the narration of letters received for the occasion from former participants who have returned to their homes abroad. The narrator was Mr. William L. Robinson, an official of the American Automobile Association who was assisted by John L. Handley, a young man from Birmingham, England; K. M. Bashir, of New Delhi, India; and Robert Gleason, a student at George Washington University.

The International Crossroads breakfast has extended hospitality and appreciation to visitors and travelers every Sunday for 16 years. This, Mr. Speaker, was the 835th consecutive breakfast to be held without a break. To these breakfast gatherings have come 13,835 persons from 120 countries who have attended for the first time. Many have returned time after time.

The sessions are addressed by many outstanding speakers of distinction. These include top political figures, edu-

cators, scientists, diplomats and others. The far-reaching effect of these sessions is perhaps much greater than can be presently estimated, because it is impossible to foretell the possible effect of great ideas in the minds of youth.

In writing about the breakfast in his column, "The Human Side of Religion," Casper Nannes, religious news editor of the Evening Star of Washington, D.C., said:

Here visitors and those temporarily living in Washington sit down to eat and enjoy an inspiring talk together. Out of these experiences have grown a strong bond that defies distance and time.

This program has been carried on by a committee of volunteer workers of which Paul L. Brindle is the chairman. Mr. Brindle is an attorney who has given liberally of his time to the leadership of this valuable program over the past 16 years. He insists that the success of International Crossroads Sunday morning breakfast has been made possible through the attractions of the outstanding speakers, including many of our colleagues, and the potentialities of the visitors.

In bringing a message from the President of the United States, the Honorable Brooks Hays said:

I was authorized yesterday to bring the President's greetings. I wanted you to know how much the White House—the President and the White House staff also, particularly the chief officers in the State Department, appreciate the tremendous significance of the work that Paul Brindle does. We think that this has great importance in terms of world brotherhood and good will for our beloved country. The city of Washington has a multitude of people who observe what is going on even though they are not privileged to sit down with you to symbolize this spirit of Christian unity and to signify to you, who come from other lands, that we love you and that we believe the cement of love expressed in Christian service is the thing that will pull the world together, bind up its wounds, and help us to march forward to a happier day.

On this occasion it was my privilege to pay tribute to a great idea that may yet have a greater influence than we think—an idea that ought to have a lot more attention by people in Government circles. The type of speakers who grace these breakfasts includes many who are listened to by thousands and I would hope that somehow we can expand this activity and give the experience of listening to these speakers to many more people.

The effectiveness of these efforts can be best understood from the following extractions from some of the letters which were received for the 16th anniversary celebration:

V. R. Katre of Khalari, India, writes:

I am happy that the sandalwood elephant gives out sweet fragrance to remind you of the traveler from India you met at the International Crossroads and invited to the breakfast on a Sunday morning. Let it be symbolic of the blossoming of the sweet flower of friendship which you have offered to the lone traveler from India, reminding him that he is no more lonely and no more in a foreign land. The strengthening of the bonds of universal brotherhood which, I am sure, is one of the aims of this Sunday morning breakfast, for which you are striving



hard, will be a success—I wish you and this organization all the best.

Hon. A. B. Won Pat, speaker, Guam Legislature, writes:

The ICSMB which I had the rare privilege of attending last Sunday through your gracious invitation, is truly one of the most meaningful and uplifting occasions I ever attended. I was deeply impressed with the program and its humanitarian objective.

It was particularly interesting and rewarding to meet with you and the many participants who came from other parts of the globe, in the spirit of true Christian fellowship and fraternal kinship.

In these critical times when men with ruthless minds and hearts devoid of brotherly love engendered by selfishness and greed and prejudice of race, creed and color to whom Christian principles are but meaningless phraseologies, many of us have lost a large measure of faith—faith in God, faith in our Government, and faith in our fellow men.

It is to dedicated men like you who conceived the way through the instrumentality of the ICSMB to put into effect the principles of Christianity, that can have a greater influence in bringing about a better understanding and friendliness amongst peoples of diverse creed and color.

On the occasion of the 16th anniversary of your program, it is regretted that I would not be able to participate, but I do look forward to the opportunity again when I come your way.

Bill Dewing, of Melbourne, Australia, writes:

I was very pleased that I was able to attend one Sunday morning breakfast in early August last year. It was extremely interesting, and it was very pleasurable to meet interesting young men from various parts of the United States of America and countries beyond.

It was an excellent start to an American holiday ranging from Washington and Niagara in the East to Albuquerque, Los Angeles, and San Francisco, in the West.

It was a glorious trip and although it would be impossible to see even one fourth of all the sights to be seen, the ones that I did see contributed to the impression that the United States of America was by far the most interesting country in which I have been.

Although now back home here in Australia in a relatively dull and peaceful existence, I am thankful that I had the opportunity to travel the world at a young age (23), see the places that I did, and meet so many interesting people.

The YMCA is doing a great job, and for a traveler life is made much easier by the knowledge of a warm reception in the next city at the YMCA.

Peter Hausmann, Rome, Italy, writes:

I do certainly remember very vividly the interesting meeting I attended at the ICSMB during my stop in Washington and I still have with me the nice small sculpture of Lincoln that I received as a present on that occasion. For the 16th anniversary of your association I extend you my warmest congratulations, and I hope that I shall have the opportunity to visit you again and to participate at another Sunday morning breakfast.

Robert H. Orgill, Australian inventor of air safety devices, comments:

I might mention that the International Crossroads is an unforgettable organization and I did appreciate meeting many of you during my visit to Washington, D.C., in 1959.

Dr. Ugo M. Colombo, director of public assistance for the city of Milan, writes:

I remember Washington, D.C., for your lovely hospitality, and also for the ideals that your country represents through the world, ideals of peace, of freedom, of democracy.

From the most commercial city of Italy, from the city of the famous cathedral and of La Scala, I send to you and to your guests a message of encouragement and of trust in the good understanding among the citizens of all the nations. And I would underline and emphasize the importance of the individual capacity and dignity in a free world.

Wen-Wai Woo, YMCA of Hong Kong, writes:

From this overcrowded refugee colony of Hong Kong I send you my warm congratulations on the 16th anniversary of International Crossroads Sunday morning breakfast and sincere good wishes for its continued success.

Dr. D. R. Malhotra, metallurgical engineer, India, reports:

I am very glad to hear that you will be celebrating your 16th anniversary of the International Crossroads Sunday morning breakfast on May 6, 1962. This is a very important day in the history of your international organization which is doing such marvelous work. I very vividly recollect the most pleasant and entertaining breakfast function I was privileged to attend during my short stay in Washington. It was not only the congenial atmosphere, but it provided me with a very good opportunity of exchanging my views with various other people representing different walks of life. Although there is no special big edifice built where this breakfast function is held—due to the special atmosphere of cordiality, love, and affection, all these stone and mortar structures are lost sight of while attending to the main part of the function which is intended to meet the various visitors who are invited there.

It would not be out of place to mention that the entire success of this organization is due to your most pleasant and magnetic personality. There are very few cases which I can recollect, where individuals have achieved so much success as you have done. Your very presence in that building radiates spirit of comradeship, and the entire progress of this work depends on your sober and cordial attention to one and all. You are in the true sense an ambassador of peace and fellowship, and it is remarkably strange that you are too modest to accept even a share of the credit when the success of the entire show depends on your sincere and hard work.

Mr. H. C. Shih, electrical engineer, Taiwan Aluminum Corp., Taiwan, China, writes:

One of the best things during my stay in Washington last year was attending the Crossroads at the table. This is your American friends' new idea, but our old tradition. Confucius said: "How could you be without greatest delight when friends come from far?"

L. Swaminathan, of Madras, India, comments:

The Sunday Y breakfast meet is one of the finest services, because it brings together people of all nations and builds up a fellowship under spiritual guidance. I wish and pray that under the able leadership of Paul, the Y meet will grow from strength to strength. Let us pray to the Lord, Almighty.

T. S. Kasturi, engineer, of Neyveli, India, writes:

When I receive your letters, happy memories of my stay in your country come vividly to my mind. During my stay of 6 months in your country, in 1959-60, I stayed in 10 YMCA's. I can assure you each YMCA in the United States is "A home away from home." On the 16th anniversary celebration, I wish your organization and the people of the United States all the luck the world could spare.

Verner S. Hanson, of Fredericia, Denmark, comments:

I am amazed at the attention and interest you apparently take in every single one of your guests at the Sunday morning breakfasts. You must surely be a very busy man. I think you do a positive and valuable job in creating goodwill for the United States of America by the unreserved and warm-hearted way in which you welcome everybody at the breakfast meetings, and I wish you every success in the future.

Dr. P. V. Jayade, a dental surgeon of Hubli, India, who utilizes a painless process without the use of drugs, reports:

We wish the International Crossroads Sunday morning breakfasts every success and sincerely believe that under your able guidance the institution will bring real harmony and friendship amongst the members in various countries of the world, which will ultimately result in peace and prosperity in all the nations of the world.

The Honorable Gustav-Adolf Gedat, M. B. of Germany, writes:

It is a great pleasure for me to extend to the friends of the crossroads breakfast my most sincere congratulations on their 16th anniversary. It has been my privilege to meet for several times with you, and I always appreciated your friendship and fellowship. Our friend, Paul Brindle, has done a marvelous job to have young men coming to Washington meet each other and to build friendship across the barriers of nationalities, races, and religion. That is the only spirit in which we build a future world of freedom and peace. This is also my goal in life, and therefore I shall always be united with you. May God bless you all in your future.

Raymond Issid, of Beirut, Lebanon, sends photos and adds:

It is Easter time again and time to say hello, and wish happiness to life brothers and good friends like you.

I can and will always remember the beautiful times and the great happiness that I received through my visits to American families during Easter time, every year while I was going to college in "back home" Montana State in the United States of America.

All that I can add is to ask Almighty God to help the United States of America in power and leadership, so it can always and always be the leader and the mother of the free world, and the emblem of the dignity of man.

Prosperity and happiness to all the life brothers of the International Crossroads Sunday morning breakfast in the United States of America and abroad.

Bangalore K. Shivalingappa, executive engineer, Mysore P.W.D., India, who did graduate work at the University of Connecticut, writes:

I thank all concerned for the cordial invitation for the memorable occasion. Hope that I may be excused for expressing my regret for not being able to be present there

physically, but my mind and spirit will always be there, particularly on this happy anniversary day. It is the mind which can travel by the shortest time to reach any destination, however far it may be.

On an occasion like this it is worthwhile that we think about the good of others, so that we may make the present world much better than what it is now, to make it more peaceful and more happy. If everyone of us make up our mind to do a little bit of self-sacrifice, so as to make others more happy, to that extent we will have made the present world much better.

Just like a lighted incense stick radiates fragrant fumes, let good wishes and healthy feelings radiate from all the members of the congregation and induce a spirit among all, to do their best for the happiness of mankind, physical, mental, and spiritual.

I wish to conclude with the following message from Lord Buddha:

"We must not believe a thing merely because it is said; nor on the mere authority of our teachers or masters. But we are to believe when the writing, doctrine, or saying is corroborated by our own reason and consciousness. For this, I taught you not to believe merely because you have heard, but when you believed of your consciousness, then to act accordingly and abundantly."

He closed with a prayer in Sanskrit, which translates, "May humanity be blessed with happiness."

Michael C. Pearce, company representative and Boy Scouts executive, of Coterhaus, England, writes:

It is not possible for me to share your weekly pleasure of attending the ICSMB and listening to an eminent personality, whose aim is to further world peace and harmony among men. I can only pray that the good we derive from these talks lives on when we have returned to our native lands.

I remain active in Scouting because I feel it is my duty to pass on the lessons learned during my life: to those yet immature, or coming from troubled homes, who may never enjoy the same start in life as I was blessed with.

The late Lord Baden Powell once said, that when Scouting was allowed to flourish in all countries, there would be an end to wars, for such a brotherhood would naturally rebuke such a course of action as a means of achieving selfish ends.

Our International Crossroads Sunday morning breakfast fraternity, whose strength lies in the loyalty of its members, must strive for that same ideal.

Dr. K. S. Hegde, Mysore Veterinary College, India, writes:

I remember with pleasure my privilege of attending the breakfast organized by the association. I consider myself lucky in getting that chance because that was the last leg of my trip in the United States and I would have missed your glorious endeavor of bringing people of the universe together.

During my pleasant stay in your great country as an exchange visitor under the auspices of the U.S. International Cooperation Administration, I had several occasions of admiring Americans' earnest efforts to foster universal brotherhood. International Crossroads Sunday morning breakfast is such a unique activity that attracts the attention of a stranger. In fact, in your wonderful country, one does not feel that he is away from his people. Americans possess the rare quality of making anybody quite at home with their readiness of appreciating anything good and noble in others and their anxiety to keep the visitor happy in their country.

I am sure that missions like the International Crossroads Sunday morning breakfast and several such things started by some far-

sighted individuals and nations will have the desired result of universal peace and brotherhood.

**Missaghallah Nouredin, Tehran, Iran, comments on his life membership card in ICSMB:**

I must thank you very much for the kind reception you extended me while I was staying at the YMCA Hotel in Washington.

With regard to the membership card you gave me, I must say that being a member of the Baha'i World Faith I cannot commit myself to any other kind of membership due to the numerous duties I have here. However, I am ready to collaborate in any activity which may help to create love and kindness among the peoples of the world if I should again return to visit the States in the future.

**Mariano A. Henson, chemist and businessman of the Philippines, writes:**

I am one of those who on August 6, 1961, was honored by your International Crossroads Sunday morning breakfast and to this date I can say I am still remembered by your gallant chairman, Paul L. Brindle.

If all nations could meet every week across these YMCA-sponsored breakfasts, I don't see why nations should not be good neighbors and good friends when our blood is of one and the same color and time and geography have been abolished by speed and intellect.

**Dr. P. G. Gollerkeri, professor of bacteriology, Kasturba Medical College, Mangalore, India, communicates:**

What touched me as an Indian, was the 8-cent U.S. postage stamp to the memory of the father of our nation, Mahatma Gandhi, stuck next to your own Liberty stamp. The main plank of Gandhi's platform was this very kind of international good will or world citizenship that your ICSMB idea tends to foster. Although it may have been purely a coincidence, I was much impressed with its propriety—these two postage stamps side by side on the envelope.

You, it seems to me, are unique among the Western countries for your vision and imagination for such apparently no-account details but deeply soulstirring. Your present letter, a matter-of-fact, hail-fellow-well-met one, was to me intrinsically human and cordial even to inquire kindly about my son in another part of your interesting country.

Yes, he wrote to me (the son, I mean) after meeting you; how you could spend a pretty long time in palaver with him and also how you had extracted a promise from him to spend a weekend including a Sunday to join you at your famous breakfast and speak his mind on our two countries. Later his letters have been coming at longer intervals than formerly as he seems to have little time after his professional duties at his Boston research unit. A month or two ago he had gone to the U.S. west coast, to California to attend a scientific conference in his line. No doubt he will keep his promise to you. I, too, will remind him of it. May the human race live in real brotherly friendship, peace, and good will from wherever our representatives hail from on this planet.

**Paul T. Muto has been getting the ICSMB members of Tokyo together, and reports:**

I received an invitation to the meeting for the first time last week from the Tokyo YMCA. The next meeting will be held on April 2 at the Tokyo YMCA from 12:15 to

13:30 with Professor Hisatake, of Hitotsubashi University, as a speaker.

This dinner meeting is, as I wrote before, once a month. Mr. Takashina wrote me that they will consider a new project patterned after your breakfast meeting.

I am busy as usual and am sorry to say that I cannot help Mr. Takashina fully in making a new project. But I'll help him as much as possible. Since I am working in the Tokyo International Airport control tower as a watch-supervisor, I don't have much free time. I will do my duty as a Christian at my office though I cannot attend those meetings regularly. Hoping to see you and attend your breakfast meeting again in the near future.

**Jacques Guerin-Desjardins, psychologist in industrial human relations, Paris, France, and recent speaker—former YMCA secretary and Boy Scouts executive—writes:**

When one has spent, as in my case, more than 20 years in boys' work and youth education, time may pass and hair grow gray—there remains forever in his heart a fondness for the younger generation. How will they grow? How will they adapt themselves to the present situation? How will they face their testing? And especially at this momentous era of history when so many fundamental problems are in question and when the world changes so rapidly?

That is why I answered with pleasure your request to speak at the international breakfast and, for one moment, to cross my road with the participants' road. I was glad to have this opportunity to tell your friends something about the youth of France.

I have been deeply impressed by the earnestness and the seriousness of the group.

I am certain you are realizing a very useful work in bringing together these men in a genuine and Christian atmosphere. You really do your part for a better understanding between races and nations. May God continue to inspire and to sustain you.

Thanks for your welcome. Good wishes for the 16th anniversary. And friendly thoughts to all members.

**Dr. J. K. W. Mathieson, general superintendent of child care, Australia, reports:**

This breakfast session is one of the most constructive activities towards international understanding that I have met anywhere; it is a great thing to know that there exists a forum with such an international flavor and with such warm welcome for the stranger. Some day, I hope I may again have the pleasure of participating.

Our own work of child care continues to be absorbing and full of interest—enough success to make us feel that the work is well worthwhile, and unfortunately sufficient partial failures to keep us humble. Our latest venture is the beginning of an attempt to bring into closer association our Methodist child-caring agencies throughout the whole of Australia, instead of, as now, working solely on a state basis.

**Chris Roehling, of Germany, writes:**

I am proud of being a life member of the ICSMB. When I first came to you in November 1958, I had been a student, but 5 weeks ago I graduated. I am a chemical engineer now and I hope strongly that a business trip sooner or later will take me to Washington to have the opportunity to listen to one of your marvelous speakers again. Since I start to work in Frankfurt I shall have plenty of opportunity to talk to Americans.

As I observe the attitude of Germans to Americans I must say, that friendship is slowly getting better and deeper. Of course,



we Germans are getting a little more self-confidence but I don't think that is bad.

Believe me, when John Glenn was driving through space, millions and millions of Germans were listening and watching him on radio and TV, and a big sigh of relief went through our hearts that you North Americans made it and even made it very well. During all that publicity you even did a much better job than those Russians.

Looking forward to our 16th anniversary celebration to be held on May 6, 1962, I wish to you, Mr. Chairman P. Brindle, to you speakers and to you sustaining members that your work, and our work will keep on going as successfully as it has. That a team out of these 13,000 life members may grow together—maybe separate in every country—to keep high the work you are trying to do: To sow Christian understanding in all Western democratic countries of the world, to sow friendship between all countries through human and personal understanding, to sow respect and believe in Western-style culture and technique, to sow self-confidence to all Americans and Europeans, which is badly needed, and to sow a united will of power to overcome communism rather by reason and economic power than by weapons.

You have started a good work. If we all keep on working hard, to understand each other, this work will not have been in vain but will be a tremendous success.

Dr. Alan G. MacLaine, educator, of Sydney, Australia, sends the following:

Participation in this session was one of the warmer highlights of my visit to the United States of America early in 1957 and I hope to join you at another such breakfast during 1965. The great success of the International Crossroads breakfast is a living testimony of man's inner longing for fellowship with and understanding of other members of the human race, wherever and whatever they may be—an inner urge which transcends the bounds sometimes erected because of country, color, class, or creed. There never was a greater need than now for forging links in golden chains of friendship around the world. We have surely reached the stage when man's advances in mechanical and scientific competence have outstretched the growth of his moral stature, for we fear mutual destruction from forces of our own creation which could be harnessed to the service of mankind.

Peter C. Kendall, a brilliant young English lecturer in mathematics, who toured the States about a year ago with Mrs. Kendall, writes from London:

Our best thanks to all the American people, especially those we met personally, for making our stay in the United States of America happy and pleasant. Without exception they were hospitable, and charming, and to those present who are new to the States we wish you as happy a time as we had.

J. L. F. Lawalata, of Djakarta, Indonesia, writes:

From the bottom of my heart, thank you ever so much for your most interesting letter of March 14, 1962, and I certainly appreciate your thoughtfulness. Friends in need are friends indeed. I visualize that in the meantime you, the speaker and the other guests are now around the breakfast table in connection with the 16th anniversary session. This is a fine opportunity to join the other world travelers and fellows in wishing you my warmhearted congratulations on this most glorious event. May you always serve your pet project with evermore success, joy, and happiness. Words cannot describe the many nostalgic memories and emotions I feel now. I would certainly like to join you in the joy and thrill of this wonderful occasion. Your creation is the most unique gathering

place of fascinating people from all walks of life, since you get so many fresh points of view.

Jose J. Ferrer, chief of division, Bureau of Public Libraries, Manila, greets:

Time and again I have read, reread, and pondered on the thoughts and ideals propounded by the men of different creeds and color who have partaken at the International Crossroads Sunday morning breakfast. I have been awed by this thought—that if more and more men would only sit down together and plan and work for peace, how soon would the anxieties of our confused and insecure world pass away.

I think that it is a mistake to leave the matter of world peace to our statesmen and military leaders alone. I think that world peace should be the concern of each one of us, for as long as the individual is the basic unit of society, society will be only as good or as bad as the individuals that constitute it. I think, too, that the starting point for an individual to work for world peace is within himself, for a person at peace with himself can easily be at peace with the rest of mankind.

At this time when man is engaged in the space and technology race, the Crossroads is something to be proud of; a monument to look up to and a place to remember. It symbolizes love, oneness, and brotherhood.

Activities like the International Crossroads Sunday morning breakfast should be held the world over. I could not but be impressed by the good will, the understanding, and the potential friendships generated at the breakfasts. One leaves the table with a deeper feeling of kinship with his fellow men and a firmer resolve to do his share in making the world a better place.

I am proud to be a member of the International Crossroads Sunday morning breakfast. I am happy to once again greet the staff as well as all members, and wish them a fruitful 16th anniversary.

Moon Suk Oak, general secretary, Pusan, Korea, YMCA, reports:

In May 1960, I had an opportunity through your kind introduction and guidance to attend a meeting of the Crossroads, to meet the people who had visited Washington from all over the world and to listen to a U.S. Congressman's speech. To me who visited the States for the first time, it was an unforgettable memory, which will be vividly living in the heart throughout the rest of my life. Furthermore, I feel greatly honored to have become a life member of the Crossroads, and often talk about the occasion with many of my friends here, showing my membership card.

I am very happy to receive a copy of annual report every year, which makes me familiar with the activities of the Crossroads in the previous year.

Lt. Col. Naseer Ahmed Shah writes from Karachi, as follows:

Your organization is doing a splendid work for humanity at large without any reservation for caste, creed or colour. At this juncture when political and military strengths have failed to bring the desired peace to the world, moral reawakening seems to be the only answer to achieve this goal. I am pleased you are preaching and practicing this.

My experience in the States obliges me to say that you Americans mean what you say. And this is a common trait between you and us Pakistanians. That is why we are coming closer to each other day by day. I am confident that with your sincerity of purpose and persistent efforts, one day you will succeed in bringing about the real understanding among the nations of the

world. Curtains, howsoever solid, are no barriers to the sincerity of heart.

Major Safdar (a great friend of the Crossroads) has retired from the Army and currently he is performing a pilgrimage at Mecca.

Dr. W. N. Chadha of Bombay, writes:

I wish you all success in the excellent work that you are doing toward building international understanding and fellowship amongst peoples of different lands. It is amazing as to how you have been able to do this wonderful work over the years without missing one Sunday morning. May God give you all the strength to continue this good work for many more years to come.

R. N. Chawla, of Assam, India, sends this message:

It is over 3½ years that I was in Washington. The memory of meeting you and attending the Sunday morning breakfasts is still fresh in my mind. I was so touched by your enthusiasm. Many a time I talk about you and what you are doing to various people. I had been reflecting before I started writing this letter.

Your activity of conducting this function for the last 16 years is indeed praiseworthy. You are doing a unique service to mankind by bringing together so many of them at the same table every Sunday morning. You are doing this in a most selfless manner. I cannot help but think of the atmosphere, surroundings, and the country which help in making such activities fruitful and successful. God bless you and your countrymen.

George Peters, dean, Baurat Engineering School, Cuxhaven, Germany, writes:

I am sailing by a Dutch vessel to South Africa and to Capetown. I hope to stay at your Capetown YMCA. At this moment we are entering the harbor of Port Said. Tonight we shall pass the Suez Canal.

You are looking forward to your 16th anniversary celebration to which I send you and all friends of YMCA my heartiest congratulations.

Tobias W. Norris, of England, a Harkness fellow, preparing for his doctorate at MIT, writes:

Yes, indeed, it revives pleasant memories to have a letter from you. My weekend in Washington, I remember as being one of the most successful sorties into the hinterland beyond Dedham (Mass.) This must largely have been because I met so many people in the city, because it was especially gratifying, because when I got off the bus I didn't know a sausage. The Sunday breakfast was one of the fascinating events and a splendid institution where I almost felt I had my hand on the heart of the Nation; at least I must have been on an artery very close to the heart for the pulse was strong. The large number of tourists present was a sure indication of the persistent high quality of the speakers. Dr. Dewey Anderson, I remember, was wrong in some of his prognostications of the presidential election but right on so many other things. I only wish I had been able to recollect more, for a year later I was writing a term paper on the point 4 program (inter alias) and have become interested in the less developed countries. Best wishes for the 16th anniversary and many more of them.

H. L. D. Selvaratnam, of Colombo, Ceylon, says:

I hope and pray I will have a chance of seeing London and Washington again. Perhaps then it will not be so much of a thrill as people will think of going to the moon or to Venus for a thrill. Astronaut John Glenn's successful flight has brought credit to the United States.

Dr. G. D. Boaz, professor of psychology, University of Madras, India, writes:

I feel so happy every time I have the message of good will and friendship from you. It is so heartening and so encouraging. Right now when I am writing this, we have the First Lady of your country with us in India. We have been preparing all these days to give her a right royal welcome which may be even embarrassing her at certain moments, as she must be representing typical democracy.

Her visit will certainly bring the two countries still closer and closer. She is not touching Madras, but we are all happy to have her in our country.

Jamshed Aga, architect, writes from Bombay:

At the outset I cannot refrain from remarking that from year to year I notice consolidation of our aim solely to your zeal and assiduity for the cause. It was with great pride that I observed the high quality and the varied vocations of the galaxy of speakers as well as the fact that the largest number represented from a country outside yours was mine as 624 first-timers from India attended during the last year out of 120 countries. The above clearly depicts the true bond of friendship and respect that my countrymen hold for yours and which will be more and more cemented together, as time goes by. Indeed we have been most fortunate in having you as chairman, at the helm of affairs, and one could perceive the wonderful results already achieved by your efforts.

James D. Forsyth, a bank employee and churchman of Sydney, Australia, writes:

I still remember vividly my visit of 6 years ago and the spirit of universal Christian brotherhood which was evident there. It is most understanding to note visitors from U.S.S.R. and I am sure that they feel and agree that if the spirit of the breakfast could be carried into political and economic spheres the world would be a lot closer to becoming the kingdom of our God and his Christ.

Roy Palmer, of Bristol, England, reports:

The activities report for the past year, which you forwarded, gave me some idea of the wealth of talent placed at your disposal by speakers eminent in their own fields, whilst the cumulative total of first-timers reflected the truly international character of your audiences. It is the latter which I find so gratifying and when you see visitors from such closed countries as Bulgaria and Rumania, then you can hope, as one of our martyred saints did, that a candle may have been lit, whose light may shine on forever. I—and the rest of my countrymen—had been thrilled by the flight into space of Colonel Glenn. I had been watching a regular evening TV feature when, about 7:30 p.m., it was interrupted to give an account of the return to earth of your astronaut. One of our ace commentators, Richard Dimbleby, had been listening in to the American broadcasts since the rocket was fired, so as to give us the best word picture. Still pictures were shown, which had been cabled across the Atlantic and the excitement in your commentator's voice reached a tense stage as the parachutes were fired to slow down the missile's reentry into the world's atmosphere. Radar was apparently tracking the capsule back toward the sea, but the excited onlooker could not see it through his field-glasses. Then there was the race between the destroyer and helicopters, as to which would be first on the scene, to have the honor to recover Colonel Glenn. Film of the event, at the starting stage, was jet flown across the Atlantic and by 10:30 p.m. the same night we not only heard your President offering his congratulations, but saw this epoch-shaking

world event. We heaved a sigh of relief for the consummation of faith which had been vouchsafed to your brave man, whose venture has done so much to restore the balance of stability in this wracked world. The proof of this was soon to hand, as now that you had the know-how, an offer was forthcoming to discuss space knowledge. This tends to make me think that there is much to be said for having a deterrent against causing a breach of the peace, acting something like gas did in the last war. Perhaps that is why we, ordinary people, are so proud of Colonel Glenn. He risked his life to save ours. Besides which he is such a happy family man, lives such a well-ordered life and has vindicated that it is not only the very young who are possessed of the spirit of adventure.

Wolf Luchterhand, automotive engineer, of Berlin reports:

Very often, I think back to May 1960, when I met you and had that impressive and informative discussion. The Sunday morning breakfast is something I will always remember and, if I am lucky enough, I will visit again. Please keep up that important work. Did I tell you that I am holding lecture tours with my slides and every time I am talking about Washington, I mention your ICSMB. Whenever I meet someone who is going to your country as an exchange student, a tourist, a businessman, etc., I suggest that they attend your breakfast.

Dr. M. Camitan Magboo, physician and member, national board, YMCA of the Philippines, writes:

Again, in your annual anniversary this coming May, your International Crossroads Sunday morning breakfast comes to the fore in international good will and public relations. Now, more than ever, amidst the current cold war in practically the whole world, and even the hot war in some places, your movement will remind everybody, as it has always reminded them, that there is such a thing as peace on earth and good will to men. By inviting men from all over the world and addressing an international gathering as you have been doing all these years will surely attain the objective for which you have pioneered. Orchids to you and may the Supreme Architect of the Universe give you the continued guidance and strength and the wisdom in the furtherance of your movement.

George V. Thomas, businessman and YMCA board member, Cochin, India, reports:

I remember with pleasure my attending one of your meetings in August 1961. Yes, I admire your sincere and esteemed efforts for world understanding and peace. I addressed our Y's men's club and the YMCA, Ernakulam, about my tour impressions of United States of America, visiting the various YMCA's and Y's men's clubs. Our Y's men's club has 45 members and we have started a Boy's Home. We have 15 boys in Boy's Home—all collected from the streets—all poor and underprivileged. We have a new YMCA building nearing completion—built under the U.S. International YMCA committee's buildings for brotherhood program. We collected \$2,000 and we are getting from United States and Canada \$15,000.

C. S. Parthasarathy, assistant chief, Planning Commission, New Delhi, writes:

I am indeed grateful beyond words for this kind and thoughtful invitation of yours. How delighted I felt to receive your news-loaded letter and how deeply touched by your remembrance. I appreciate your encouraging words and it is exchange of messages like this that bring the members of the International Crossroads more closely and keep the lamp of universal brotherhood, co-

operation and understanding burning forever. Although 5 years have passed since my visit to the International Crossroads at Washington, D.C., I often dream of the days I have spent there in your midst endeavoring to learn and understand the culture, customs, etc., of this happy group of cosmopolitan visitors at the Crossroads. It is been my great good fortune to have come into close contact with many good citizens of your great democratic country and to have struck lasting friendship with them. In fact, my wife and I continue to maintain regular and fruitful correspondence with two or three of them even to this day. I continue to be engaged on the fascinating task of planning and designing the vast water resources development projects under the third 5-year plan of our country. It is a rare and unique experience indeed. In this, the experience and knowledge I have gained during my visit in United States of America in 1956-57, professionally, socially and otherwise, stand me very good stead. Although, as you know, it is not possible for me to be physically present there on the joyous occasion of the forthcoming anniversary celebrations of the Crossroads, my heart will be there then. This letter goes to you with an ardent longing that the objectives of the International Crossroads will appeal to those who visit it from all over the world, thus contributing toward its flourishing growth and advancement. May I prayerfully wish the celebrations all the best and the International Crossroads an ever-increasing measure of success in its mission.

Hyung Chull Lee, Korean Reconstruction Bank, Seoul, writes:

Congratulations for the forthcoming 16th anniversary celebration of the Crossroads, and I hope it will devote itself more and more to providing opportunities for development of the mutual understanding and co-operation among peoples.

Donald Jefferies, of Brisbane, Australia, says:

If we all sincerely want to see a better world let us begin now, and what better place to begin with than ourselves. Let us ask God to give us the grace to eradicate from our natures the pride of associating ourselves with the national so that we may all become international. Let us extend a hand of friendship to all, and by God's grace, despite what happens, may it always be there for anyone to take.

Gay V. Wessenberg, an educator in Tampere, Finland, writes:

Your faithfulness and thoughtfulness toward us stray visitors appearing only once and then again blown by all winds to far away corners of the world is admirable. After my return home from my visit to the United States of America I did not pay much attention to our International Crossroads, but fate took me to India and Egypt as a U.N. expert on various assignments. Great things happened in our own country in my own field of youth work. My school was transferred from the capital to Tampere, the second in our country and our largest industrial center. So many current things seemed to be always requiring my attention, that little was left over for things in the periphery. The more grateful I am for your persistence in keeping in touch with me and us all. Only in this way a body like our Crossroads gains importance and influence and keeps us thinking in terms of a worldwide brotherhood of man. I wish you the best of success and God's blessings.

Shyam Sundar Misra, a social worker and leader in the Servants of India Society, writes:

My association with the International Crossroads Sunday morning breakfast will



ever remain green in my mind. I consider it to be one of the most friendly and uninhibited gatherings of people representing different parts of the globe. I am convinced that no better method than this could be devised of bringing about international understanding and friendship. I fervently pray for the continued success of the institution.

John Schwarzenbach, a former graduate student at Cornell University, writes from the design office of the Aero engine plant at Derby, England:

Many thanks indeed for the several reports and letter which you have sent to me since I became a life member after my single visit one Sunday morning 6 years ago. I do send my best wishes for your coming anniversary celebration, and for all your future meetings.

Akira I. Ohsawa, supervisor of Tokyo-Adachi Board of Education, writes:

I cannot read your message without remembering the first International Crossroads Sunday morning breakfast which gave me a chance to meet many young men of great promise and leadership. It has passed almost a year since I came back to Japan but I feel it is only now or just yesterday that I finished my special trip to your country. So distinct and clear the first breakfast table is. As they say, "Well begun, half done," my trip was started well by your hospitality that you gave me an honor to join that table. I saw and observed your country and people and think that American soul consists of three components, construction of an interrelated, coherent unit, that is to say: (1) the central circle which they keep as a core in heart and mind is "God in heaven, freedom on earth," and (2) the first surrounding band is "recreation in life," and (3) the second surrounding band represents the people's attitude toward "enjoyment of games in life." Observers or visitors to your country are apt to pay attention only to the outer aspects and say, "Too much enjoyment in American life. They think too much of how to enjoy life. It is so-called materialism." I think, however, that we should observe another inner aspect through it and then the most inner space of soul—"God in heaven, freedom on earth" from which politics, literatures, philosophy, education come to form and establish American modern life. These three, I am sure, are all coherent, interrelated circle construction. When I visited American homes, I found the similar construction in them—functional aspect or space (for privacy and function of life) and relaxation space surrounding the inner space and semisocial space (a garden or space surrounding the other spaces to open to publics as well as to one's own). When I talk about my impression and observation of your people, I always talk these three components—unit—emphasizing the inner space of heart. When I think about International Crossroads Sunday morning breakfast, I remember "freedom on earth, God in heaven" as a symbol of it as well as of the people of the United States. Let me pray success of our International Crossroads Sunday morning breakfast table.

Denis Robinson, a Canadian, writes:

In this age group there is a maximum of enthusiasm for the potential unification of all peoples and all nations, and a minimum of bias, prejudices, and unpleasant memories of the past to burden them down. It is indeed these young people, who for the most part are steadily gazing ahead, who will, in my opinion, undoubtedly bring to reality the hopes and longings of all of mankind, namely a sense of oneness that precludes condemnation, replacing it with understanding, that

abolishes fear and hate, and envy, developing instead an attitude of self-confidence and self-reliance, and pervading the whole, a never before felt unity.

Fred Heley, professional engineer and scoutmaster, Burlington, Canada, comments:

I think it would be a grand thing if similar programs could be arranged in all cities around the world. I know of no other meetings which consist of just anybody from anywhere to discuss just any topic for the sake of good will and fellowship. All the people involved in this fine job are to be highly commended and such recognition is evident in the willingness of outstanding men to spend the time and effort in coming out to speak on timely topics. I am sure all those who have attended one of your meetings appreciate as I do that you want to make all people friends and part of the same world.

John L. Handley, automobile distributor, Birmingham, England, who came to the anniversary breakfast, wrote in anticipation of his visit:

I too am looking forward to the 16th anniversary meeting as I think it is quite possible that I may be in Washington at the time. Needless to say, if the opportunity arises for me to be in the vicinity I shall be there. I think you are doing a wonderful job and I hope that it will be possible for you to keep my name on the mailing list to receive copies of any releases which may be made from time to time. I am looking forward very much to visiting your great country once again and hope I shall be able to make as many friends as I made on my last trip.

James W. Cornish, Wellington, New Zealand, writes:

I am very much impressed by the depth and in fact the breadth and height of your 1961 talks and this I believe is one of the great attributes of Crossroads and indeed the American people generally. In our day probably more than in any previous era we must strive for more understanding and this can only be achieved by being actively in pursuit of knowledge and wisdom under the guiding hand of God. This is where our Mexican correspondent is so right. The power of giving out of one's self and appreciating whatever is noble and loving in another. I would be most grateful if you would remember us in your prayers, Paul, as indeed you and Crossroads are regularly in ours.

Gottfried Hesse, a German divinity student, writes:

I remember the morning, when I was a member, very good. I had just arrived a few days before in your very nice country, and it was quite an experience to take part in this meeting.

J. Rooney, general secretary, YMCA, Durban, South Africa, writes:

What glorious opportunities you have provided for the local community and what wonderful privileges you have offered to the strangers visiting your great country. Through your hospitality they will not long be strangers, but friends, not only to you and your fellow Americans, but with their fellow guests. Although good progress has been made in fellowship and understanding among some of the nations, time is short and we ordinary lay people cannot be content to leave matters in the hands of our world statesmen and politicians. By the very nature of their calling, they must generally be behind the times. The peace of the world depends just as much on John Citizen as it does on our representatives in the United Nations. It's change of heart in

the ordinary men and women of every country that is so important. However sincere and pious the resolutions passed in world conferences, they are nothing but words if not supported by their rank and file. Here is where your wonderful idea triumphs. It brings people together of all nations and tongues and unobtrusively puts over the message of good will. It demonstrates that our YMCA motto is no empty one. May your Sunday morning breakfasts continue to flourish; its repercussions are heard around the world.

Dr. Ifalo G. Gabrielli, physicist, Trieste, Italy, writes:

In a world which, through different and not always right ways, looks for the peace and the understanding among men, your activity is a big torch.

In the light of this Easter, in the light of Christ, who died and rose again for the men of each country and each time, in this new spring, which offers freely the sense of the wonder of the universe, our soul opens itself toward our neighbor, our brothers of the whole world.

Could the common effort of the leaders of the peoples, illuminated by the heaven's wisdom, the efforts of men of good will, the next ecumenical council, the unifying tendency of all churches, bring mankind to consider the world as a welcoming garden open to everyone, the wonderful palestra, where to contend in a civil competition of the body and of the spirit, directing all energies to human and social progress, in the blessed fight against hunger and pain. Mankind has suffered too much because of misunderstanding and different ideologies of personal and national egotism.

Let us try to love others, and according to the promise of Christ the world will realize we are His disciples.

#### CIVIL WAR CENTENNIAL ASSEMBLY AT COLUMBUS, OHIO

Mr. SCHWENGEL. Mr. Speaker, permit me to report briefly on the Civil War Centennial Commission's fifth national assembly, which was held in Columbus, Ohio, on May 4 and 5.

By law—section 6(b) (2) of Public Law 85-305; 71 Stat. 626—the national assembly consists of representatives of civic, patriotic and historical groups. Its job is to make recommendations to the Commission as to the most appropriate ways of commemorating the centennial of the Civil War. The assembly that met at Columbus was the fifth thus far held by the Commission.

It was an extremely useful meeting. The delegates came from throughout the Nation. They represented 6 Governors and no fewer than 60 organizations. Among these were 28 State Civil War centennial commissions.

Other types of organizations represented were the following:

National and regional historical associations.

State and local historical societies.

Patriotic organizations.

Civil War roundtables.

State departments of archives and history.

State departments of education.

Local Civil War centennial committees.

Universities and university presses.

Newspapers and broadcasters.

Agencies of the Federal Government.

The assembly delegates performed their work in four very splendid panels.

These were on schools, on books and sources, on music, and on mass media. Each panel sought answers to two questions: How can the organizations in our field do a better job of teaching Civil War history to students and laymen? What can these organizations most usefully do in connection with the centennial?

It is a pleasure to report that the panel method of conducting a national assembly, tried this year for the first time, was a complete success. This happy result came about, I believe, for two simple reasons: The experts who guided the panels—outstanding men and women in their fields—had something to say and said it directly and simply; this in turn generated audience participation in the discussions. The product was a series of stimulating discussions and useful recommendations.

The program committee, headed by Dr. David C. Mearns, of the Library of Congress, deserves the highest praise for the excellent work it began last September in formulating the assembly agenda.

Mr. Speaker, before I close let me emphasize three other outstanding features of the fifth national assembly. One of these was the warm hospitality accorded to all who attended by the people of Ohio and of Columbus. This was symbolized by the presence of the Honorable Michael DiSalle, the State's Governor, who took time from his busy schedule personally to welcome the delegates. It was symbolized also in the cordial greetings from Columbus' Mayor W. Ralston Westlake, conveyed by Mr. Albert Giles.

A second outstanding feature was the splendid—indeed, indispensable—support of the Ohio Civil War Centennial Commission and the Ohio Historical Society. These fine organizations were co-hosts of the assembly. Their members and their staffs performed a near miracle in making the many and complex arrangements. In this connection I should like to cite the invaluable labors of Messrs. Erwin C. Zepp and Robert S. Harper.

Finally, there was the keynote address delivered by Allan Nevins. It was thoughtful, eloquent, moving. But let it speak for itself. And let it be read:

KEYNOTE ADDRESS BY ALLAN NEVINS, CHAIRMAN, CIVIL WAR CENTENNIAL COMMISSION  
(“Worth all the lives it cost.”—EMERSON.)

Theodore Roosevelt once told a story he had heard from a survivor of Second Manassas. This man, a junior Union officer, had two legs carried away by a fragment of shell. John Pope's defeated forces left their wounded behind. A day or two after the battle—it may have been longer, for some wounded men lay untended on that field a week—the officer and five comrades were lying in a little tent. Those six men had lost among them seven legs. Even the victorious Confederates had little to eat, and their wounded, too, were ill-succored. The Union group was tortured by hunger, by flies, by pain, by weakness, and above all by thirst. Nobody came to the helpless cripples, who lay moaning for water. Just outside their tent lay a Confederate soldier with a horrible wound in his left side: “an unkempt private soldier, haggard and ghastly in his bloody uniform.” Hearing the men in the tent crying for water, the dying southerner,

to whom every movement was anguish, hitched himself by inches toward some apple trees a few rods distant. Several windfalls lay on the ground, and he thrust them into his pockets. Then, using his sound side, he agonizedly inched himself back to the tent. He passed the apples to the nearest hands, and the wounded bit eagerly into the refreshing fruit. “But when they turned to thank their nameless benefactor it was too late, for the effort had opened his wound, and he was already dead.”

Thomas Carlyle, a sensitive man, shrank in revulsion from our Civil War. The fact that millions of Americans, of the same blood, the same religion, the same ideals, should take to butchering each other seemed to him an indictment of our democracy. Divining that slavery lay at the root of the conflict, he decided that the issue of the Negro's status by no means justified such a holocaust of lives and property. His remarks that the war was a fire in a dirty chimney deeply grieved the North. Yet he was far from indifferent to such examples of valor and magnanimity as that which Roosevelt described. It is well to recall again an eloquent illustration of his nobler feeling.

Among the young Massachusetts men who gave their lives were two gallant colonels, Robert Gould Shaw and Charles Russell Lowell, who had warmly admired Carlyle. Shaw, leader of the 54th Massachusetts, the immortal colored command, died at the head of his column charging Fort Wagner. “Right up the red rampart's slippery swell, with heart that beat a charge he fell”—we all know James Russell Lowell's lines on the St. Gaudens Monument on Boston Common. Charles Russell Lowell, who had married Shaw's sister Josephine—photographs show him a rarely handsome young man, her a rarely beautiful girl—had parted from his bride almost at the altar to go to the front. He was slain at Cedar Creek. Both men were Harvard graduates; both had read and admired Carlyle. Three years after the war short biographies of them and of 95 other graduates who had been killed appeared in the “Harvard Memorial Biographies,” two volumes edited by another gallant soldier, Thomas Wentworth Higginson. Thereupon Charles Russell Lowell's widow, Josephine Shaw Lowell, sent the volumes to Carlyle, with a request that he read their lives, and reconsider his views on the war. Carlyle replied in a letter which the family gave me to copy a year or two ago. He wrote from Chelsea, March 10, 1870:

“DEAR MADAM: I received your gentle, kind, and beautiful message, and in obedience to so touching a command, soft to me as sunlight or moonlight, but imperative as few could be, I have read those lives you marked for me; with several of the others and intend to read the whole before I finish. Many thanks to you for these volumes and that note. It would need a heart much harder than mine not to recognize the high and noble spirit that dwelt in these young men, their heroic readiness, complete devotedness, their patience, diligence, shining valor and virtue in the cause they saw to be the highest—while alas any difference I may feel on that latter point, only deepens to me the sorrowful and noble tragedy that each of their brief lives is. You may believe me, madam, I would strew flowers on their graves along with you, and plausibly bid them rest in hope. It is not doubtful to me that they also have added their mite to what is the eternal cause of God and man; or that, in circuitous but sure ways, all men, black and white, will infallibly get their profit out of the same.

“With many thanks and regards, dear madam, I remain,

“Yours sincerely,

“T. CARLYLE.”

That letter Josephine Shaw Lowell, who became one of the most eminent social workers of New York City, treasured alongside another note. As her husband lay dying after Cedar Creek, he had summoned enough strength to pencil a few words to her. She read them, sealed them up, and never showed them to anyone; at her death her heirs burned the note unopened as too sacred for other eyes to see. But they permitted me to publish Carlyle's letter, with its solemn tribute to the fallen: “They added their mite to the eternal cause of God and man.”

Many of the gains and losses of any great war are intangible and incomputable. Nobody can say whether the gain to society from the work which Robert Gould Shaw and Charles Russell Lowell would have done had they lived would have been greater than the gain we may take from the heroic example which these two rare spirits set. My own belief is that their example, and that of countless others, North and South, was worth more, if rightly apprehended and appreciated, than any material work they could have accomplished. That was what the historian Parkman thought; he wrote Mrs. Shaw saying that he envied her husband his death, so eloquent of the highest consecration. That was what the poet James Russell Lowell thought when he wrote:

“Virtue treads paths that end not in the grave;

No bar of endless night exiles the brave;  
And to the saner mind

We rather seem the dead that stayed behind.”

But the example counts only if rightly apprehended and appreciated; only if attentively studied, and drawn thoughtfully into the texture of our own lives. It is this fact that makes the task of commemoration so large and so significant. In a great part, the task is one of spiritual interpretation. How many have said this, and how fervently and earnestly some of them have said it. “Fellow citizens, we cannot escape history. No personal significance, or insignificance, can spare one or another of us. The fiery trail through which we pass will light us down, in honor or dishonor, to the latest generation.” That is the voice of the greatest figure of the epoch. In what honor the fiery trail did light him, and many another, down; and what spiritual strength we can gain from studying the manifold honor they did their time. Or we hear another voice in an equally familiar passage: “In our youths our hearts were touched with fire. It was given us to learn at the outset that life is a profound and passionate thing. While we are permitted to scorn nothing but indifference, and do not undervalue the worldly rewards of ambition, we have seen with our own eyes, over and above the gold-fields, the snowy height of honor, and it is for us to bear the report to those who come after us.” That is the voice of a soldier who became a great jurist, Oliver Wendell Holmes. We come after, we have heard the report, and it is for us so to understand it, so take it to heart, and so carry its import to others that it will aid for generations in toughening and exalting the character of the Republic.

The Centennial Commission has two great opportunities. One is to help illuminate the Civil War period as a totality; not as a military spectacle, or a political pageant, or an economic convulsion, or a profound social and cultural upheaval, but as a commingling of all these elements and others. Some of its aspects, the military in particular, have been too much emphasized, while others have been too much ignored. This assembly in the Ohio capital specially addresses itself to certain of the neglected aspects of the conflict. The more we study the war as a totality, and the harder we strive to lift ourselves above its details to



its larger significance, the deeper will be the lessons it teaches us.

No thorough student of the war can escape the conviction that it was essentially a national tragedy, and a national reproach. It was an event, properly considered, in reviewing which Americans must feel less of pride and exaltation than of self-reproach and regret. We should never underemphasize the physical agony, the mental anguish, the long-continued griefs, the moral degradation, the loss and the degeneracy of the conflict. We should never glorify bloodshed. War is not a necessary element in the progress of mankind; it is a curse to civilization.

But when we view the war as a whole we can see that it had more compensations than, looking solely at its military and political aspects, we might suppose. "War," said the Greek Heraclitus, "is the father of all things." War is a tremendous stimulant, lending an impulse to a great variety of forces; war is a powerful catalyst, stirring all the components of life, and giving the atoms of society a new order. If some of its impacts and products are evil, some also are good. And above all, what a renewal of moral force, and what a sense of spiritual exaltation reflective study of the better elements of the tremendous conflict can lend to the better elements of the Nation. Just after Sumter both North and South were quick to say that the war had been a cleansing wind; that it had given back integrity to two inert and irresolute sections. "What an infusion of character," said Emerson, "went out from Harvard and other colleges." The example of Colonels Lowell and Shaw, of the hundreds of thousands of others who gave up their hopes, ambitions, and tenderest ties, for the sake of principle, is, if properly recalled, of priceless worth to subsequent generations.

It is our task to see that all this devotion and sacrifice is properly recalled, and is knitted into the character of our generation. It is no small task. It requires plan, and labor, and courage. That this assembly gathers together so many devoted men and women is a proof, we may hope, that the planning and the industry are being mustered. Let it not be said of us, as one American President once said of another: "He meant well, but he meant well feebly." Let it rather be said of us that we showed, in the years that stretch from the commemoration of Shiloh to the commemoration of Appomattox, a full sense of the fact that we cannot escape history, that we must not lightly forfeit all the solemn lessons of this heroic and tragic period.

#### EFFECT OF FOREIGN COMPETITION ON TEXTILE INDUSTRY IN THE SOUTH

The SPEAKER. Under the previous order of the House, the gentleman from South Carolina [Mr. HEMPHILL] is recognized for 60 minutes.

Mr. HEMPHILL. Mr. Speaker, I ask unanimous consent to revise and extend my remarks and include extraneous matter.

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

There was no objection.

Mr. HEMPHILL. Mr. Speaker, I rise again today as I have done so often here, and with increasing frequency and some sadness that I have to come again and again to talk about the textile situation. I continue to talk about this particular problem, not peculiar to my particular area of the country but so important to it, because of the fact that there is pending before the Tariff Com-

mission at this time a proposal to equalize the cost of cotton to our competitors who now have an 8½-cent advantage in raw cotton on the world market. At the same time that this particular proposal is before the Tariff Commission there is now pending before some part of the House of Representatives a bill, H.R. 9900. We of the textile industry would feel much more assured about H.R. 9900 if we had the assurances that the proposals before the Tariff Commission were going to receive the favorable action which we expect and which the facts of the situation demand.

Recently we have been advised of a peculiar situation. We commend those who entered into the recent Geneva agreement for their efforts. But we find upon examination that under the terms of those agreements once a segment of the textile industry has made its case that it has been harmed and once negotiations are entered into, or formal negotiations requested, automatically there is a limit on the imports of 110 percent of the previous 12 months. On its face that particular provision looks like a saving provision, on its face it looks as if it is part of the solution which the textile industry must have if it is to survive in the distant future. However, we find that the Japanese, and possibly others, with their accustomed sagacity in getting our domestic market—they have taken away the southeastern Asia markets and have invaded others—have increased the volume of exports in certain fields of the industry in the past 4 or 5 months to such an extent that the 105 percent is all out of proportion to the imports in the 1961 calendar year or in the 12 months previous to the Geneva agreement. So, if they wish to zero in on a particular part of the industry, it is easy to increase under the voluntary quota or voluntary system that they are now under in connection with a particular segment of the industry which they seek to secure for the Japanese as they have done in the gingham and in the velveteen, and in certain other parts of the industry, in effect putting domestic production out of business.

I would rather not go into specific cases here because of things that are pending, but that is how serious the situation can get, in spite of the proposed agreements that have been made in good faith. That is how serious the situation may get in other areas of the textile industry not previously adversely affected to that extent.

Now, down in South Carolina there is a trade paper which is put out, a very good paper, and while on occasion, as I said before, it has taken me to task because, I suppose, of my political affiliations—and it has that privilege, we having a free press—nevertheless it is dedicated to the textile industry. It is called the Textile Reporter. I have here the May 10 edition, 1962, in which this statement is made:

#### MODERNIZATION ADVISED DURING TRADE FACTS

The 1-year and 5-year international cotton textile agreement may be a "kiss of death" to the textile industry unless the time is used to modernize plant equipment and techniques, a millman warns. Improve-

ments in the industry are necessary in order to attain a level of cost and efficiency which will allow domestic mills to successfully compete in this country and abroad.

Now, we have this potential before us. We are being tempted with the idea, not yet being debated but I assume it will come here, of some connection with the Common Market which will affect domestic production, domestic consumption, and will affect the potential of our foreign markets. Now, the question that we in the textile industry want to know and must know is, What is going to happen if we enter the Common Market in any form of agreement? What is going to happen to those imports from other places than the Common Market which are presently reducing textile employment and presently reducing textile production and consuming domestic markets of the United States? If we have any connection with the Common Market, what advantage, if any, will the textile people have? And, I speak not only of those who run the textile plants; I am talking about those people who work in them and who are taxpayers, wage earners, mothers, fathers, citizens of this land. What advantages will they have? That is a question that must be determined here before the textile people can afford to endorse the Common Market.

Now, one of the things that is peculiar to me is the fact that the Tariff Commission has opposed certain provisions of the administration's proposed foreign trade bill. This article goes on to say:

Provisions of the administration's proposed foreign trade bill will make it difficult for an industry to obtain relief from the effects of a tariff concession, the Tariff Commission has reported to Congress.

Well, some of us in the Congress feel that it has been very difficult to get any relief in the past. We had written into the law a very fine provision known as the savings clause or peril-point provision, which was supposedly written in to protect the industry or give it relief in the form of tariff adjustment or quota adjustment in the event that industry was hurt. We have talked about it time and time again here. In fact, the Tariff Commission would make recommendations and the administration in power at that time would not accept the recommendations, and therefore the industry was ignored and the Tariff Commission was ignored and the problem was ignored. I do not intend to be partisan about it. It is a sad state of affairs, regardless of who is at fault, because people were put out of work.

Now, Mr. Speaker, I would be the last person to oppose change. I suppose if I had been here when the original Reciprocal Trade Agreements Act was passed I may have voted for it in good faith as it was designed to procure for our country the strategic materials we did not have either in the form of raw materials or manufactured goods and that, in turn, we might use our great productive capacity to furnish goods to countries which had materials we wanted, but did not have the things we were able to produce. But if I had been here during the different times that this particular pro-

gram came up for renewal, and the abortions which had taken place, and the perversions of the program—because that is what happened—I am sure I would have fought it just as hard as I fought the program and the extension in 1958, when we who believe in the American workers and we from the textile industry, particularly, took such a shellacking here.

Now, Mr. Speaker, to turn again to a more serious question of the day, the thing that has concerned us in the textile industry is that we have had so many promises dangled before us in the past and yet so many mills have closed and so many headaches have developed in trying to maintain production, and the level of employment and the prosperity which flows into our economy as a result, that we are always looking for hope. We have spoken before here of the fact that this is the first time since I have been here we have really been given any real hope.

But, as we have said before, we cannot keep our mills running on hope. We have to have markets and dollars and jobs and the ordinary things that a productive economy and prosperous economy would produce. So, we are waiting to see.

Mr. Speaker, one of the reasons that I am here today is because I think this is the proper forum for me to urge again, if the Tariff Commission listens to the Congress—and I hope it does on other days except on appropriation days—that we in the Congress would like an early decision of this important tariff matter.

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

Mr. HEMPHILL. I am delighted to yield to my distinguished friend from North Carolina.

Mr. ALEXANDER. First of all, Mr. Speaker, I would like to commend my distinguished friend from South Carolina [Mr. HEMPHILL] for bringing this very important matter to the attention of the Congress. I feel that it is so timely. Does the gentleman from South Carolina feel that this decision by the Tariff Commission should be made and be made now, before this very important trade bill is on the floor of the House?

Mr. HEMPHILL. I want to thank the gentleman. I am sure that his people are as happy and proud of his interest and his work in this important field as I am, as his friend and admirer. He has a district which is very similar to mine, in which the basic industry, the basic economy, is textiles. He and I have many friends there. I have visited his district and some of his friends in the textile industry.

They are all concerned, from the man who sweeps up in the mill, to the man who sits in the office. You know, we have communications now. In addition to fine transportation, we have radio and television, our newspapers, and people know now what is going on in the National Congress. People read and they see and they hear. And as they hear the people from their area, their representatives—and I do hope and I do pray that we are worthy Representatives of their consideration and the honor they

have conferred upon us—they realize from the concern which we express as their Representatives, that their very future is at stake. While I like the idea of rehabilitation and retraining of a man, I happen to know something about a cotton mill. When you work a man who is 45 or 50 years old in a cotton mill, he might need retraining for something else, but he is almost worn out. The work is difficult and it is becoming increasingly skilled. It requires the maximum attention. You have to be alert at all times. It used to be that we could get a little time to smoke, if we were inclined to smoke, or something like that. But now the demands of the industry, because of the efficiency and the competition of these imports are such that everybody knows that you have to work harder and faster, and that you are more tired at the end of the day.

All of these people down in the district of the gentleman from North Carolina [Mr. ALEXANDER] and mine, know that this is a critical problem and they are wondering what we are doing with it. And they have asked me some very elementary questions about it: "What are you going to do about the imports?"

You know, down in South Carolina we passed a law that said that if you import textile goods from Japan, you had to advertise them in the store window. The State Department raised sand over it. They said it was wrong. We said, "Why is it wrong? Why is it wrong to put a sign in a store window where people whose livelihood depends upon textile production come into the shop? Why not tell them the facts of life?" And we told them.

I suppose everybody knows that everyone in the country is looking for industry. There are, I suppose, thousands of chambers of commerce, boards of trade and development, and other organizations of similar ambition, in various communities of the Nation, who are trying to get industry to come to their particular community.

We have realized in our part of the country that in certain areas of farming we cannot compete with certain areas of the country which have been able to produce the things that we formerly depended upon for agricultural subsistence in the economy. We know that industrialization is necessary, it is a must, and we are certain it is coming to us. We have finally realized that we have water which we must conserve and also timber which we can use for productive purposes. But when we think of it to ask someone to come down to a section where the basic economy has been textiles, and the people are trained, they are qualified, we have to be able to prove that we will furnish to them the kind of people that can do the work, that we really have sufficient labor. That is one of the problems. If we can continue our textile production, we are not going to have the problem of any cut-throat search for industry, avoiding competition, as much as we want industry. But if we continue the course which this country has continued for 10 or 12 years now, then we are going to have more and more unemployment, and none of us want that.

We have said it here before, but it is always worth repeating in case some in high levels have forgotten it, and apparently some have forgotten.

It is a bad thing to be out of a job. Any American out of a job has a certain feeling of misgiving, not only about himself, but he will lose a little bit of faith in his country and the free enterprise system. We have been telling Americans now that the Government is concerned with unemployment. We have said that here and people in other high places have said it. We are going to do something about unemployment. We are proud of the fact we have so many jobs in the Nation. We can even predict so many jobs in the future. But all the predictions, all the pride, all the self-praise about what we have been able to do does not feed the man sitting out there and saying, "My plant had to close up because of imports. Can you help me get a job?"

I have had that in my office in Chester, S.C., and the thought has occurred to me that here is an American. Maybe he was not one of the great scientists. As somebody said, in the church everybody cannot be the preacher, everybody cannot be officers, somebody has to be in the congregation. That man in my office was a part of the American congregation. He has been given reason to believe his Government will always be concerned, always be on the watch out, always help him to retain his job, which meant his dignity, his food, his shelter, his clothing, his self-respect, his ability to purchase, and his ability to pay his share of the tax burden to support the programs of the Nation.

I do not know what has happened to us. I recollect when somebody in the American Government rose up and did something about the thing. Now we hear of the murderers of the world who have grabbed some American and kept him prisoner in some Communist country. I do not know why there has not been the effort that historically the world has been given to think of us. I think it is part of the reason some people have, when the workingman down there is out of a job, that they are trying to think of the masses instead of one person at a time. But every American is important. It is a poor representative who would come here and not feel every man, woman, and child in his district was important. That is the way I feel and I know my distinguished friend from North Carolina feels the same way because he and I have discussed that.

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

Mr. HEMPHILL. I am happy to yield to my fine friend, the gentleman from Iowa.

Mr. GROSS. I, too, want to commend the gentleman for the able and consistent protests and warnings that he has given with respect to this invasion of American industry, agriculture, and labor by foreign imports. I am presently engaged in my office in answering, I would suppose, between 300 and 400 communications from members of the Machinists Union in my district protesting the importation of hand tools. I



tell them I am opposed to the importation of foreign hand tools into this country, but I point out to them that it is also a question of the end product and the use of the hand tools that they had better be interested in as well. It is not alone the hand tools but it is the end product of what you accomplish with the use of the hand tools, and if that market is taken over, this union and all others like them throughout the country will be in trouble. The gentleman very well sounds a warning about the retraining of 45- and 50-year-olds in the textile industry. What you are saying about the retraining of 45- and 50-year-olds, present employees in the textile industry, holds good for the 45- and 50-year-old employees of practically any other industry in this country. Where are they going to go? Who wants them at that age when they start in again virtually as apprentices or at least with little seniority in a new plant someplace else in the country? So I again want to commend the gentleman for the warning that he is sounding.

Mr. HEMPHILL. I certainly want to thank the gentleman from Iowa. The gentleman has always been diligent in this particular field. We do have a problem with reference to the 45- and 50-year-old people. I have told the young people in my section of the country, "You had best get yourself a good education because there is no place for you unless you have a real good education. As much as your youth and your vigor may be an asset, there is no place for you unless you have a good education."

These people who have dedicated themselves to a particular job in a particular industry, as the gentleman has pointed out, and who have worked for 15 and 20 and 30 years and do not have the advantage of a diversified education have a real problem, and I think one of the greatest problems we will have facing us in the future. It concerns me greatly because I have seen no solution proposed so far except the solution of preserving American jobs. I think the gentleman would agree with me that that is the best solution.

Mr. GROSS. The solution that the pending bill provides amounts to a dole.

Mr. HEMPHILL. I am opposed to doles just as my colleague is.

Mr. GROSS. That is right.

Mr. HEMPHILL. I was in one of the wars and I have never taken anything under the GI bill of rights because I do not think one ought to try to get anything unless he needs it. I commend those who did so, but I do not want anybody giving me anything, and I am sure most of my people and most of the gentlemen's people feel that way.

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

Mr. HEMPHILL. I yield to the gentleman from North Carolina, my very good friend.

Mr. ALEXANDER. Mr. Speaker, I do not know of anyone who has been more consistent in coming before the Congress and calling our attention to this problem so eloquently than our colleague. Again I want to commend my friend, the gentleman from South Carolina. I, too, am

a representative of a textile group of people. I want to commend the gentleman for his intense interest in the jobs of American workers. I think the time for action is now—by the Congress and by the Tariff Commission and by the administration in making some rectification in the differential in the price of cotton that the American textile operator has to pay over and above what his competitor pays in foreign lands. For instance, it is 8½ cents a pound which in the overall effect is approximately the amount he has to pay for wages. This is one angle I know that the gentleman from South Carolina has eloquently brought to the attention of the Congress and I, for one, want to commend him for his statement today in behalf of the American worker and want to tell him that I agree with him 100 percent.

Mr. HEMPHILL. I thank the gentleman. Let me go to another subject that is within this whole subject, a matter I think is important: Any trade magazine you pick up now will tell you that we are increasing American investments abroad. I have no objection to that because it means that we are making friends and using our know-how and making money for American people; but I do not want us to do that at the expense of American jobs, at the expense of American employment; certainly we do not want any flight of American capital overseas, capital that should be used here providing new construction, improvements, renovations, expansion, and either continuing jobs that are in existence or providing new jobs.

Somebody asked: If you know so much about it why do you not give us a solution? I do not know. History gives the solution. After World War II until we began to use the American taxpayers' money and the American taxpayers' mistaken Government policy of building plants overseas in competition with American plants, and making provision for shipment of the goods back into the United States in competition with the production of American hands; until we did that there was no necessity of a solution. Whether or not we have on our shoulders the whole world problems is a matter of general argument. Certainly we did a great job of rebuilding, but we did too good a job. When they found out that Big Brother was such a sucker, that he was not only putting up the money but also taking in the production of their plants they rode a good horse almost to death—the textile industry, certainly, as I have already mentioned.

History has given us a solution. I have been called an isolationist and people have called me names. You know when they cannot argue with you they call you names. When a person cannot argue the merits of a proposal or if you disagree he calls you names. Newspapers are the best at that I have ever seen—and the worst. Their integrity has gone far below the standards that were ever intended by our forefathers. They resort to namecalling for lack of reasons, for lack of integrity.

May I finally close on this particular note: We down in the textile area are still paying taxes, we are still furnishing

men for the services, we are still occupying a great place, we hope, in the commerce of the Nation. We are proud of our traditional service to this country in many capacities, our production, the taxes we pay, and we want to continue, for we think that is the American way. We know of no substitute for a prosperous economy, a healthy, happy, religious, moral community; we know of no substitute for that; and I dare the policy-makers who say there is some substitute for it to say it is American or to prove their case by letter or even by some other propaganda that the various executives of the administrative branches put out at the expense of the American taxpayers. I have just been appalled at what they do. They hire more people to do more writing onesidedly than most of the lobbying organizations. Some of them are atrocious.

I hand out that challenge and I have no fear either on the floor of the House or any other place that it will be refuted or any other position can be substantiated. A prosperous, hard working, moral American industrial community is, and must be, our goal, today, tomorrow, and in the future. Then we can use our factories and our farms for the economy of our own people, to whom we owe our first duty.

#### THE NEW YORK HERALD TRIBUNE

Mr. LINDSAY. Mr. Speaker, I ask unanimous consent to address the House for 2 minutes and to revise and extend my remarks.

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

There was no objection.

Mr. LINDSAY. Mr. Speaker, I understand that just a few moments ago the distinguished gentleman from Louisiana [Mr. Boggs], the majority whip, took the floor to make what he thought was a correction of the RECORD in reference to the few words I had to say a little bit earlier today on the subject of: Where is the New York Herald Tribune in the Speaker's lobby?

The gentleman from Louisiana apparently made the statement that I had stated that the New York Herald Tribune had been canceled by the House leadership. I said no such thing, and had my good friend from Louisiana been on the floor when I spoke, which he was not, he would know it.

What I said was, "A funny thing happened on the way to the floor." I looked for the New York Herald Tribune in the Speaker's lobby and it was not there. And it was not there yesterday either. And I have been told since that it was not there Monday. Some of the boys tell me further that it was not around last week. But say that it had been canceled by the leadership? Not at all.

All I asked, Mr. Speaker, was, What has happened to the poor old Herald Tribune? Where is it?

And all I ask now, Mr. Speaker, is that search parties be dispatched to look for the poor Herald Tribune and that it be located and returned to its

rightful place in the Speaker's lobby, so that all of our colleagues in the House of Representatives might read what is in it.

We know, Mr. Speaker, as I said before, that there has been kind of a newspaper burning going on downtown, but I cannot believe that that has any relationship to the Tribune's disappearance around here. We enjoy reading the Tribune, and the Tribune has always been nice to us. Maybe the "Trib" has teased us once or twice, but let us let bygones be bygones and get it back in the rack; all right, fellows?

Let me make it very clear, Mr. Speaker, that none of us in any way blame any member of the staff or our wonderful pages for the loss of the old "Trib." Clearly, it is not their fault. They are a wonderful, honest, hard-working lot, and we are deeply indebted to them. The boys tell me they have conscientiously looked for our lost Tribune every day these last days, and I know they have. I shall do the same, Mr. Speaker, in the fond hope that in the days to come I will once again find the "Trib" in its regular old place where it has had its home in the past. Is that really too much to ask?

#### TAKEOVER OF AMERICAN INDUSTRIES IN LATIN AMERICA

The SPEAKER pro tempore. Under previous order of the House, the gentleman from Pennsylvania [Mr. SAYLOR] is recognized for 15 minutes.

Mr. SAYLOR. Mr. Speaker, all of us in this country view with alarm the attempts that are being made by one of our Latin American neighbors to take over certain industries in which American capital has been invested in large amounts. We regard such attempts as unwarranted intrusions by a national government into the realm that is traditionally that of private enterprise in the truly American sense of the word. It is not, we say firmly and unequivocally, something that we would do here in the United States and, therefore, it is not something that should be done in any democratic Latin American nation.

My remarks on this matter should not be interpreted by anyone as an attempt on my part to meddle in the affairs of any of our good neighbors to the south. Likewise, these remarks should not be interpreted as interference on the part of Congress, as I see that duty, to caution those who would take such steps to nationalize certain industries at the expense of American and domestic investors and at the expense of the domestic taxpayers of any nation so concerned.

Words of caution already have been expressed on the scene by one representative of our country and a report of his remarks appeared in the Washington Daily News on May 22 last.

In an address last month before the Institute of Higher Studies at São Paulo, Brazil, our able Ambassador to that country, the Honorable Lincoln Gordon, warned that nationalization of all public utilities in Brazil is not the way to solve the country's problems. He was reported to have said that the Socialists in Western Europe have learned that

transfer of utilities from private to public ownership does not guarantee better service. The newspaper article, written by Louis R. Stein of the Copley News Service, quoted Ambassador Gordon as having said:

On the contrary, nationalization generally means inefficiency, padded payrolls, and political abuse of economic power.

Ambassador Gordon was also reported to have remarked that the European Socialists "discovered that a system of controlled, dispersed private initiative and economic administration, combined with indirect government incentives and restrictions, is a more productive form of economic organization and in closest harmony with social justice."

Mr. Speaker, I insert in the RECORD at this point in my remarks the full text of the newspaper article to which I have referred:

#### GOULART PROGRAM HIT BY U.S. ENVOY (By Louis R. Stein)

SÃO PAULO, BRAZIL.—U.S. Ambassador Lincoln Gordon seems to be sniping at President Joao Goulart's plan to nationalize all public utilities in Brazil.

The Ambassador is trying to convince Brazilians the Alliance for Progress is not a scheme for financing expropriation of \$2 billion worth of American and other privately owned utilities here.

In a speech on the aims of the Alliance, Mr. Gordon also defended foreign investments in a manner that appeared calculated to rile Brazilian nationalists.

Senor Goulart last month announced his administration plans to purchase foreign-owned public utilities and try to encourage investment of the money paid for them in other sectors of the Brazilian economy. Some critics said Senor Goulart planned to use Brazilian funds, freed by Alliance loans, to buy up U.S. and Canadian properties.

Speaking before the Institute of Higher Studies here, Mr. Gordon said West European Socialists have learned that mere transfer of utilities from private to public ownership does not guarantee either more or better service or social justice.

"On the contrary," Mr. Gordon said, "nationalization generally means inefficiency, padded payrolls, and political abuse of economic power."

European Socialists, he said, "discovered that a system of controlled, dispersed private initiative and economic administration, combined with indirect Government incentives and restrictions, is a more productive form of economic organization and in closest harmony with social justice."

Mr. Speaker, Ambassador Gordon's remarks at São Paulo, in my opinion, should be taken to heart by every Member and by every citizen of our Nation. Observe, if you will, that Ambassador Gordon said:

A system of controlled, dispersed private initiative and economic administration, combined with indirect Government incentives and restrictions, is a more productive form of economic organization and [is] in closest harmony with social justice.

A representative of the U.S. Government has so spoken and as a representative of our Nation he presumes to speak for us and for the administration which he serves. But does he speak for us and for the administration?

We know that President Joao Goulart of Brazil plans to nationalize the public utilities in his country by outright purchase. Unwise though this course of

action may be, in the opinion of Ambassador Gordon and many others, this is a decision which President Goulart and the responsible Brazilian officials must make for themselves.

In this country the present administration has no such plans, at least in terms of the direct approach which Brazil appears ready to take. The plan to nationalize the utility industry, particularly the electric utility industry, in this country is somewhat less direct, although, in the opinion of many, it may be quite definite.

Ambassador Gordon talked about indirect government incentives and restrictions in his remarks in São Paulo last month. But at about the same time another representative of the administration took an approach which is diametrically opposed to Ambassador Gordon's.

Where our Ambassador to Brazil states categorically that indirect government control is best, the Chairman of the Federal Power Commission, the Honorable Joseph C. Swidler, said last month that the FPC is determined to reverse the trend toward lesser Federal control over the Nation's electric power industry. In a recent editorial, the Wall Street Journal commented on these words by Chairman Swidler and I insert the editorial in the RECORD at this point in my remarks:

#### HOW TO REVERSE PROGRESS

Like a number of other Government agencies, the Federal Power Commission lately has been flexing its regulatory muscles and reversing policies in effect under the Eisenhower administration.

Now there is nothing wrong with a new administration's appointees stirring up dust with their brooms and overturning a previous administration's decisions, if this activity serves some constructive purpose and helps to correct palpable errors of omission or commission. But in the case of FPC, now with a full five-man complement of President Kennedy's choice, it is pretty plain that the period of relative peace between the Government and the private, investor-owned electric industry that existed during the Eisenhower years is being brusquely terminated.

For concerning that period, FPC Chairman Joseph C. Swidler—former General Counsel for the Tennessee Valley Authority—the other day had some significant things to say. At the same time, and no doubt unintentionally, he presented a persuasive argument in behalf of proceeding cautiously in wielding the Commission's considerable powers and in seeking any new ones.

"In the last decade," said Chairman Swidler, "the Commission's power functions have suffered a severe attrition. Established spheres of activity have been allowed to wither and they have not been replaced by new programs or activities. While total electric energy use within the United States has mounted at a fantastic rate, the amount of human energy expended in the Commission's electric power programs has dwindled."

Now what the Chairman seems to be saying is that during the Eisenhower administration the FPC just wasn't busy enough. "The Commission," Mr. Swidler added, "is determined to reverse this trend."

Well, let's see just what went on during that period of Federal agency quiescence, when the policy of Government partnership with the electric industry was in effect. That policy, in general, permitted private utilities to build projects in their own territories without Government harassment,



while the Government limited its projects to those considered uneconomical or too involved in flood control or similar project-associated activities for the private industry to handle.

Somehow with Federal interference at a low ebb, electricity use in the United States increased at the fantastic rate noted by Chairman Swidler. In the decade following 1950 the electric industry, investing almost \$30 billion in new plant and equipment, more than doubled its generating capability. By any definition that is progress—progress which, incidentally, is now yielding almost \$1.5 billion a year in Federal taxes.

That is the sort of trend the FPC Chairman says he is determined to reverse. And there isn't a more effective way to reverse it than the one he has outlined—by launching new Federal programs or activities to keep the Federal regulators busy regulating.

Mr. Speaker, taken together, the words of Ambassador Gordon and Chairman Swidler certainly are poles apart. At home a representative of the administration speaks out for greater Government control over the electric power industry. Abroad another representative says that indirect Government incentives and restrictions are best and that a system which features these is in closest harmony with social justice.

Whom do we believe? Whom do our friends abroad believe? What sort of political and economic philosophy, Mr. Speaker, do our representatives at home and abroad espouse? Does our administration speak with but one voice or does it speak with myriad tongues reflecting a host of opinions from the left, the center, and the right?

It appears to me, as it must to many Members, Mr. Speaker, that it behooves the present administration to speak with but one voice, a voice of reason and restraint. That voice, in my opinion, is Ambassador Gordon's, for we would do well to harken to the advice which he so wisely gave to the Institute of Higher Studies in São Paulo last month. His is a voice which should be heard in our land as well as in the land in which he represents us. His is a voice which speaks with reason and restraint at a time when the Chairman of the Federal Power Commission talks about increasing the scope and the depth of the FPC's jurisdiction over the electric power industry in this country.

Chairman Swidler, for example, says that in the last decade the FPC's power over the electric utility industry has suffered a severe attrition. He observes that the electric utility industry has grown at a fantastic rate during this period and he bemoans the fact that the FPC has fallen behind—far behind—in exercising control over this vital industry. The Commission is determined to reverse this trend.

Whether this is a promise or a threat is of no consequence, Mr. Speaker. It merely reflects the ambitions of the present administration to control as tightly as possible the one industry which contributes most to the economic growth of our Nation. As a result of the vision, foresight, and courage of its responsible officials, the electric utility industry remains consistently ahead of the public's demand for electric energy.

But if the Federal Government desires to control this industry at every turn, and this seems to be the intention of the

Federal Power Commission and the administration, of what earthly use is the vision, foresight, and courage which have contributed to our Nation's strength through the growth of the electric utility industry? In the final analysis, close and strict Federal control can only lead to nationalization of this industry, in part through the very controls the Government seeks to impose and in part through direct Government competition with the industry. Vital initiative on the part of private enterprise will be destroyed bit by bit.

Where, indeed, do we go, Mr. Speaker? Whom do we believe? I urge the Members to listen again to the words of Ambassador Gordon who said:

A system of controlled, dispersed private initiative and economic administration, combined with indirect Government incentives and restrictions, is a more productive form of economic organization.

Mr. Speaker, if this is good advice for Brazil, and I believe it to be, why is it not good advice for us? Are we to learn the hard way in the years ahead that we should have listened at this time to these words of wisdom from an American abroad?

Mr. SAYLOR. Mr. Speaker, I ask unanimous consent to revise and extend my remarks and include extraneous matter.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

#### THE PLIGHT OF THE TEXTILE INDUSTRY

Mr. WHITENER. Mr. Speaker, I ask unanimous consent to address the House for 30 minutes, to revise and extend my remarks, and to include extraneous matter.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from North Carolina?

There was no objection.

Mr. WHITENER. Mr. Speaker, I deeply regret that I was not able to be present to hear all of the splendid presentation which my colleague, the gentleman from South Carolina [Mr. HEMPHILL], just made. I was involved in a radio program at the time, and as much as I had looked forward to hearing him, I just could not possibly arrange it. But, I think it is commendable that our colleague from South Carolina has again today discussed with the House and for the Record the continuing problem in the great textile industry.

In recent months, when much was being done by the administration to assist this industry in meeting the unfair and burdensome competition from abroad, we have continued to read shocking things in the press about textile imports; particularly we have heard disturbing things about the reduction in textile exports from this country.

On March 31, 1962, in the Southern Textile News, a newspaper which is published in the section of the country which I have the privilege to represent, we find an article entitled "Textile Imports Gained Sharply During the Last Quarter of 1961." This story was based upon information issued by the economic in-

formation division of the American Cotton Manufacturers Institute. In this report it was pointed out that while the 1961 import total was below the 1960 level, it was still greater than the level of 1958 and 1959.

Mr. Speaker, I ask unanimous consent that I may make this newspaper article a part of my remarks at this point in the Record.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from North Carolina?

There was no objection.

The article is as follows:

#### TEXTILE IMPORTS GAINED SHARPLY DURING THE LAST QUARTER OF 1961

WASHINGTON.—Although textile imports into the United States in 1961 were below the record high of the previous year, a strong upward trend was noted in the final quarter of last year, according to a 3-year textile foreign trade summary issued by the economic information division of the American Cotton Manufacturers Institute.

The report also pointed out that while the 1961 imports total was below the 1960 level, it was still greater than that of 1958 and 1959.

In reporting the upward swing in the final period of last year, the summary pointed out that the movement was particularly sharp in cotton yarn. About 41 percent of the yarn imports for 1961 entered the country during the last quarter—some 5.7 million pounds.

#### STATISTICS SUBSTANTIATED

More recent figures of the U.S. Department of Commerce bear out the AMCI analysis, showing that imports of cotton broad woven cloth for January 1962 amounted to 48.7 million square yards, which is a 70-percent increase over the December 1961 total of 34.3 million square yards. The January total was at an annual rate of 584.4 million square yards.

The drop in imports of cotton cloth—44 percent from 1960 to 1961—was largely due to the decline in the domestic demand for one item, unbleached carded sheetings, according to the summary. Imports of these carded sheetings declined from 178.7 to 60.2 million square yards. This reduction represents three-fifths of the decline in imports of all cotton cloth between 1960 and 1961. However, the summary shows, the 1961 imports of cotton cloth were still above the 1959 level.

Mr. WHITENER. Then, Mr. Speaker, on April 14, 1962, in the same publication, we find another story which has the caption "Textile Imports Increased During January While Exports Declined."

Mr. Speaker, this story was based upon reports of the Department of Commerce of the United States. It pointed out facts, which I think should concern the people in our agricultural economy, when it said that during January one of the sharpest export drops was in raw cotton. Shipments during that month were only 414,000 bales, compared to 562,000 bales in December 1961, and 1,009,000 bales of cotton in January of 1961. So we see that there was a drop of approximately 600,000 bales of cotton exported from this country in January of 1961 as compared to January 1962.

Mr. Speaker, I think this points out why the Department of Agriculture was so zealous in its presentation of the section 22 petition before the Tariff Commission recently. In that petition the Department of Agriculture, joined informally by the textile industry people and by some of us who serve in the Congress, was urging that the 8.5-cent-

per-pound subsidy which the American taxpayer is giving to the foreign textile manufacturers should be removed. If anyone in the agricultural economy area thinks that this foreign trade situation relates itself solely to manufacturing industries, then they ought to look at the record.

In our State of North Carolina some of the farm groups have passed resolutions consistently through the years advocating the so-called free trade approach to our international trade program. Yet these farm organizations, as well-intentioned as they may be, have been blind to some of the basic facts of life in our trade situation. Here in this country where we are concerned with surpluses in cotton, where the cotton program is costing the taxpayers a great deal of money, our people who are interested in a sound agricultural economy should take note of this one fact that I have mentioned from the article just referred to, and that is that in January 1961, according to this story, based upon Department of Commerce or Government figures, this country exported 9,000 bales more than 1 million bales of cotton in January 1961; whereas in January 1962, the figure was only 414,000 bales of cotton. Even in the cotton country from which some of us come, 600,000 bales of cotton is a lot of cotton, and it is a lot of expense to our Government to maintain this cotton in warehouses which otherwise would find its way into world trade.

Mr. Speaker, I ask unanimous consent that I may make this news story, dated April 14, 1962, from the Southern Textile News, a part of my remarks at this point.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from North Carolina?

There was no objection.

The article referred to follows:

#### TEXTILE IMPORTS INCREASE DURING JANUARY, WHILE EXPORTS DECLINE

WASHINGTON.—This country's textile exports dropped in almost every category during January while imports increased in virtually every segment in the same period—both in comparison to the previous month and to January of last year.

That situation was reflected in trade reports just issued here by the Commerce Department.

One of the sharpest export drops was in raw cotton, with January shipments of 414,000 bales compared with 562,000 bales in December and 1,009,000 bales in January of 1961. The monthly average for all of last year was 560,00 bales.

Cotton semimanufactures shipments for January were 25 million pounds, down from 29 million pounds in December and a monthly average of 27.9 million pounds for all of last year.

Semimanufactures of rayon, nylon, and other manmade fibers dropped from a December level of 18.4 million pounds to 16.4 million in January, but were slightly above the monthly average of last year as a whole.

#### OTHER CATEGORIES

The situation for other categories (with January figures listed first) follows:

Cotton cloth—\$9.3 million worth against \$11 million.

Other cotton manufactures—\$5.4 million against \$7.7 million.

Wool manufactures—\$500,000 against \$700,000.

Rayon, nylon, and other manmade fiber manufactures—\$11.2 million against \$14.2 million.

Other textile manufactures—\$4.7 million against \$6.1 million.

On the import side, the big January jump was in cotton cloth—with shipments totaling 48.6 million square yards compared with 34.2 million square yards in December and a monthly average of 12.1 million yards for all of 1961.

Other cotton manufactures imports for January were valued at \$16.6 million compared with \$12.3 million in December and a monthly average of \$12.1 million for all of 1961.

#### WOOL IMPORTS DOWN

The only drop in imports was in wool manufactures, down from \$14.4 million worth in December to \$13 million in January. The monthly average last year was \$16.4 million.

Silk manufactures imports had a \$4.9 million value in January, \$4.8 million in December and a \$4.5 million monthly average for all of last year.

Wool semimanufactures listed a January value of \$5 million, only \$3.8 million for December and a 1961 monthly average of \$4.5 million.

Raw cotton imports totaled 14.9 million pounds in January, only 9 million pounds in December, with a monthly average of 13.3 million for all of 1961.

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

Mr. WHITENER. I shall be happy to yield to the gentleman from South Carolina.

Mr. HEMPHILL. Mr. Speaker, I want to thank the gentleman from North Carolina [Mr. WHITENER] for making the remarks which he has taken the time to present to the House of Representatives out of a very busy and crowded schedule today. I realize that the gentleman was in the chair of a very important subcommittee of one of the standing committees of the House at the time his special order was called. I want to thank the gentleman for the many other occasions on which he has taken the floor here in behalf of the textile people. I know the distinguished gentleman from North Carolina represents a district which is immediately adjacent to mine, and represents it nobly and well. Our people have a joint problem, and the same problem, identical problem, in the textile field. I want to thank the gentleman for taking the floor so many times in behalf of the textile people.

Mr. Speaker, I might say to the gentleman that I have here a letter from one of the cotton mills in my district which employs many people. Here is what they say, which shows what is really happening to us in the import field. It says:

The Tariff Commission began its investigation on last February 13 and since then no action has been taken.

Imports of yarn into this country have exceeded already, by 50 percent, the total allowable under the Short Term Geneva Agreement. As yet, I have been able to find no reference in the trade papers to any protest by the Department of Commerce of this overshipment.

Action on both of these matters is long overdue and I ask that you do whatever you can to expedite decisions by the Tariff Commission and Department of Commerce.

I suppose the people who are charged with the programs and legislation of the

administration and with the development of policy in this important field are aware of the concern of the industry, and I hope they have it at heart. I am glad that the gentleman from North Carolina has tried so often to bring it to their attention. I thank him for joining with me and for yielding to me at this time.

Mr. WHITENER. Mr. Speaker, I thank my friend from South Carolina very much. I am sure, as I have told the gentleman before, and as I have showed him from letters that I have received from people in my own congressional district, that there is an awareness on the part of our textile people, both employees and management, of the efforts being made by my friend and neighbor. I certainly share that feeling of appreciation and I say to him as time goes on more will be heard from me, and I hope from him, on this subject which is so vital to so many people in the Piedmont areas of North Carolina and South Carolina.

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

Mr. WHITENER. I am happy to yield to my friend from North Carolina who also comes from one of the great textile areas, the home of Cannon Mills and other outstanding textile concerns, and the home of some of the finest people to be found anywhere. Of course, the gentleman has been very zealous in this question and I am so happy he is today taking such an active part, as he always does, in presenting this problem.

Mr. ALEXANDER. Mr. Speaker, I am delighted to have the opportunity to commend my good friend, the gentleman from North Carolina [Mr. WHITENER], because he has zealously and constantly been on the alert in regard to this terrific problem that the textile industry has, and particularly the danger to the jobs of the textile workers of our section of the country. I know no one who is better versed in the problem of our textile industry and of our textile workers than the gentleman from North Carolina who now has the floor. I want to commend him on the timeliness of his remarks and to tell him that I trust that we in the Congress will listen to the warning that he has given in regard to this grave problem. I commend him for bringing it to our attention.

Mr. WHITENER. I certainly thank the gentleman for whom I have such high esteem and such appreciation and say to him that this is not a battle in which just a few of us are involved but one which finds many soldiers on the battlefield. I am happy that my good friend and neighbor from North Carolina is one of the generals in the battle which is being carried on.

Mr. Speaker, the gentleman from South Carolina mentioned something about a letter that he received from one of his constituents. I have mentioned two stories which appeared earlier in the year in the Southern Textile News to show how this import situation as far as textiles are concerned continues to worsen.

It happens that in the city in which I live we find the greatest concentration



of textile industries to be found anywhere in the world. The county which is my home has over 140 textile plants. In our community we have an outstanding daily newspaper. I do not mean to imply that our other newspapers in the county are not outstanding, but certainly the *Gastonia Gazette* is one of the outstanding daily papers in North Carolina, and that paper has been alert to the problems confronting the community and the Nation as far as textiles are concerned. So I was interested to read on May 14, 1962, a story in that paper which carried the headline, "Spinners Show Concern Over Boost in Imports." The subhead states "Six-Month Totals Exceed Estimates." This story goes on to say:

Spinners of cotton sales yarn in the Carolinas are showing deep concern over increased yarn imports for the first half of the current Geneva short-term treaty.

This is in line with what our friend from South Carolina [Mr. HEMPHILL] has just pointed out.

Continuing:

There has been little said openly except what associations have told their members. But the fact alarming textile men is imports for the first half of the treaty have already exceeded expected totals for the entire 12-month period.

Manufacturers are admitting privately they have a real problem on their hands and don't know where to turn.

The anxiety is compounded, they say, by the fact that imports for the short term period (Oct. 1, 1961 through Oct. 1, 1962) will form the basic levels which will go into effect with the start of the long-term (5-year) Geneva treaty October 1, 1962.

In layman's language, spinners fear a drastic increase in the basic quota for the long-term agreement. This means the figure, under which the long-term agreement is reached, will far exceed their expectations. This will bring on another flood of foreign goods into the market, causing a bloating situation which will handicap American producers. It could have a drastic effect on the price structure of sales yarn.

It is the fear of most men in the industry that the 6-month rate of imports will go far beyond the predicted 28 to 30 million pounds during the short-term treaty year.

They say the basic figure for the long-term treaty is to be the figure for imports during the short-term treaty year plus a limited percentage addition over the 5-year period.

Recently the Combed Yarn Association, with headquarters here, explained to its members that American planners at the conference which set up the long-term agreement accepted imports for the short-term year as basic for the long-term treaty. At that time it was expected that imports would be held at the overall level of 12,567,000 pounds.

However, for the half year, October 1, 1961, through March 1962, total imports have passed 14,500,000 pounds. Of this, some 12,698,000 pounds came from treaty powers and 1,998,000 from nontreaty countries, Colombia and Taiwan.

The Combed Yarn Spinners Association computed the annual short-term treaty quota for carded yarn at 9,776,000 pounds.

Against these figures, imports for carded yarn from October 1, 1961, through March 1962, amount to 13,414,000 pounds and imports of combed yarns were 1,282,000.

Association figures for the first 5 months, with the addition of recent data for the month of March, show that Portugal alone

shipped more than 8 million pounds of carded yarn during this period.

Other countries over quota figures in combed or carded yarn or both included Egypt, Israel, Mexico, Italy, Lebanon, Belgium, and Switzerland. Imports from Colombia were 22,826 pounds of combed yarn and 1,475,000 pounds of carded yarn. Imports from Taiwan were 400,000 pounds of carded yarn.

That news story indicates the problem that is troubling so many people whose jobs are at stake and others whose investments are in the textile industry. We were told the Geneva long-term agreement would be something that would be helpful to us in this country. It appears, as the gentleman from South Carolina has pointed out, that the short-term period is being used to raise the basis for future imports to such an extent that the industry will be faced with even greater problems than any of us visualized a few months ago. I think this week when we saw what the Common Market countries did in retaliation for the very realistic action taken by the President in raising the duty on Wilton and velvet carpet from 21 to 40 percent is significant. The action taken shows us that we here in this country cannot expect a great deal of cooperation from the so-called Common Market countries, or from any other countries, in preserving the jobs of our people in America. They, we are told by the news stories—"They"—meaning the Common Market people—in open retaliation for this effort on the part of the President to protect the jobs of a few people in the carpet industry have raised, as I remember, their duties on six or eight major commodities which we have been exporting into those countries. This does not apply just to Belgium but to all of the countries participating in the Common Market. These duties are being raised in retaliation to such an extent that they, in effect, are cutting off trade from this country in these six or eight items in retaliation for what was done by our President in trying to protect a small industry in our own country.

I think this business of retaliation is a dangerous area for governments as well as for individuals. I am not here advocating that we approach this problem as to textiles or to any other American commodities in a spirit of anger or in a spirit of getting even with some other country. Rather, I think the record will show, it is absolutely essential that those of us charged with responsibility in this field, whether in the legislative or in the executive branch of Government, must think in terms of what is best for our own country. We know from the arguments we hear on the floor of the House, and from the contentions made by the executive branch of our Government, and by thinking people throughout the world, that the well-being of the free world rests heavily upon the people of the United States of America; that this Nation must be strong not only for the benefit of our own people, but also as the leader of the people of the free world.

Mr. Speaker, if we by legislative or executive action lower the economic level

of our country, however worthy our intentions may be, we are depriving our own people of a standard of living which they have earned, and which was not given to them by the people of any other country. At the same time we are lessening the ability of our own country to fulfill its role as the leader of the free nations of the world. We cannot continue to give away our economic strength and be expected to impose taxes upon our people in order to give away our money to the same people in Belgium where they were so concerned about this increase in duty upon Wilton and velvet carpets. The record shows that the employment situation there is at least 50 percent better than the employment situation in our own country. It seems to me that here in our own country while we cannot isolate ourselves from the rest of the world for we must have an abundance of foreign trade, that we must be realistic about it, and realize that the textile industry, as a fine example, must be preserved. That industry is the second largest employer of people of any manufacturing industry in our Nation. In recent years, however, we have seen over 800 plants closed down, we have seen employment drop in the textile industry by approximately 20 to 25 percent. During that same period we have seen the people in these textile plants in the past 10 years increase production per man-hour by 60 percent. As one who was raised in a textile plant and knows something about a job load, I think I can say to you with complete accuracy that we cannot expect these great Americans working at the machines in the textile industry to carry a much greater workload and burden. They have just about reached the breaking point, and they have done it without complaining, done it with full knowledge of an unfavorable situation which has been created for the people in the textile industry through no fault of their own but, rather, through the misadventure of those who were leading this country in trade policies with foreign nations.

It is said that the amount of imports is only 5 or 6 percent of the gross textile sales in our country. But, Mr. Speaker, if you have a market which is already adequately cared for and throw in 5 or 6 percent more products made in foreign countries at low wages and oftentimes with local government subsidies, plus an 8½-cent-per-pound or \$42.50-per-bale subsidy paid to foreign manufacturers by the American taxpayers, a frightening picture presents itself. When you add this percentage of textiles, even though some may say that arithmetically it is small, you can see what it does to the market and how it ruins the price situation in the textile industry, as it would in any other industry.

In a few days we will be dealing here with a trade bill. I believe it is designated as H.R. 9900. This bill should be scanned carefully and critically by all of us who have the responsibility of representing the American people in the Congress of the United States.

I have committed myself to make such a careful study. I have committed my-

self to try to be objective in this study. But I say to you, not only will it be required that one or two of us do that but every other Member of this Congress should do the same with the hope that as a result of our thinking and reasoning together we can arrive at a trade policy which will be most conducive to the advancement of the welfare of every living American.

#### LET'S LOOK AT THE FACTS

Mrs. WEIS. Mr. Speaker, I ask unanimous consent that the gentleman from Nebraska [Mr. BEERMANN] may extend his remarks at this point in the RECORD.

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

There was no objection.

Mr. BEERMANN. Mr. Speaker, the Democrats are engaged in a desperate attempt to shift the blame for the Billie Sol Estes scandals from the administration to the Republicans and to business.

This is clearly apparent in the questioning of witnesses by Democratic members of the Fountain subcommittee, which seeks to link the Eisenhower administration and a New York business firm with Estes. It is apparent also in speculative news stories and comment by columnists. For example, the fact that two former officials of the Department of Agriculture, while Ezra T. Benson was Secretary, are now connected with the New York firm which had business relationships with Estes, has been emphasized time and time again at the Fountain hearing, in many newspaper stories, and by columnists. The inference is that these officials used their influence to further both the New York company's and Estes' affairs and were rewarded with jobs.

One of these officials, Walter Berger, former head of the Commodity Credit Corporation, leading agency of the Department, has testified in executive session before the McClellan subcommittee in the Senate. This testimony has not been made public but authentic reports indicate that Berger satisfied the committee that he had no connection whatever with, and in fact knew nothing of, Estes' machinations. Yet this fact has not been published even though it appears to be common knowledge.

The effort to smear business and the Republicans in connection with Estes is reprehensible and is bound to react against the administration. I think all the facts connected with this affair should be aired thoroughly. If any business firm connived with Estes, the culprit—or culprits—should be thoroughly exposed and punished. The same is true for officials of the Eisenhower administration. But to imply conspiracy and wrongdoing, without one shred of evidence, as has been the case thus far, constitutes foul tactics and should not be tolerated.

Another amazing fact of the Estes case is that the administration brazenly is using the scandal as an argument for its totalitarian farm bill, which it is trying to ram down the throats of Congress and the farmers themselves. The contention is that, if the bill is passed,

there will be a reduction in wheat and feed grain production, a reduction in grain storage costs, and consequently a diminishing opportunity for operators like Estes, who was in the grain storage business.

The real scandal, insofar as the Department of Agriculture is concerned, seems to have been in the transfer of cotton allotments from Southern States to Texas and Estes. These cotton allotments, because of the marketing quotas system in operation for this product, have a high value. They constitute, in effect, a Government permit to plant cotton and are sought after by every possible means. Now the administration proposes to apply this quota system to wheat and feed grains. If this is done, the Government permits to plant wheat and feed grains will have a high value and the struggle to get allotments—which will be handed out by the bureaucrats—will intensify.

I predict many more Billie Sol Estes scandals if the administration's farm bill is enacted.

#### RELATING TO SPECIAL STATISTICAL STUDIES OF TAX INFORMATION

Mrs. WEIS. Mr. Speaker, I ask unanimous consent that the gentleman from Missouri [Mr. CURTIS] may extend his remarks at this point in the RECORD.

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

There was no objection.

Mr. CURTIS of Missouri. Mr. Speaker, today the Honorable WILBUR D. MILLS, chairman of the Committee on Ways and Means, and I introduced identical bills, H.R. 12030 and H.R. 12031. The purpose of these bills is to make it possible for the Treasury Department, upon written request, to perform special statistical tabulations and studies from tax returns, declarations, statements, and other documents required under the tax laws and regulations thereunder and from records relating to the administration and enforcement of the Internal Revenue laws. They would also authorize the Secretary of the Treasury or his delegate to admit the employees of any State or other governmental entity to the training courses conducted by the Internal Revenue Service.

The problem under present law is that, as a practical matter, the Treasury Department cannot honor requests for studies, and so forth, because they are not able to accept fees and charges for these services and use them to defray the cost of performing them. At the present time such fees and charges must be treated as any Internal Revenue collection and be paid into the general funds of the Treasury. This has effectively precluded the Treasury Department from performing this very valuable service.

The purpose of this legislation would be to permit these fees and charges for these tabulations, training, and so forth, to be deposited in a separate account which can be used to reimburse the particular appropriation which is used to

bear the cost of making the tabulations, and so forth.

In my opinion, there is all too little information available today on our tax collections and the operation of our internal revenue laws. Many research groups and other organizations would be very happy to carry out studies along these lines if they could secure the proper statistics. This would be extremely valuable not only to the public generally, but to the Treasury Department and the Congress in studying the operation of present law and in determining in what manner present law should be changed. In addition, these bills would permit the indoctrination of State and local tax administrators in the procedures used by the Federal Government in administering our tax laws.

Other departments of the Government, such as the Bureau of the Census, the Department of Labor, and the Department of Health, Education, and Welfare, already have authority of offset the cost of such tabulations and compilations against the fees and charges for making them. This legislation would simply give a similar authority to the Treasury Department. The Treasury Department itself is most anxious to have this authority.

These studies based on these statistics, should this legislation be enacted, would be very useful to the Committee on Ways and Means and the Committee on Finance, as well as other committees of the Congress, such as the Joint Committee on the Economic Report, the Committees on Government Operations, and so forth. In many instances, if this legislation is adopted, these statistical projects could be carried on jointly by the Government and the party requesting the information. The fees and charges for the Treasury Department furnishing this information would be on the basis of cost.

The tabulations, studies, and compilations provided for under the bill would be subject to all the existing provisions of law and regulations relating to unauthorized disclosure of information.

#### TAX CUT AND SPENDING

Mrs. WEIS. Mr. Speaker, I ask unanimous consent that the gentleman from Illinois [Mr. DERWINSKI] may extend his remarks at this point in the RECORD.

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

There was no objection.

Mr. DERWINSKI. Mr. Speaker, it is especially appropriate on the day that we extended the wartime imposed excise taxes to read Secretary Dillon's promise of tax reduction. In view of the spending schemes of the administration, it is logical to ask whether the tax reduction is practical, is honestly being planned, or is it merely campaign window dressing to save Democratic Members of Congress from the wrath of the Nation's taxpayers.

Rather than to answer these possible questions myself, I submit for the RECORD an editorial in this morning's Chicago Sun-Times which, in a very effective and penetrating fashion, covers the



subject. The editorial is entitled "Tax Cut and Spending":

#### TAX CUT AND SPENDING

When he sent his 1963 budget to Congress, President Kennedy said he expected a surplus at the end of the fiscal year, which would be a year from now. He looked for rises in private expenditures, both in consumption and investment.

"To plan a deficit under such circumstances would increase the risk of inflationary pressures, damaging alike to our domestic economy and to our international balance of payments."

The speech made by Treasury Secretary Dillon in New York Monday, promising "top to bottom" cuts in income tax rates, gave a hint that the administration's attitude toward a balanced budget is changing.

It is now generally expected that the administration's spending programs and reduced revenue will give the Government still another year in the red. But now the administration's line is shifting: A deficit is not necessarily inflationary.

So said Dillon in his New York speech. It is a myth, he said, to believe that operating the Government in the red inevitably brings inflation. Deficits, he said, bring inflation only when they combine with strong demand that puts pressure on supply.

If the administration pushes through tax cuts next year, it will be for the purpose of stepping up demands. Tax cuts will put more money into the pockets of consumers and the treasuries of companies that are operating in the black. At the same time such income tax cuts, unless matched with a reduction in Government spending or with increased revenue from other sources, would perpetuate a budget imbalance. In that case the Dillon formula for inflation would be present: deficits combined with demand putting pressure on supply.

The administration seems to be heading toward a fiscal philosophy something along this line: Tax reforms to stimulate the economy may cause the Government to operate in the red for a while longer, but eventually the growth of employment, income, and profits will bring in more taxes and the budget eventually can be balanced. Meantime, continued deficits are to be rationalized: Supply of goods can be increased to reduce inflationary pressure.

To increase the supply of goods, to utilize the economy to capacity, producers must be assured fair profits. Businessmen can't be assured fair profits if their costs go up but pressure is applied, as in the steel case, to keep down prices. This hurts business confidence.

The Kennedy proposal to reduce taxes may be intended to increase business confidence. But tax reduction can't go hand in hand with spending-as-usual programs of the Government. As the council of the U.S. Chamber of Commerce said last week: "Tax reduction and tax reform should take precedence over new spending programs as a means of stimulating the economy."

The administration is preparing to buy the tax argument. It should also take advice about changing its spending habits.

#### DAVIS-BACON AMENDMENTS

The SPEAKER pro tempore. Under previous order of the House, the gentleman from New York [Mr. HALPERN] is recognized for 15 minutes.

Mr. HALPERN. Mr. Speaker, one of the important bills which I hope Congress will enact during the present session is the measure—H.R. 10946—which has been reported from the Committee on Education and Labor to include fringe benefits in prevailing wage deter-

minations under the so-called Davis-Bacon Act. As a cosponsor of identical legislation, I am particularly concerned because, despite the fact that this bill was reported at the beginning of April, it has not yet been reported from the Committee on Rules.

The Davis-Bacon Act was originally enacted in 1931 and amended to its present form in 1935. The date of enactment is significant for Members of this side of the aisle for it should be remembered that when Congress originally passed the act the Republican administration of Herbert Hoover was in charge of the executive branch of the Government. It is also worthwhile to point out that the act has a definite bipartisan flavor since its present form was worked out and determined upon by Congress when the Democratic administration of Franklin D. Roosevelt was in charge of the executive branch of the Government in 1935. There should be no partisanship about H.R. 10946 since from the beginning the interest of both the Congress and the executive branch in assuring workers employed by contractors and subcontractors working on Government construction contracts at least prevailing wages has been bipartisan throughout.

In its present form, the Davis-Bacon Act requires contractors and subcontractors to pay to laborers and mechanics working on Government construction contracts amounting to \$2,000 or over not less than the wages found by the Secretary of Labor to be the prevailing wages for the corresponding classes of laborers and mechanics employed on projects of a character similar to the contract work in the city, town, village, or other civil subdivision of the State in which the work is to be performed. The act established the policy that the U.S. Government was not to be a party to depressing local labor standards.

Prior to enactment of the act there was no Federal statute requiring the payment of wage rates to workers on Federal construction projects. The Committee on Education and Labor has pointed out in its report:

With the advent of large Federal construction programs, however, it soon became apparent that local wage standards in a community had to be protected from cheap labor imported from other areas. Qualified contractors residing and doing business in an area of high wage standards found it impossible to underbid outside contractors who based their estimates for labor upon the low wages they could pay to workmen obtained from another locality or even another State. On many occasions the local contractors and local laborers had to stand by while outside contractors and outside labor performed under locally substandard conditions, work that otherwise would have been theirs.

The Davis-Bacon Act was enacted to prevent these abuses on direct Federal construction programs. Davis-Bacon provisions have been extended in recent years to apply to a number of Federal grant-in-aid programs, including the federally impacted areas school programs, Hill-Burton hospital construction, the Federal interstate highway and airport programs, the water pollution control programs, and the National

Housing Act. The Davis-Bacon Act also protects employers in the construction industry against the unfair competition of other employers submitting low bids in the expectation that they will be able to cut labor costs by importing workers from other areas to whom they can pay wages lower than those generally prevailing in a particular area, even if they have to import workers from other areas.

The amendment to the prevailing wage provisions of the Davis-Bacon Act which is contained in H.R. 10946, as reported from the Committee on Education and Labor, is designed to bring the act up to date by including fringe benefits in prevailing wage determinations. As I think all of us are aware, there has been a very substantial change in the concept of earnings since the Davis-Bacon Act was enacted. Group hospitalization, disability benefits, and other fringe benefits were the rare exception in the 1930's. Today, more than 85 million people in the United States depend upon these benefits. Regardless of the form they take, the employers' share of the cost of these plans or the benefits the employers provide are a form of compensation. Today in the construction industry there are over 5,000 welfare and pension funds. Most of these are of the health and welfare type and are financed by employer contributions of so many cents per hour for each hour worked by a covered employee. Because these types of payments have increased, they now present a very significant portion of wages and an employer's labor costs.

The result of not including these fringe benefits in the rates of pay is that contractors that do not have these programs for their employees can come into an area and undercut already established employers who do have these programs for their employees. As the Committee on Education and Labor has pointed out in its report:

When this happens it means that local building tradesmen who have elected to take wage increases in the form of benefit programs in order to provide for their families are depriving themselves of work which they could otherwise obtain. The fair employer is thereby placed in a steadily deteriorating competitive position. Today, the construction worker receives his real wages not only in the pay envelope after necessary deductions, but also in the form of these fringe benefits such as health, welfare, and retirement programs. These socially desirable private welfare programs promote the welfare of our society and should be included within the prevailing wage determinations made by the Secretary.

Mr. Speaker, H.R. 10946 has the support of the building and construction unions and of many employer groups in the construction industry. Indeed, there is little disagreement, if any, with the specific provisions or purpose of this bill.

I understand, however, that some Members of this body believe the act is in need of other improvements as well, such as provision of a procedure for judicial review for those who are charged with a violation of the act. Whatever the merits of this proposal may be, and

possibly a study of the act's administration, such as some of my colleagues have suggested may be called for, I do not think it is relevant to the present bill. Nor do I think the bill's consideration should be delayed until these other matters are dealt with. The Davis-Bacon Act in its present form tolerates a serious injustice for workers employed on Government construction contract work which H.R. 10946 would remedy. It is my hope that the Rules Committee will shortly report the bill to include fringe benefits in prevailing wage determinations under the Davis-Bacon Act and that the House will give it an overwhelming vote of approval.

#### LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to:

Mrs. NORRELL (at the request of Mr. ALBERT), for today through Friday, June 15, on account of official business.

Mr. DENT (at the request of Mr. HOLAND), indefinitely, on account of illness.

#### SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

Mr. PRICE, for 30 minutes, tomorrow, June 7.

Mr. SAYLOR, for 15 minutes, today, to revise and extend his remarks and include editorials.

Mr. HALPERN (at the request of Mrs. WEIS), for 15 minutes, today.

Mr. ALEXANDER (at the request of Mr. WHITENER), for 1 hour, on Wednesday, June 13.

#### EXTENSION OF REMARKS

By unanimous consent, permission to extend remarks in the CONGRESSIONAL RECORD, or to revise and extend remarks, was granted to:

(The following Members (at the request of Mrs. WEIS) and to include extraneous matter:)

Mr. DAGUE.

Mr. SCHNEEBELI.

Mr. SCHERER.

Mr. ALGER.

Mr. WILSON of Indiana.

Mr. MATHIAS.

Mr. VAN ZANDT.

(The following Members (at the request of Mr. WHITENER) and to include extraneous matter:)

Mrs. KELLY.

Mr. CELLER.

Mr. ADDABBO.

#### ENROLLED BILL SIGNED

Mr. BURLESON, from the Committee on House Administration, reported that that committee had examined and found truly enrolled a bill of the House of the following title, which was thereupon signed by the Speaker:

H.R. 1653. An act for the relief of William Falby.

#### SENATE ENROLLED BILLS SIGNED

The SPEAKER announced his signature to enrolled bills of the Senate of the following titles:

S. 315. An act for the relief of Dr. Ting-Wa Wong;

S. 1962. An act for the relief of Kenneth David Wooden;

S. 2011. An act for the relief of Antonia Longfield-Smith; and

S. 2099. An act for the relief of Tina Jane Beland.

#### BILLS AND JOINT RESOLUTION PRESENTED TO THE PRESIDENT

Mr. BURLESON, from the Committee on House Administration, reported that that committee did on June 5, 1962, present to the President, for his approval, bills and a joint resolution of the House of the following titles:

H.R. 1347. An act for the relief of Adolf M. Baller;

H.R. 5652. An act for the relief of Kevork Torolian; and

H.J. Res. 638. Joint resolution for the relief of certain aliens who are serving in the U.S. Armed Forces.

#### ADJOURNMENT

Mr. WHITENER. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 5 o'clock and 25 minutes p.m.), the House adjourned until tomorrow, Thursday, June 7, 1962, at 12 o'clock noon.

#### EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

2152. A letter from the Comptroller General of the United States, transmitting a report on the audit of the Panama Canal Company and the Canal Zone Government for the fiscal year ended June 30, 1961 (H. Doc. No. 429); to the Committee on Government Operations and ordered to be printed.

2153. A letter from the Comptroller General of the United States, transmitting a report on the review of the administration of the public assistance programs and the surplus food distribution program, Department of Public Welfare, District of Columbia government; to the Committee on Government Operations.

2154. A letter from the Comptroller General of the United States, transmitting a report on the review of the automatic data processing system used by the Aviation Supply Office (ASO), Philadelphia, Pa., Department of the Navy, in the supply management of aviation parts and equipment valued at about \$2.3 billion; to the Committee on Government Operations.

2155. A letter from the Comptroller General of the United States, transmitting a report on a review of the circumstances pertaining to the Secretary of Labor's determination of prevailing wages (No. Y-13, 183, Jan. 6, 1961) for use in contracting for construction of the 450-unit Capehart housing project at the Marine Corps schools in the vicinity of Quantico, Va. The review was made in response to inquiries from several Members of Congress; to the Committee on Government Operations.

2156. A letter from the Administrator, General Services Administration, relative to the notification of the declassification of the July-December 1961 report and all prior issues of the statistical supplement stockpile report to the Congress, pursuant to section

5(h) of Executive Order No. 10501, as amended; to the Committee on Armed Services.

2157. A letter from the Assistant Secretary of the Interior, transmitting a draft of a proposed bill entitled "A bill to authorize the addition of certain donated lands to the administrative headquarters site, Isle Royale National Park"; to the Committee on Interior and Insular Affairs.

2158. A letter from the Assistant Secretary of State, transmitting a draft of a proposed bill entitled "A bill to authorize the appointment of one additional Assistant Secretary of State"; to the Committee on Foreign Affairs.

#### REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. HARRIS: Committee on Interstate and Foreign Commerce. H.R. 11643. A bill to amend sections 216(c) and 305(b) of the Interstate Commerce Act, relating to the establishment of through routes and joint rates; without amendment (Rept. No. 1769). Referred to the House Calendar.

Mr. HALEY: Committee on Interior and Insular Affairs. S. 2893. An act to declare that certain land of the United States is held by the United States in trust for the Prairie Band of Potawatomi Indians in Kansas; without amendment (Rept. No. 1772). Referred to the Committee of the Whole House on the State of the Union.

Mr. HALEY: Committee on Interior and Insular Affairs. H.R. 4592. A bill to set aside certain lands in Montana for the Indians of the Confederated Salish and Kootenai Tribes of the Flathead Reservation, Mont.; with amendment (Rept. No. 1774). Referred to the Committee of the Whole House on the State of the Union.

Mr. HALEY: Committee on Interior and Insular Affairs. H.R. 10452. A bill to donate to the Devils Lake Sioux Tribe of the Fort Totten Indian Reservation, N. Dak., approximately 275.74 acres of federally owned land; with amendment (Rept. No. 1775). Referred to the Committee of the Whole House on the State of the Union.

Mr. HALEY: Committee on Interior and Insular Affairs. H.R. 10530. A bill to declare that certain land of the United States is held by the United States in trust for the Oglala Sioux Indian Tribe of the Pine Ridge Reservation; with amendment (Rept. No. 1776). Referred to the Committee of the Whole House on the State of the Union.

Mr. HALEY: Committee on Interior and Insular Affairs. H.R. 11057. A bill to declare that the United States holds certain lands on the Eastern Cherokee Reservation in trust for the Eastern Band of Cherokee Indians of North Carolina; with amendment (Rept. No. 1777). Referred to the Committee of the Whole House on the State of the Union.

Mr. MACK: Committee on Interstate and Foreign Commerce. H.R. 11670. A bill to postpone by 3 months the date on or before which the Securities and Exchange Commission shall report to the Congress the results of its study and investigation pursuant to section 19(d) of the Securities Exchange Act of 1934, and for other purposes; without amendment (Rept. No. 1778). Referred to the Committee of the Whole House on the State of the Union.

#### REPORTS OF COMMITTEES ON PRIVATE BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk



for printing and reference to the proper calendar, as follows:

Mr. WALTER: Committee on the Judiciary. S. 2186. An act for the relief of Manuel Arranz Rodriguez; without amendment (Rept. No. 1760). Referred to the Committee of the Whole House.

Mr. WALTER: Committee on the Judiciary. S. 2300. An act for the relief of Byron Wong; without amendment (Rept. No. 1761). Referred to the Committee of the Whole House.

Mr. WALTER: Committee on the Judiciary. S. 2339. An act for the relief of George Ross Hutchins; with amendment (Rept. No. 1762). Referred to the Committee of the Whole House.

Mr. WALTER: Committee on the Judiciary. S. 2340. An act for the relief of Shunichi Aikawa; without amendment (Rept. No. 1763). Referred to the Committee of the Whole House.

Mr. WALTER: Committee on the Judiciary. S. 2418. An act for the relief of Elaine Rozin Recanati; without amendment (Rept. No. 1764). Referred to the Committee of the Whole House.

Mr. WALTER: Committee on the Judiciary. S. 2486. An act for the relief of Kim Carey (Timothy Mark Alt); without amendment (Rept. No. 1765). Referred to the Committee of the Whole House.

Mr. WALTER: Committee on the Judiciary. S. 2562. An act for the relief of Sally Ann Barnett; without amendment (Rept. No. 1766). Referred to the Committee of the Whole House.

Mr. WALTER: Committee on the Judiciary. S. 2565. An act for the relief of Michael Najeeb Metry; without amendment (Rept. No. 1767). Referred to the Committee of the Whole House.

Mr. WALTER: Committee on the Judiciary. S. 2709. An act for the relief of Ernst Fraenkel and his wife, Hanna Fraenkel; without amendment (Rept. No. 1768). Referred to the Committee of the Whole House.

Mr. EDMONDSON: Committee on Interior and Insular Affairs. H.R. 9593. A bill to provide for the conveyance of certain phosphate rights to the Dr. P. Phillip Foundation of Orlando, Fla.; without amendment (Rept. No. 1770). Referred to the Committee of the Whole House.

Mr. HALEY: Committee on Interior and Insular Affairs. H.R. 10459. A bill to provide for the conveyance of 39 acres of Minnesota Chippewa tribal land on the Fond du Lac Indian Reservation to the Sts. Mary and Joseph Church, Sawyer, Minn.; without amendment (Rept. No. 1771). Referred to the Committee of the Whole House.

Mr. HALEY: Committee on Interior and Insular Affairs. S. 2895. An act to provide for the conveyance of certain lands of the Minnesota Chippewa Tribe of Indians to the Little Flower Mission of the St. Cloud Diocese; without amendment (Rept. No. 1773). Referred to the Committee of the Whole House.

Mr. MACGREGOR: Committee on the Judiciary. H.R. 3131. A bill for the relief of Richard C. Collins; without amendment (Rept. No. 1779). Referred to the Committee of the Whole House.

Mr. LINDSAY: Committee on the Judiciary. H.R. 3922. A bill for the relief of Mrs. Elizabeth G. Mason; with amendment (Rept. No. 1780). Referred to the Committee of the Whole House.

Mr. LANE: Committee on the Judiciary. H.R. 6987. A bill for the relief of Maj. William R. Cook; with amendment (Rept. No. 1781). Referred to the Committee of the Whole House.

Mr. LANE: Committee on the Judiciary. H.R. 7385. A bill for the relief of Charles Waverly Watson, Jr.; with amendment (Rept. No. 1782). Referred to the Committee of the Whole House.

Mr. PETERSON: Committee on the Judiciary. H.R. 7615. A bill for the relief of Clara B. Fry; with amendment (Rept. No. 1783). Referred to the Committee of the Whole House.

Mr. LANE: Committee on the Judiciary. H.R. 7900. A bill for the relief of Lt. (jg) James B. Stewart; with amendment (Rept. No. 1784). Referred to the Committee of the Whole House.

## PUBLIC BILLS AND RESOLUTIONS

Under clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. BYRNES of Wisconsin:  
H.R. 12026. A bill to provide for a temporary increase in the public debt limit set forth in section 21 of the Second Liberty Bond Act; to the Committee on Ways and Means.

By Mr. CELLER:  
H.R. 12027. A bill to amend section 1391 of title 28 of the United States Code relating to venue; to the Committee on the Judiciary.

By Mr. FARBERSTEIN:  
H.R. 12028. A bill to amend the Immigration and Nationality Act to provide that the unused annual quota of any quota area shall be available for use in quota areas where the annual quota is oversubscribed so as to permit the entry of brothers, sisters, married sons, and married daughters of citizens of the United States, and for other purpose; to the Committee on the Judiciary.

By Mr. GIAIMO:  
H.R. 12029. A bill to amend the Library Services Act in order to make areas lacking public libraries or with inadequate public libraries, public elementary and secondary school libraries, and certain college and university libraries, eligible for benefits under that act, and for other purposes; to the Committee on Education and Labor.

By Mr. MILLS:  
H.R. 12030. A bill to amend the Internal Revenue Code of 1954 with respect to moneys received in payment for special statistical studies and compilations and certain other services; to the Committee on Ways and Means.

By Mr. CURTIS of Missouri:  
H.R. 12031. A bill to amend the Internal Revenue Code of 1954 with respect to moneys received in payment for special statistical studies and compilations and certain other services; to the Committee on Ways and Means.

By Mr. CELLER:  
H.R. 12032. A bill to amend section 15 of the Clayton Act to facilitate enforcement of section 7 of the Clayton Act, and for other purposes; to the Committee on the Judiciary.

By Mr. MERROW:  
H.R. 12033. A bill to amend the Civil Service Retirement Act to provide for the adjustment of inequities and for other purposes; to the Committee on Post Office and Civil Service.

By Mr. NELSEN:  
H.R. 12034. A bill to amend section 408 of the Sugar Act of 1948, as amended; to the Committee on Agriculture.

By Mr. MORRIS K. UDALL:  
H.R. 12035. A bill to amend title 39 of the United States Code to permit the private carriage of letters and packets in certain cases; to the Committee on Post Office and Civil Service.

By Mr. VINSON:  
H.R. 12036. A bill to amend the Universal Military Training and Service Act; to the Committee on Armed Services.

H.R. 12037. A bill to authorize the loan of naval vessels to friendly foreign countries and the extension of certain naval vessel loans now in existence; to the Committee on Armed Services.

By Mr. CORBETT:  
H.R. 12038. A bill to establish in the Library of Congress a library of musical scores and other instructional materials to further educational, vocational, and cultural opportunities in the field of music for blind persons; to the Committee on House Administration.

By Mr. MULTER:  
H.R. 12039. A bill to amend the Immigration and Nationality Act; to the Committee on the Judiciary.

By Mr. MURRAY:  
H.R. 12040. A bill to define the term "child" for lump-sum payment purposes under the Civil Service Retirement Act; to the Committee on Post Office and Civil Service.

By Mr. WHITENER (by request):  
H.R. 12041. A bill to amend the District of Columbia Corporation Act; to the Committee on the District of Columbia.

By Mr. THOMPSON of New Jersey:  
H.R. 12042. A bill to amend the act of April 29, 1942, establishing the District of Columbia Recreation Board, to provide financial aid for the arts in the District of Columbia, including improved programs of the arts in the curriculums of the public schools, equal to the aid provided by other cities of the United States for their local art programs; to the Committee on the District of Columbia.

By Mr. DOWDY:  
H.J. Res. 730. Joint resolution to authorize the President to proclaim May 15 of each year as Peace Officers Memorial Day and the calendar week of each year during which such May 15 occurs as Police Week; to the Committee on the Judiciary.

By Mr. LAIRD:  
H.J. Res. 731. Joint resolution to suspend for the 1962 campaign the equal opportunity requirements of section 315 of the Communications Act of 1934 for up to five debates by the major party national chairmen or their designees; to the Committee on Interstate and Foreign Commerce.

## PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. CLANCY:  
H.R. 12043. A bill for the relief of Vita Maria Colucci; to the Committee on the Judiciary.

By Mrs. GRANAHAH:  
H.R. 12044. A bill for the relief of Khalil Maghen; to the Committee on the Judiciary.

By Mr. KING of California:  
H.R. 12045. A bill for the relief of Kruno Jaksic; to the Committee on the Judiciary.

By Mr. McDOWELL:  
H.R. 12046. A bill for the relief of Hee-Sa Kim; to the Committee on the Judiciary.

By Mr. MADDEN:  
H.R. 12047. A bill for the relief of Mirko Jaksic; to the Committee on the Judiciary.

## SENATE

WEDNESDAY, JUNE 6, 1962

The Senate met at 11 o'clock a.m., and was called to order by Hon. J. J. Hickey, a Senator from the State of Wyoming. The Chaplain, Rev. Frederick Brown Harris, D.D., offered the following prayer:

Our Father, God, from the vain deceits of the uncertain world in which our lot is cast, we turn from the baffling problems which daily besiege us to the white candor of eternal verities.

Entering reverently this sacred, fenced-in area of utter quietness, we would bow in the presence in which we always are, in the calm confidence that Thou dost hold the whole world in Thy hand and all worlds in the firm clasp of a love that never fails. Keeping ourselves in the grasp of that love that will not let us go, may we march with conquering tread in the gathering armies of friendship whose armor is the shield of Thy truth and whose sword is the might of Thy love, against which all the spears of hate cannot ultimately prevail.

We ask it in the Redeemer's name. Amen.

#### DESIGNATION OF ACTING PRESIDENT PRO TEMPORE

The legislative clerk read the following letter:

U.S. SENATE,  
PRESIDENT PRO TEMPORE,  
Washington, D C., June 6, 1962.

To the Senate:

Being temporarily absent from the Senate, I appoint Hon. J. J. Hickey, a Senator from the State of Wyoming, to perform the duties of the Chair during my absence.

CARL HAYDEN,  
President pro tempore.

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

#### THE JOURNAL

On request of Mr. MANSFIELD, and by unanimous consent, the reading of the Journal of the proceedings of Tuesday, June 5, 1962, was dispensed with.

#### MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. BARTLETT, one of its reading clerks, announced that the House had passed the following bills of the Senate, each with an amendment, in which it requested the concurrence of the Senate:

S. 1881. An act for the relief of Maria La Bella; and  
S. 2143. An act for the relief of Mrs. Eva London Ritt.

The message also announced that the House had passed the following bills, in which it requested the concurrence of the Senate:

H.R. 1469. An act for the relief of Mrs. Leslie M. Paterson, Janet Paterson, and Mary Paterson;  
H.R. 1609. An act for the relief of Demitrios Dunis;  
H.R. 1899. An act for the relief of Stavros Michael Mourkakos;  
H.R. 2337. An act for the relief of Maria Stella Todaro;  
H.R. 2836. An act for the relief of C. Edwin Alley;  
H.R. 3821. An act for the relief of Ivy Gwendolyn Myers;  
H.R. 3822. An act for the relief of Ahsabet Oyunciyani;  
H.R. 3912. An act for the relief of Chikoko Shinagawa;  
H.R. 6014. An act for the relief of Stephen A. Eskin;  
H.R. 6016. An act for the relief of William Thomas Dendy;  
H.R. 6655. An act for the relief of Lecll A. Sims;

H.R. 6833. An act for the relief of Frantisek Tisler;  
H.R. 7365. An act for the relief of Herbert B. Shorter, Sr.;  
H.R. 8452. An act for the relief of Glendal W. Hancock;  
H.R. 9180. An act for the relief of Noreen Joyce Baden;  
H.R. 9588. An act for the relief of Claude Homann-Herimberg (nee Wagner);  
H.R. 9599. An act for the relief of Solomon Annenberg;  
H.R. 9834. An act for the relief of Estelle L. Heard;  
H.R. 10308. An act for the relief of Elizabeth A. Johnson;  
H.R. 10371. An act for the relief of Ferdinand A. Hermens;  
H.R. 10525. An act for the relief of Francis L. Quinn;  
H.R. 10960. An act for the relief of Rosina Luisi (Sister Mary Rosina) and Maria Fatibene (Sister M. Valentina); and  
H.R. 11578. An act for the relief of Don C. Jensen and Bruce E. Woolner.

#### ENROLLED BILLS SIGNED

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

S. 315. An act for the relief of Dr. Ting-Wa Wong;  
S. 1962. An act for the relief of Kenneth David Wooden;  
S. 2011. An act for the relief of Antonia Longfield-Smith;  
S. 2099. An act for the relief of Tina Jane Beland; and  
H.R. 1653. An act for the relief of William Falby.

#### HOUSE BILLS REFERRED

The following bills were severally read twice by their titles and referred to the Committee on the Judiciary:

H.R. 1469. An act for the relief of Mrs. Leslie M. Paterson, Janet Paterson, and Mary Paterson;  
H.R. 1609. An act for the relief of Demitrios Dunis;  
H.R. 1899. An act for the relief of Stavros Michael Mourkakos;  
H.R. 2337. An act for the relief of Maria Stella Todaro;  
H.R. 2836. An act for the relief of C. Edwin Alley;  
H.R. 3821. An act for the relief of Ivy Gwendolyn Myers;  
H.R. 3822. An act for the relief of Ahsabet Oyunciyani;  
H.R. 3912. An act for the relief of Chikoko Shinagawa;  
H.R. 6014. An act for the relief of Stephen A. Eskin;  
H.R. 6016. An act for the relief of William Thomas Dendy;  
H.R. 6655. An act for the relief of Lecll A. Sims;  
H.R. 6833. An act for the relief of Frantisek Tisler;  
H.R. 7365. An act for the relief of Herbert B. Shorter, Sr.;  
H.R. 8452. An act for the relief of Glendal W. Hancock;  
H.R. 9180. An act for the relief of Noreen Joyce Baden;  
H.R. 9588. An act for the relief of Claude Homann-Herimberg (nee Wagner);  
H.R. 9599. An act for the relief of Solomon Annenberg;  
H.R. 9834. An act for the relief of Estelle L. Heard;  
H.R. 10308. An act for the relief of Elizabeth A. Johnson;

H.R. 10371. An act for the relief of Ferdinand A. Hermens;  
H.R. 10525. An act for the relief of Francis L. Quinn;  
H.R. 10960. An act for the relief of Rosina Luisi (Sister Mary Rosina) and Maria Fatibene (Sister M. Valentina); and  
H.R. 11578. An act for the relief of Don C. Jensen and Bruce E. Woolner.

#### COMMITTEE MEETINGS DURING SENATE SESSION

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

The Committee on Finance.  
The Internal Security Subcommittee of the Committee on the Judiciary.  
The Business and Commerce Subcommittee of the Committee on the District of Columbia.

#### 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.

#### EXECUTIVE SESSION

Mr. MANSFIELD. Mr. President, I move that the Senate proceed to the consideration of executive business, to consider the nominations to be collectors of customs.

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

#### EXECUTIVE REPORT OF A COMMITTEE

The following favorable report of a nomination was submitted:

By Mr. SPARKMAN, from the Committee on Foreign Relations:  
William C. Battle, of Virginia, to be Ambassador Extraordinary and Plenipotentiary to Australia.

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

#### COLLECTORS OF CUSTOMS

The Chief Clerk proceeded to read sundry nominations to be collectors of customs.

The ACTING PRESIDENT pro tempore. Without objection, these nominations will be considered en bloc; and, without objection, they are confirmed.

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

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

#### LEGISLATIVE SESSION

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



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

The ACTING PRESIDENT pro tempore. Morning business is in order.

#### EXECUTIVE COMMUNICATIONS, ETC.

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

##### REPORT ON OVEROBLIGATION OF AN APPROPRIATION

A letter from the Administrator, Housing and Home Finance Agency, Washington, D.C., transmitting, pursuant to law, a report on the overobligation of an appropriation within that Agency (with an accompanying report); to the Committee on Appropriations.

##### REPORT OF ATTORNEY GENERAL ON REVIEW OF VOLUNTARY AGREEMENTS AND PROGRAMS

A letter from the Attorney General, transmitting, pursuant to law, his report on review of voluntary agreements and programs, as of May 9, 1962 (with an accompanying report); to the Committee on Banking and Currency.

##### REPORT ON EXPORT CONTROL

A letter from the Secretary of Commerce, transmitting, pursuant to law, a report on export control, covering the first quarter of 1962 (with an accompanying report); to the Committee on Banking and Currency.

##### REPORT ON OPERATIONS OF THE BUREAU OF COMMERCIAL FISHERIES UNDER SALTONSTALL- KENNEDY ACT

A letter from the Secretary of the Interior, transmitting, pursuant to law, a report on the operations of the Bureau of Commercial Fisheries under the Saltonstall-Kennedy Act, for the fiscal year 1960 (with an accompanying report); to the Committee on Commerce.

##### REPORT ON FRAUDULENT CLAIMS AND UNECONOMICAL PRACTICES IN LODGING AND SUBSISTENCE ALLOWANCES PAID TO MEMBERS OF SHORE PATROLS, DEPARTMENT OF THE NAVY

A letter from the Comptroller General of the United States, transmitting, pursuant to law, a report on fraudulent claims and uneconomical practices in lodging and subsistence allowances paid to members of shore patrols, Department of the Navy, dated May 1962 (with an accompanying report); to the Committee on Government Operations.

##### SUSPENSION OF DEPORTATION OF CERTAIN ALIENS

Two letters from the Commissioner, Immigration and Naturalization Service, Department of Justice, transmitting, pursuant to law, copies of orders suspending deportation of certain aliens, together with a statement of the facts and pertinent provisions of law pertaining to each alien, and the reasons for ordering such suspension (with accompanying papers); to the Committee on the Judiciary.

#### RESOLUTION OF WAUKESHA COUNTY LABOR COUNCIL, WISCONSIN

Mr. WILEY. Mr. President, today I was privileged to receive from Eugene Kraus, secretary of the Waukesha County Labor Council, a resolution relating to the excise tax rates.

Recognizing that there are widely divergent, strongly differing, views on the U.S. tax policy, I bring to the attention of the Senate the thinking of the Waukesha County Labor Council for consideration, along with the views of others, on tax policies.

I request unanimous consent to have the resolution printed in the RECORD.

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

##### RESOLUTION REQUESTING THE UNITED STATES CONGRESS TO ALLOW THE AUTOMATIC RATE REDUCTION ON CERTAIN EXCISE TAX RATES

Whereas Federal Excise Taxes were substantially increased to the "war tax rate" on many manufactured items by the Revenue Acts of 1943, 1945, and 1947; and

Whereas these rates were even further increased by the Revenue Act of 1951 for the purpose of a temporary Korean wartime emergency; and

Whereas all excise rates were reduced to prewar tax rates by the Excise Reduction Act of 1954, with the exception of alcoholic beverages, gasoline, diesel fuel, cigarettes, and motor vehicle chassis, which products continued to be taxed at the highest rate, but were scheduled for automatic reduction on March 31, 1955; and

Whereas the Revenue Acts of 1955, 1956, 1957, 1958, 1959 and 1960 continued to postpone the automatic reduction on these items, and

Whereas the Revenue Act of 1961 once more postponed the rate reduction date on these selected items from July 1, 1961, through June 30, 1962, and

Whereas the "wartime emergency" which occasioned the imposition of the additional excise on these selected items now no longer exists, and

Whereas "war tax rates" are so high as to substantially reduce sales in a peacetime market, and

Whereas the excessive taxation of these selected products has restricted wages and job opportunities for organized labor in the particular industries manufacturing these goods, and has prevented business expansion in these businesses because they could not keep pace with less highly taxed items: Now, therefore, be it

*Resolved*, That the Waukesha County Labor Council, AFL-CIO, 712 Delafield Ave., Waukesha, Wis., representing 4,000 workers and members, hereby goes on record as favoring the reduction of these oppressive excises and respectfully petitions the Congress of the United States to permit these war tax rates to expire on the scheduled date of June 30, 1962.

EUGENE KRAUS,  
Secretary.

#### REPORTS OF A COMMITTEE

The following reports of a committee were submitted:

By Mr. EASTLAND, from the Committee on the Judiciary, without amendment:

S. 2614. A bill for the relief of Mr. and Mrs. Alfredo Hua-Sing Ang (Rept. No. 1545);

S. 2686. A bill for the relief of Stepanida Losowskaja (Rept. No. 1546);

S. 2692. A bill for the relief of Armand Seri (Rept. No. 1547);

S. 2699. A bill for the relief of Roswitha Seib (Rept. No. 1548);

S. 2837. A bill for the relief of Konstantinos P. Theodoropoulos (Rept. No. 1549);

S. 2862. A bill for the relief of Mal Har Tung (Rept. No. 1550);

S. 2872. A bill for the relief of Wen Tang (Rept. No. 1551);

H.R. 2833. An act for the relief of Franziska Aloisia Fuchs (nee Tercka) (Rept. No. 1563);

H.R. 3595. An act for the relief of Anna Isernia Alloca (Rept. No. 1562);

H.R. 3633. An act for the relief of Angelina Rainone (Rept. No. 1561);

H.R. 3714. An act for the relief of Janina Maciejewska (Rept. No. 1560);

H.R. 4655. An act for the relief of Adele Anis Mansour (Rept. No. 1559); and

H.R. 6330. An act for the relief of Vincent Edward Hughes, his wife, Carmel Philomena Hughes, and their alien children (Rept. No. 1558).

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

S. 2455. A bill for the relief of Mrs. Elizabeth Lovic (Rept. No. 1552);

S. 2855. A bill for the relief of Weng Chiew Wong and Moy Chong Wong (Rept. No. 1553); and

S. 2999. A bill for the relief of Kang Soon Yang (Rept. No. 1554).

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

S. 2711. A bill for the relief of Tasla Demetropoulou (Dimitropoulos) (Rept. No. 1555);

S. 2904. A bill for the relief of Herrn Stefan Zappel (Rept. No. 1556);

S. 2994. A bill for the relief of Olaf Schastzle Bonde (also known as Olaf Carl Schastzle) (Rept. No. 1557); and

H.R. 10502. An act for the relief of James B. Troup (Rept. No. 1564).

By Mr. McCLELLAN, from the Committee on the Judiciary, without amendment:

S. 3025. A bill to supplement certain provisions of Federal law incorporating the Texas and Pacific Railway Co. in order to give certain additional authority to such company (Rept. No. 1565).

#### JAMES M. NORMAN—REPORT OF A COMMITTEE (S. REPT. NO. 1543)

Mr. EASTLAND, from the Committee on the Judiciary, reported an original bill (S. 3377) for the relief of James M. Norman, and submitted a report thereon; which bill was read twice by its title and placed on the calendar, and the report was ordered to be printed.

#### WITHDRAWAL OF SUSPENSION OF DEPORTATION OF IOANNIS CON- STANTELIAS—REPORT OF A COM- MITTEE (S. REPT. NO. 1544)

Mr. EASTLAND, from the Committee on the Judiciary, reported an original concurrent resolution (S. Con. Res. 76), and submitted a report thereon; which concurrent resolution was placed on the calendar, as follows:

*Resolved by the Senate (the House of Representatives concurring)*, That the Congress, in accordance with section 246(a) of the Immigration and Nationality Act (8 U.S.C.A. 1256(a)), withdraws the suspension of deportation in the case of Ioannis Constantelias (A-2044661) which was previously granted by the Attorney General and approved by the Congress.

#### BILLS AND JOINT RESOLUTIONS INTRODUCED

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

By Mr. YARBOROUGH (for himself, Mr. HILL, Mr. MORSE, Mr. SMITH of Massachusetts, Mr. BURDICK, and Mr. WILLIAMS of New Jersey):

S. 3373. A bill to amend section 632 of title 38, United States Code, to provide for an extension of the program of grants-in-aid to the Republic of the Philippines for the hospitalization of certain veterans; to the Committee on Labor and Public Welfare.

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

By Mr. SCOTT:

S. 3374. A bill to provide an exemption from participation in the Federal old-age and survivors insurance program for individuals who are members of a church whose doctrines forbid participation in such program on grounds of religious belief; to the Committee on Finance.

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

By Mr. SYMINGTON:

S. 3375. A bill for the relief of George Edward Leonard; and

S. 3376. A bill for the relief of Carl Dale Terrill; to the Committee on the Judiciary.

By Mr. EASTLAND:

S. 3377. A bill for the relief of James M. Norman; placed on the calendar.

(See reference to the above bill, when reported by Mr. EASTLAND, which appears under the heading "Reports of Committees.")

By Mr. BYRD of West Virginia:

S. 3378. A bill for the relief of Dr. Restituto M. Cabaltica; to the Committee on the Judiciary.

By Mr. WILLIAMS of Delaware:

S. 3379. A bill relating to mining claims on lands within the national forests; to the Committee on Interior and Insular Affairs.

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

By Mr. KEATING:

S. 3380. A bill to designate the second Monday in October as National Teachers' Day; to the Committee on the Judiciary.

By Mr. MANSFIELD (for himself, Mr. DIRKSEN, Mr. STENNIS, and Mr. JORDAN):

S.J. Res. 195. Joint resolution creating and establishing the Capitol Commission; to the Committee on Rules and Administration.

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

By Mr. JAVITS:

S.J. Res. 196. Joint resolution to amend section 315(a) of the Federal Communications Act of 1934; to the Committee on Commerce.

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

### CONCURRENT RESOLUTION

#### WITHDRAWAL OF SUSPENSION OF DEPORTATION OF IOANNIS CONSTANTELAS

Mr. EASTLAND, from the Committee on the Judiciary, reported an original concurrent resolution (S. Con. Res. 76) withdrawing suspension of deportation of Ioannis Constantelias, which was placed on the calendar.

(See the above concurrent resolution printed in full when reported by Mr. EASTLAND, which appears under the heading "Report of a Committee.")

#### PROPOSED EXTENSION FOR 5 YEARS OF MEDICAL ASSISTANCE PROGRAMS FOR SERVICE-CONNECTED DISABLED VETERANS OF THE PHILIPPINE REPUBLIC

Mr. YARBOROUGH. Mr. President, on behalf of myself, the senior Senator from Alabama [Mr. HILL], the senior Senator from Oregon [Mr. MORSE], the junior Senator from Massachusetts [Mr. SMITH], the junior Senator from North Dakota [Mr. BURDICK], and the junior Senator from New Jersey [Mr. WILLIAMS], I introduce, for appropriate ref-

erence, a bill to extend for 5 years our programs of hospital and medical care assistance for service-connected disabled veterans of the Commonwealth Army of the Republic of the Philippines. Two basic forms of assistance for service-connected disabled veterans will be extended by the bill. First, the bill would extend the grant-in-aid program which reimburses the Republic of the Philippines for expenditures made by it for hospital care for service-connected disabled veterans of the Commonwealth Army.

Second, the bill would extend the program of outpatient care for Commonwealth Army veterans which is managed directly by the Veterans' Administration.

All of the assistance extended by this legislation is limited to service-connected disabled veterans of the Commonwealth Army of the Philippines who served during the World War II period.

The grant-in-aid and outpatient care programs were authorized in 1958 by Public Law 85-461. They will terminate on June 30, 1963, unless extension legislation is enacted.

The bill which I am introducing in my behalf and on behalf of other Senators would extend the program for another 5 years.

Mr. President, as the grant-in-aid program now operates, the U.S. Government reimburses the Philippine Government for the cost of hospitalization incurred by Philippine war veterans with service-connected disabilities. Although these reimbursements are authorized up to \$2 million in any 1 fiscal year, the program has not required an expenditure of the maximum amount. In the fiscal year 1961, for instance, the Veterans Memorial Hospital provided its services to an average of 173 patients a day at a cost of \$498,890. The operating cost for the first 10 months of the current fiscal year indicate a total fiscal expenditure of about the same amount, running less than half of the amount authorized, but the ceiling is put on to allow for increases as veterans get older.

Outpatient care for Commonwealth Army veterans is managed directly by the Veterans' Administration. Although there is no ceiling on the amount the VA may expend for these services, the cost for this part of the program has also been kept within a modest range. In fiscal year 1961, for example, an expenditure of approximately \$530,000 provided more than 18,000 medical visits to service-connected disabled veterans.

Mr. President, enactment of this proposed legislation will have a salutary effect upon the Veterans Memorial Hospital in Manila which provides most of the hospital care made available through the program. The Veterans Memorial Hospital was built by the United States, both as a means of assisting the Philippines in the postwar recovery and as a measure of fulfilling our obligations to members of the Philippine Commonwealth Army and guerrilla forces who served with our Armed Forces during World War II. Our efforts have not gone unrewarded. The Veterans Memorial Hospital has furnished high quality hospital care to Philippine veterans

and, in addition, has affiliated itself with outstanding universities and medical colleges for the training of doctors, nurses, dentists, and other medical personnel so vitally needed in the Philippines. The hospital stands today not only as one of the finest hospitals in the Far East, but also as an excellent symbol of Americanism and as a reminder that this country does not forget those who ally themselves with us in combat.

Mr. President, the American Legion has passed a resolution in support of this legislation and I ask unanimous consent that it be printed in the Record at the conclusion of my remarks.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered. (See exhibit 1.)

Mr. YARBOROUGH. Through a diplomatic note from its Ambassador to our Secretary of State, the Government of the Republic of the Philippines has expressed itself requesting this legislation and I ask unanimous consent that the diplomatic note also be printed in the Record.

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

(See exhibit 2.)

Mr. YARBOROUGH. Finally, Mr. President, I ask unanimous consent that the bill lie on the desk until the close of business on Monday, next, to give an opportunity to other Senators to join as cosponsors.

The ACTING PRESIDENT pro tempore. The bill will be received, and appropriately referred; and without objection, the bill will lie on the desk as requested by the Senator from Texas.

The bill (S. 3373) to amend section 632 of title 38, United States Code, to provide for an extension of the program of grants-in-aid to the Republic of the Philippines for the hospitalization of certain veterans, introduced by Mr. YARBOROUGH (for himself and other Senators), was received, read twice by its title, and referred to the Committee on Labor and Public Welfare.

#### EXHIBIT 1

##### RESOLUTION 10

Resolution of national executive committee meeting of the American Legion held May 2-3, 1962, for extension beyond June 30, 1963, of the grant-in-aid program authorized by Public Law 85-461

Whereas Public Law 85-461 providing hospitalization benefit to Commonwealth of the Philippine Army veterans with service-connected disability will expire on June 30, 1963; and

Whereas Public Law 85-461 beneficiaries would still need a continuing medical and hospital care by reason of their disability and advancing age after June 30, 1963; and

Whereas in the record of congressional deliberations of Public Law 85-461 there is an implied assurance that the Congress of the United States would not hesitate to extend the program beyond June 30, 1963, if it is shown that the Veterans Memorial Hospital is not only providing adequate medical care to the beneficiaries of Public Law 85-461 but also contributing to the advancement of medical education in the Philippines; and

Whereas the Veterans Memorial Hospital has not only furnished satisfactory hospital care to hospital patients but also has established an affiliation with outstanding universities and medical colleges of the



country for the training of medical interns and students, nursing students, dental externs, dietetic interns, and medical technology interns: Now, therefore, be it

*Resolved by the National Executive Committee of the American Legion, in regular meeting assembled in Indianapolis, Ind., May 2-3, 1962, That the American Legion sponsor and support legislation to extend beyond June 30, 1963, the grants-in-aid program authorized by Public Law 85-461.*

#### EXHIBIT 2

The Ambassador of the Philippines presents his compliments to His Excellency the Secretary of State of the United States of America and has the honor to draw His Excellency's attention to Public Law 85-461 enacted by the Congress of the United States on June 18, 1958. This act amended the Veterans' Benefits Act of 1957 to authorize the modification and extension, to July 1, 1963, of the program of grants-in-aid to the Republic of the Philippines for the hospitalization of veterans of the Philippine Commonwealth Army and recognized guerrilla forces who served with the Armed Forces of the United States during World War II.

On July 1, 1963, Public Law 85-461 will expire. The Philippine Government would appreciate it if the U.S. Congress could consider a new or amendatory legislation to provide for the following:

1. The continuation after July 1, 1963, of the grants-in-aid veterans hospitalization program under Public Law 85-461 not only for 5 years but, if possible, for as long as the disabilities exist.

It is felt that there is strong obligation to continue with the program of hospitalization during the lifetime of the beneficiaries. There is an estimated veteran population of 334,000 in the Philippines, most of whom served in the Commonwealth Army of the Philippines.

2. The use of the beds, equipment, and other facilities of the Veterans' Memorial Hospital for the hospitalization of indigent Philippine Commonwealth Army veterans with non-service-connected disability provided that veterans with service-connected disability will always have top priority in hospitalization and provided further that bed space is available.

It is believed that the yearly \$2 million, which Congress appears willing to appropriate for expenses incident to the hospitalization of Philippine veterans under the law, need not be increased.

At the present time, even though there are many veterans who should be hospitalized, the excellent facilities of the Veterans' Memorial Hospital are not being fully utilized due to restrictions as to the category of veterans that may be treated thereat.

It must be emphasized, at this point, that the original concept for which the hospital was built, that is, that it must be for the care and treatment of veterans with service-connected disability, will remain unchanged. In other words, the hospital which the United States built would not only fulfill its primordial objective of taking care preferentially of service-connected disability, but it could be used, without in the least sacrificing this objective, to be a lasting reminder of the ties that have bound the Philippines and the United States together in times of stress in the past, by allowing, on humanitarian basis, the hospitalization of veterans with non-service-connected disability, who need but cannot afford the cost of hospitalization.

The Ambassador of the Philippines would appreciate it if His Excellency could transmit to the Congress of the United States and to other authorities of the U.S. Government concerned the views of the Philippine Government and if His Excellency could bring

his great influence to bear in securing the consideration of a new amendatory legislation on this matter.

#### EXEMPTION FROM PARTICIPATION OF CERTAIN PERSONS IN FEDERAL OLD-AGE AND SURVIVORS INSURANCE PROGRAM

Mr. SCOTT. Mr. President, I introduce, for appropriate reference, a bill to exempt from participation of certain persons, on grounds of religious belief, in the Federal old-age and survivors insurance program.

Mr. President, there is no group in America which commands more respect from the citizens of the Commonwealth than the Amish, sometimes called the plain people. They are frugal farmers who are hard working and self-reliant. They are most desirable neighbors. We are proud of them and of their neat, well-kept farms.

The Amish in Pennsylvania and in the other States where they have settled are law abiding. They pay their taxes promptly. But taxes for old-age and survivors' insurance, under the Social Security Act, are a different matter. The religion of the Amish does not permit them to participate in an insurance system. No Amishman will accept the benefits of the social security system; and the payment of taxes into the fund is a direct violation of his religion. There is no question that Amish opposition to this tax is a sincere matter of conscience.

Mr. President, the forefathers of the Amish now living in my State accepted an invitation from William Penn to come to this land where they might enjoy freedom of religion. This benefit later was confirmed by the U.S. Constitution and by the various State constitutions.

Freedom of religion has been one of the most precious liberties in this Nation. Our Government has, on a number of occasions, recognized the right of individuals to be exempt from provisions of laws which ran counter to their religious beliefs. I am of the belief that justice demands such an exemption in this instance.

Members of the Senate will recall the most unfortunate experience approximately a year ago of Mr. Valentine Y. Byler, a God-fearing Amish farmer from western Pennsylvania, who had three of his six farm horses seized and sold by the Internal Revenue Service to satisfy his unpaid social security taxes. At the time, I protested vigorously at the injustice done. But the way to see that it does not happen again, is for Congress to provide by law for the exemption from participation in old-age insurance of members of a church whose doctrines forbid such a program on grounds of religious belief. This is the purpose of the bill which I am now introducing.

Only by the passage of a bill of this nature can we be certain that some of these good people do not leave this country because of what to them is a serious infringement on their freedom of religion. Such a departure would be a sad commentary on our fundamental liberty.

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

The bill (S. 3374) to provide an exemption from participation in the Federal old-age and survivors insurance program for individuals who are members of a church whose doctrines forbid participation in such program on grounds of religious belief, introduced by Mr. SCOTT, was received, read twice by its title, and referred to the Committee on Finance.

#### MINING CLAIMS ON LANDS WITHIN NATIONAL FORESTS

Mr. WILLIAMS of Delaware. Mr. President, today I call attention to the indefensible manner in which our national timber reserves are being exploited. The Comptroller General has just issued a report citing instances in which 12 claimants have been granted patent rights—presumably for the exploration of minerals—on approximately 1,100 acres of our national forest lands, in return for which they paid the U.S. Government less than \$4,000; but instead of exploring for minerals, these same individuals promptly proceeded to cut and sell from this same land over \$750,000 worth of timber.

One of America's greatest natural resources is its timber reserves, a substantial part of which is owned by the Federal Government.

Under the guise of filing a mining claim for the exploration of minerals on Government land, the claimants are obtaining free title to the timber for a song. This racket has expanded to the point where it is now laughingly classed as exploring for green gold.

Accordingly, hundreds of millions of dollars worth of valuable timber are being lost to the taxpayers as the result of what is either a weakness in our law or a weakness in management.

Under the mining laws, a claimant may obtain a patent or mining rights to his claim on Government land by merely paying the Government \$5 an acre for a lode claim or \$2.50 an acre for a placer claim.

The Comptroller General in his report stated:

When sufficient valuable mineral has been discovered on a mining claim, and other requirements of the mining laws have been met, the Forest Service has no choice but to advise the Bureau of Land Management, the agency responsible for the issuance of patents, that it will not object to issuance of a patent. The value of the timber on a claim is not a consideration which can be taken into account under the provisions of the mining laws in patent application.

Very frequently these patented lands contain valuable tracts of merchantable timber to which the claimant obtains title when he patents the land. The Forest Service records show that in many instances, instead of exploring for minerals, the cutting and sale of this Government timber seems to be the main objective.

The Forest Service admits that on 3,640 claims, covering about 99,812 acres of national forest land that were patented, there were in excess of 372 million board feet of merchantable timber at the time the patents were issued and that the owners of these mining rights

automatically obtained ownership of all of this timber for nothing.

Out of a check of 1,573 mining claims that were patented during a 15-year period, they found only 521 that had been worked or that showed any record of some mineral production.

For example:

**Tahoe National Forest.** In the Tahoe National Forest, Calif., two claimants in 1955 and 1956 paid the Federal Government about \$712 for patent rights on 285 acres of national forest land and then proceeded to cut 5,760,000 board feet of timber from those same claims which they sold at an estimated valuation of \$138,000.

The Forest Service records show that 5 years later, December 1961, there had been no mineral production subsequent to their obtaining mineral rights on this 285 acres, but the record also shows that the claimants had sold about 5,760,000 board feet of timber from these same claims upon which timber the Forest Service put a valuation of approximately \$138,000.

**Plumas National Forest.** In the Plumas National Forest, Calif., nine patents were issued to eight claimants over the 13-year period ending December 31, 1959. The Forest Service files show that only \$28 worth of gold has been removed from these claims since the patents were issued, but as of February 29, 1960, about 8 to 10 million feet of high quality timber had been cut and sold from these claims.

On two of these claims, covering about 330 acres, the Government received approximately \$825 under the mining laws for the exploration rights on land upon which 8 to 10 million feet of lumber were cut. Again, the exploration for "green gold" was far more profitable than the exploration for ordinary minerals.

**Wenatchee National Forest, Wash.** Here again a miner obtained a 9-acre claim patented in August 1957 for which the Government received \$22.50. In September 1957, 30 days later, logging was started, and the Forest Service records show that timber with an estimated valuation of \$6,200 was removed. There is no evidence that any mining has been done on this claim.

**Rogue River National Forest.** In the Rogue River National Forest, Oreg., one claimant patented 475 acres of national forest land in 1954. This patent covered 23 mining claims for which the Federal Government received \$2,375 at the date of patent. As of January 1, 1960, this claimant had sold the timber from 8 of these 23 claims for which the Forest Service estimates that he received \$150,000. The amount of timber which he subsequently sold from the remaining 15 patent claims was not available, but the Forest Service officials had estimated that there were over 7 million board feet of timber on the remaining 15 claims, upon which they placed a valuation of \$232,000.

Here again we find this claimant, in return for a \$2,375 payment to the Government for mineral rights, automatically obtained title to \$382,000 worth of Government timber. The Forest Service files show that there had been no mineral production on any of the 23

claims from the date of the patent in 1954 to January 1, 1960.

Clearly, this "miner," as in the case of preceding examples, was more interested in "green gold" or Government timber than he was in minerals.

I am today introducing a bill, the purpose of which is to make it mandatory that in the future all patented mining claims issued by the Federal Government shall contain a clause wherein each patent shall reserve to the United States title to all timber and other surface rights. It should be made very clear that the claimants to these patents are being granted only the right to explore for minerals.

In the meantime, pending the adoption of this bill, there is no reason why the officials of the National Forest Service should not arbitrarily insist upon a clause in all mining claims which would protect the interests of the U.S. Government in our national forest.

I send the bill to the desk for appropriate reference.

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

The bill (S. 3379) relating to mining claims on lands within the national forests, introduced by Mr. WILLIAMS of Delaware, was received, read twice by its title, and referred to the Committee on Interior and Insular Affairs.

#### PROPOSED CAPITOL COMMISSION TO PRESERVE ART, SCULPTURE, ANTIQUITY, AND ARCHITECTURE OF THE CAPITOL

Mr. MANSFIELD. Mr. President, the White House and the Capitol have a unique characteristic in common. They are both repositories of the past and in that sense are historic museums. At the same time, both are living settings in which additions to our history are being written every day.

It seems to me that reasonable efforts to preserve and to make more meaningful the historic significance of the White House and the Capitol are most commendable in that they enhance the inspiration that these buildings give to the present occupants and to the citizens who visit them in great numbers the year round. In this connection, I know that the Members of this body share in the general approbation and admiration for the outstanding work which has been done by Mrs. Kennedy in the White House.

The distinguished First Lady has set an example in enhancing the historic significance of the White House which is worthy of emulation. The Capitol also houses a collection of art and antiquities of priceless historic value. There are rooms, paintings, statues, furniture, and other objects in this building which bear witness to the dramatic story of the Nation from its earliest days.

This heritage of the Capitol has long been abused and neglected. The collection of art and antiquities has not been adequately safeguarded, maintained, and exhibited. This is not said in any derogatory sense with respect to those who have had responsibilities in connection

with the collection. The real problem is that we have paid too little attention to this irreplaceable asset. In consequence, responsibilities with respect to it have been assigned somewhat haphazardly or not at all.

It is not too late to remedy this neglect and to terminate the loss which it entails.

Accordingly, after consultation with the distinguished minority leader and other Senators, I am introducing today, for appropriate reference, a measure which is designed to meet this situation. It is cosponsored by the distinguished minority leader the Senator from Illinois [Mr. DIRKSEN], the distinguished Senator from Mississippi [Mr. STENNIS], and the distinguished Senator from North Carolina [Mr. JORDAN].

It is my hope that in the other body a similar measure will be introduced shortly, so that, if at all possible, action on this proposal may be taken during this session. The bill proposes to centralize responsibility for the preservation and enhancement of the historic contents of the Capitol in a nonpartisan Capitol Commission consisting of Members of both Houses, the Speaker of the House and the Vice President, plus the Architect of the Capitol. Under the Commission, primary responsibility is placed in a Curator of Art and Antiquities of the Capitol. The sole function of the Curator would be to safeguard, maintain, and bring to greater awareness the magnificent treasure of art, sculpture, antiquity and architecture which is contained in the Capitol.

I hope that the Senate and the House will be mindful of a common responsibility with respect to this treasure. Prompt action on this measure would do much to enhance the significance and inspiration of the Capitol both to the membership of Congress and to the people of the Nation.

Mr. President, I introduce the joint resolution, for appropriate reference, and ask unanimous consent that it may be printed in the RECORD.

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

The joint resolution (S.J. Res. 195) creating and establishing the Capitol Commission, introduced by Mr. MANSFIELD (for himself and other Senators), was received, read twice by its title, referred to the Committee on Rules and Administration, and ordered to be printed in the RECORD, as follows:

*Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) there is hereby created and established a Capitol Commission consisting of the chairman and ranking minority member of the Committee on Rules and Administration of the Senate, the chairman and ranking minority member of the Committee on House Administration of the House of Representatives, and the Architect of the Capitol. The Vice President of the United States and the Speaker of the House of Representatives shall be ex officio members of the Commission.*

*(b) Three members of the Commission shall constitute a quorum for the transaction of business and the taking of testimony. That part of the Commission on the part of*



the Senate remaining in office as Senators shall, with the Architect of the Capitol, exercise the powers and discharge all the duties of the Commission during the adjourned periods and recesses of the Congress.

(c) The Commission shall elect a Chairman and a Vice Chairman at the beginning of each Congress. The Commission also shall select a Curator of Art and Antiquities of the Capitol who shall be an employee of the Office of the Architect at a gross salary not to exceed \$17,500. The Curator shall serve at the pleasure of the Commission and perform such duties as may be directed by it without additional compensation. The Commission shall also be empowered to draw from the Office of the Architect such additional professional and clerical assistants as, from time to time, it deems necessary.

(d) The Commission shall be empowered to hold hearings, summon witnesses, administer oaths, to employ reporters, request the production of papers and records, and to take such testimony as it deems necessary, and shall adopt such rules for the conduct of its hearings and meetings as may be required consistent with the rules of both Houses of Congress, with the laws governing the Office of the Architect, and with the provisions of this joint resolution.

SEC. 2. The Capitol Commission is hereby authorized and directed to supervise, hold, place and protect all works of art, historical objects, exhibits, and architectural features within the Capitol, and in all offices and the committee rooms thereof, and in its judgment to accept any works of art, historical objects, or exhibits which may hereafter be given, offered or devised to the Congress, its committees, and its officers for placement and exhibition in the Capitol, its committee rooms and offices thereof.

(b) The Commission shall prescribe such regulations as it deems necessary for the care, protection, and placement of such works of art, exhibits, and historical objects in the Capitol, and for their acceptance on behalf of the Congress, its committees, and officers.

(c) Such regulations shall be published in the Federal Register when formulated or amended, and shall be inserted in the CONGRESSIONAL RECORD as the Commission may deem necessary for the information of the Members of Congress and the public.

(d) The Committee on Rules and Administration and the Committee on House Administration shall, with the advice of the Architect of the Capitol, have the supervision, protection, and placement of all works of art, historical objects, and exhibits the property of the United States which may be lodged in the Senate and House Office Buildings respectively, by the Commission: *Provided*, That all such works of art, historical objects, and exhibits shall have first been accepted in the name of Congress by the Capitol Commission, or acknowledged as United States property by inventory of the Commission: *Provided further*, That no work of art or exhibit shall be displayed or offered for sale or gain in any of the rooms, spaces or corridors of the Senate or House Office Buildings or the Capitol.

SEC. 3. The Capitol Commission hereafter shall be specifically charged with the oversight and maintenance of the National Statuary Hall and the old Senate Chamber on the principal floor of the Senate wing of the Capitol, insofar as they are to be preserved as patriotic shrines in the Capitol for the benefit of the Congress and the people of the United States.

(b) The Commission, with the advice of the Commission on Fine Arts, is authorized and directed to relocate within the Capitol any of the statues already received and placed in the National Statuary Hall, and to provide for the reception and location of the statues which hereafter may be received from the States pursuant to section 187, title 40, United States Code.

SEC. 4. It shall be unlawful for anyone other than authorized personnel of the Congress or the Architect of the Capitol to remove, relocate, or change any work of art, historical object, exhibits, or architectural feature in the Capitol or in the Senate and House Office Buildings which is the property of the United States, and whoever defaces, injures, removes, or in any other way damages any said work of art, historical object, exhibit, or architectural feature, or violates any of the provisions of the regulations adopted by the Commission for their care and protection shall be fined not more than \$100 or imprisoned not more than sixty days, or both, and prosecution for such offense is to be had in the municipal court of the District of Columbia, upon information by the United States attorney or any of his assistants: *Provided*, That in any case where the commission of an offense against said works of art, historical objects, exhibits, or architectural features are damaged in an amount exceeding \$100, the amount of the fine for the offense may not be more than \$5,000, and the period of imprisonment for the offense may not be more than five years, and the prosecution shall be had in the United States District Court for the District of Columbia by indictment, or if the defendant, after he has been advised of the nature of the charge and his rights, waives in open court prosecution by indictment, by information by the United States attorney or any of his assistants.

(b) Those regulations required by law (R.S. 1820) to be issued by the Sergeants at Arms of the Senate and the House of Representatives for the protection of the Capitol Building, and such duties as are imposed upon the Rules and Administration Committee of the Senate, the House Administration Committee of the House of Representatives, and the Architect of the Capitol for the care, preservation, and protection of the Capitol and the Senate and House Office Buildings shall not be inconsistent with such rules and regulations as the Commission may issue pursuant to this joint resolution.

SEC. 5. The Commission shall, from time to time, but at periods no less than once every ten years, publish as a House document a list of all works of art, historical objects, and exhibits and architectural features currently within the Capitol, and the Senate and House Office Buildings, together with their description, location, and with such notes as may be pertinent to their history.

SEC. 6. There is hereby authorized to be appropriated for the expenses of the Commission the sum of \$10,000 each fiscal year, to be disbursed by the Senate disbursing officer on vouchers signed by the Chairman or Vice Chairman of the Commission. Payment on such vouchers shall be deemed and are hereby declared to be conclusive upon all departments and officers of the Government: *Provided*, That no payment shall be made from such authorization as salary: *And provided further*, That a report of all expenditures of the Commission shall be made by the Chairman or Vice Chairman to the Secretary of the Senate on December 31, each calendar year, and by the Secretary of the Senate included within his report to the Senate.

#### PROPOSED EQUAL TV TIME LAW FOR 1962 CAMPAIGN

Mr. JAVITS. Mr. President, I introduce, for appropriate reference, a joint resolution to make possible television debates between major party candidates for the U.S. Senate and House of Representatives in this year's election.

The measure, similar to the law which made possible the Kennedy-Nixon debates in the 1960 presidential election

campaign, would amend section 315(a) of the Federal Communications Act requiring broadcasters to give equal time to candidates of all parties. My amendment would suspend the so-called equal time requirement for the 1962 campaign for House and Senate.

The suspension would have the effect of giving broadcasters an opportunity to use their own judgment, subject to the usual FCC control, to see that time is equally divided between candidates of the major parties, and also that candidates of minor parties are given a fair opportunity to make known their views.

The present equal-time requirement, as applied to the impending congressional campaign, forces the broadcaster to give equal time to candidates of minor parties, no matter how small may be the party vote. It has the practical effect of preventing broadcasters from giving the people the kind of face-to-face debates between major party candidates required by the present enormous issues before the country.

The Columbia Broadcasting System and the National Broadcasting Co. have both urged suspension of this provision to permit television to perform its full role in the democratic process. The public demonstrated, during the presidential campaign of 1960, that it wants the opportunity to see the major party candidates debate the issues on the same platform. I am convinced that this can be done on the congressional level for the 1962 campaign with fairness to the minor party candidates and by giving the people the kind of debate between major candidates to which they are entitled.

The ACTING PRESIDENT pro tempore. The joint resolution will be received and appropriately referred.

The joint resolution (S.J. Res. 196) to amend section 315(a) of the Federal Communications Act of 1934, introduced by Mr. JAVITS, was received, read twice by its title, and referred to the Committee on Commerce.

#### DEPARTMENT OF THE INTERIOR AND RELATED AGENCIES APPROPRIATION BILL, 1963—AMENDMENT

Mr. WILLIAMS of Delaware (for himself and Mr. LAUSCHE) submitted an amendment, intended to be proposed by them, jointly, to the bill (H.R. 10802) making appropriations for the Department of the Interior and related agencies for the fiscal year ending June 30, 1963, and for other purposes, which was ordered to lie on the table and to be printed.

#### AMENDMENT OF FOREIGN ASSISTANCE ACT OF 1961—AMENDMENTS

Mr. GRUENING submitted an amendment, intended to be proposed by him, to the bill (S. 2996) to amend further the Foreign Assistance Act of 1961, as amended, and for other purposes, which was ordered to lie on the table and to be printed.

Mr. HICKENLOOPER (for himself and Mr. LAUSCHE) submitted an amend-

ment, intended to be proposed by them, jointly, to Senate bill 2996, supra, which was ordered to lie on the table and to be printed.

Mr. COTTON submitted an amendment, intended to be proposed by him, to Senate bill 2996, supra, which was ordered to lie on the table and to be printed.

Mr. COOPER submitted amendments, intended to be proposed by him, to Senate bill 2996, supra, which were ordered to lie on the table and to be printed.

Mr. CAPEHART submitted amendments, intended to be proposed by him, to Senate bill 2996, supra, which were ordered to lie on the table and to be printed.

#### PRINTING OF REVIEW OF REPORTS ON CHOWCHILLA RIVER BASIN, CALIF. (S. DOC. NO. 98)

Mr. CHAVEZ. Mr. President, I present a letter from the Secretary of the Army, transmitting a report dated January 17, 1962, from the Chief of Engineers, Department of the Army, together with accompanying papers and an illustration, on a review of the reports on the Chowchilla River basin, Calif., requested by a resolution of the Committee on Public Works, U.S. Senate. 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 ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

#### ESTABLISHMENT OF CAPITOL HILL NATIONAL HISTORICAL PARK—ADDITIONAL COSPONSOR OF BILL

Mr. MCCARTHY. Mr. President, I ask unanimous consent that the name of the junior Senator from California [Mr. ENGLE] be added as a cosponsor of the bill (S. 3180) to establish the Capitol Hill National Historical Park and to provide for the protection and preservation of its historic character, dignity, and environment.

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

#### NOTICE OF HEARING ON NOMINATION OF BEN C. GREEN, TO BE U.S. DISTRICT JUDGE, NORTHERN DISTRICT OF OHIO

Mr. EASTLAND. Mr. President, on behalf of the Committee on the Judiciary, I desire to give notice that a public hearing has been scheduled for Friday, June 15, 1962, at 10:30 a.m., in room 2228, New Senate Office Building, on the nomination of Ben C. Green, of Ohio, to be U.S. district judge, northern district of Ohio.

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

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

#### NOTICE OF HEARING ON NOMINATION OF JOHN D. BUTZNER, JR., TO BE U.S. DISTRICT JUDGE, EASTERN DISTRICT OF VIRGINIA

Mr. EASTLAND. Mr. President, on behalf of the Committee on the Judiciary, I desire to give notice that a public hearing has been scheduled for Wednesday, June 13, 1962, at 10:30 a.m., in room 2228, New Senate Office Building, on the nomination of John D. Butzner, Jr., of Virginia, to be U.S. district judge, eastern district of Virginia, vice Albert V. Bryan, elevated.

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

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

#### ENROLLED BILLS PRESENTED

The Secretary of the Senate reported that on today, June 6, 1962, he presented to the President of the United States the following enrolled bills:

S. 315. An act for the relief of Dr. Ting-Wa Wong;

S. 1962. An act for the relief of Kenneth David Wooden;

S. 2011. An act for the relief of Antonia Longfield-Smith; and

S. 2099. An act for the relief of Tina Jane Beland.

#### JUSTICE SUSIE SHARP, NORTH CAROLINA'S FIRST WOMAN ASSOCIATE JUSTICE

Mr. ERVIN. Mr. President, the announcement of another North Carolina "first" came recently when Gov. Terry Sanford appointed, for the first time, a woman as associate justice of the North Carolina Supreme Court.

It is with a deep sense of pride and happiness that I can say that my distinguished friend, Miss Justice Susie Marshall Sharp, of Reidsville, is the new appointee. Miss Justice Sharp has a long line of notable achievements that started as the daughter of the prominent Reidsville, N.C., attorney and dean of the Rockingham County, N.C., bar, James Madison Sharp. After her student days at the University of North Carolina, where she served as editor of the North Carolina Law Review, Miss Sharp has gone on to receive acclaim and several firsts in North Carolina history. Notable among these was her appointment as city attorney for Reidsville. She was the first woman to hold that post in any North Carolina city. Judge Sharp served in that capacity for 10 years. In 1949, our late colleague, W. Kerr Scott, who, at that time, was Governor of North Carolina, named her to the bench of the State superior court, where she served outstandingly. I should like to share with my colleagues in the Senate several newspaper articles. One of them appeared in the March 11, 1962, edition of the Greensboro Daily News. Two other items are from the Charlotte Observer; one is a news article published on March

10; the other is an editorial published on March 11. I ask unanimous consent that these articles and the editorial be printed at this point in the RECORD.

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

[From the Greensboro Daily News, Mar. 11, 1962]

#### No. 7 IS SIGNIFICANT IN MISS SUSIE'S LIFE (By W. C. Burton)

REIDSVILLE, March 10.—Susie Sharp of Reidsville, was the first of seven children born to her parents and she was born on the 7th day of the 7th month of the 7th year of this century. "If you are a mystic," she says, "that may mean something."

Perhaps it does. She was destined to make history on at least two levels of her chosen field, the law. She was North Carolina's first—and still only—woman named to the State's superior court bench.

On Friday afternoon she became the first woman ever named to the North Carolina State Supreme Court. The appointment was made by Governor Sanford upon the resignation of the chief justice resulting in a step-up of the other members and a vacancy to fill.

Junior Justice Sharp does not yet know when the term of her appointment expires. When it does she will be, as the ballot box term has it, "up for election."

Few women have ever achieved such an office. Judge Florence Allen, named in 1922 to Ohio's Supreme Court, later a Federal judge, and now retired, was a pioneer. Research (admittedly limited in time and source material) has produced only one other, Justice Anne X. Alpern of Pennsylvania Supreme Court, who was named to the position last August.

Women all over North Carolina, and the Nation, probably were set up over the appointment. Her wonderful mother was, of course, as proud as could be, though she proceeded in her unruffled fashion to answer the constantly jangling telephone at the Sharp home, 629 Lindsey Street, and to go about getting supper.

Calls and telegrams of congratulations poured in, and Justice Sharp was rushing to make a dinner engagement. Reporters interrupted her to ask innumerable questions over the long-distance wire, and I waited for a brief interval in which to snap some new pictures. "You'll probably be glad when things settle down a little," I said. But, "Judge Susie" said, "No, this is the exciting part of it; this is all fun."

#### LIKES HER WORK

She admits she likes being a judge. It carries with it a considerable and ever-present burden of responsibility, but, she says, "The work is interesting; I meet and work with interesting people all over the State." With her record and standing in her profession, she should have no trouble remaining a justice.

She has tried to follow the advice given her by her late father, and one-time law partner. On the morning she left the house to open her first term of superior court, back in 1949, her father called to her from the porch. "Judge Susie" feels her father knew she needed brief and direct encouragement at that point, particularly toward keeping a firm hand and an orderly court. "Plow a straight furrow," called the father of the fledgling judge, "and remember, you're the boss."

Susie Marshall Sharp was born in Rocky Mount, in Nash County, where her parents were temporarily situated. They soon came back to Rockingham, and her father began his law practice in Stoneville. They then moved to Madison, and soon to Reidsville, where they remained.



## FATHER MADISON DEAN OF BAR

Her father, James Marshall Sharp, was for years dean of the Rockingham County bar. He died in 1952, at the page of 75. Her mother was the former Annie Blackwell, of Vance County. One of Mrs. Sharp's uncles, A. R. Wortham, was a lawyer in Henderson.

When Susie entered the Reidsville public schools she enrolled in the second grade, taught by Miss Dora Coates. Like all former pupils of this gentle educator, now retired, Susie remembers her as an inspired teacher.

Susie was graduated from Reidsville High School in 1924 as salutatorian of her class. The classmate who was valedictorian by a fraction (records had to be traced back to the sixth grade to settle the title) was Dillard S. Gardner. Later they were classmates in the law school of the University of North Carolina. Now they will be closely associated again for Gardner is now research librarian of the North Carolina Supreme Court.

Incidentally class salutatorian is almost a traditional title in the Sharp family. Of the seven children, four achieved this title in Reidsville High School. The others were Annie Hill (now Mrs. Fred Klenner of Reidsville), Louise, who is Lt. Comdr. Louise W. Sharp, U.S. Navy Nurse Corps now stationed at a Marine hospital at Cherry Point, and Tommy, Thomas A. Sharp, now of Rowayton, Conn., director of general services for Remington-Rand Univac division of Sperry Rand Corp. at South Norwalk.

"Sally, Florence and 'Kits' had more important things to think about," says Susie. The fact is all the Sharp children could be honestly called "bright as buttons." Sally was Mrs. L. A. Taylor of Poplar Bluff, Mo., where she died in 1953. (Her husband died a few years later and their two sons live in Reidsville with their grandmother and Aunt Susie. Lawrence A. Taylor is a third-year medical student at the University of North Carolina. James M. Taylor is a freshman at the university.) Florence is now Mrs. R. W. Newsum of Oldtown and a teacher in Forsyth's Northwest High School. "Kits" is now Dr. James Vance Sharp, a surgeon in Reidsville.

## MOVED TOWARD LAW

In high school Susie went out for the triangular debates and this is what moved her toward the law. She was an excellent debater. Her father was a lawyer. So people said to Susie, "You ought to be a lawyer." "After a while," says Susie, "I just went along with it."

High school debating also introduced her to a man who has remained her close friend and colleague. Miss Mary Wilson Brown, a Caswell native and an English teacher in Reidsville High School, was put in charge of the debating teams. She called on a Caswell cousin, newly come to town to practice law, for help in coaching the teams. This was Allen H. Gwyn, now a veteran superior court judge. Of their early coach-student relationship, Justice Sharp says, "He praised me to the skies and I worked like a dog." Obviously the method was effective.

Two high school teachers are remembered gratefully by the new justice as having helped along the way. They were Miss Janie Stacy, now Mrs. J. Minor Gwynn of Chapel Hill, and Miss Pauline Whitley, now retired, of Winston-Salem.

## WROTE ON FLAPPERS

Susie entered Women's College, University of North Carolina, in Greensboro (then North Carolina College for Women) in the fall of 1924, took her first two college years there. Her most vivid Woman's College recollections, it happens, are the "inspired history teaching" of the late Dr. W. C. Jackson, for many years chancellor of Woman's College and "getting an A-plus on an English source theme on 'Flappers and Flapperism.'"

She laughs, "I don't remember what I wrote about flappers, but I expect I viewed with alarm."

In the University of North Carolina Law School she again came under the guidance of another gifted Coates. Prof. Albert Coates, brother of her second-grade teacher, later founded and now directs the Institute of Government at Chapel Hill. In those days he was the challenging and imaginative professor of criminal law in the law school.

Susie was a vigorous participant in a mock court known on the campus as Albert Coates' Moot Court. She remembers giving the constitutionality of North Carolina's then new bad check law a going over in the moot court. She and George M. Shaw, now a lawyer in New York, argued for the new law. Their adversaries were Algernon L. Butler, now judge of the Federal court, eastern North Carolina district, and Jefferson B. Fordham, now dean of the University of Pennsylvania Law School.

## EDITS LAW REVIEW

At Chapel Hill, Susie became a student editor of the North Carolina Law Review, was made a member of the Order of the Coif, an honorary legal fraternity more stringent in its demands than even Phi Beta Kappa. She was the only girl in a class of 60 law students.

Licensed and admitted to the bar in 1928, the year before she took her LL.B. degree, Susie formed the partnership of Sharp & Sharp with her father and soon earned high respect in the field.

They made a good team. Sharp, known as "Mr. Jim" all over the county, was a scrappy lawyer who gave his best to every client in court. Susie was a skillful hand at the books and briefs.

She was also quick witted in emergencies. Once a woman came to her seeking a divorce. Upon investigation, Susie found that the marriage her client desired to sunder was a common-law marriage only. "Well I want some kind of paper sayin' we's separated and dividing our prop'ity," the woman insisted. Susie settled the matter neatly with a dissolution of partnership.

## WANTED TO SEE

Once a Negro man came into the office and said "I want to see de lady lawyer."

"What can I do for you?" asked the "lady lawyer."

"Nothing," said the man, staring hard, "I jus' heard they had one up here an' I wanted to see her."

Clients began to say "I've got Mr. Sharp and Miss Susie." It was recognition she was proud to receive.

Justice Sharp has wavered from the law only once. During her Woman's College years she became entranced by chemistry. The test tubes failed to hold her but she still finds chemistry fascinating.

## LONGEST CASE

Appointed a special judge of the superior court in 1949 by Gov. Kerr Scott, Judge Sharp held court in 64 of the 100 counties during the next dozen years. The longest case she tried ran 2 weeks. It was the trial in Guilford County of N. C. Webster, who was convicted of embezzling funds while bursar of A. & T. College. The case took 2 weeks—and Webster died soon after, never having begun his sentence. She has two capital cases in which the defendants were executed, both, as it happens, in Guilford.

From her years on the superior court bench, Judge Sharp cherishes a compliment paid her by Atty. Will A. Lucas of Wilson. "How do you like appearing before a woman judge?" someone asked Lucas and he replied, "I have not been conscious of appearing before a woman judge." Not lacking femininity herself, Judge Sharp has, nevertheless steered firmly clear of conveying any gender upon jurisprudence.

In her freshman law year she was 1 girl among 60 men. As a supreme court justice she will be one girl among six men. The six men sent her a warm welcoming telegram. On the morning following her appointment, new Chief Justice Denny telephoned to say her office in the Justice Building at Raleigh would be ready Tuesday morning. He said her "swearing in" was tentatively set for Wednesday, March 14, and reminded her that the six men of the court and plenty of work were awaiting her.

## HARD-WORKING COURT

Because appeal is a matter of right in North Carolina, its State supreme court is called "the hardest working court in the country." Court meets twice yearly but the work goes on and on and sessions are of indefinite length.

Justice Sharp likes to relax to music and has a fine collection of classical records. She also enjoys the theater and the movies. Her favorite movie actor is Cary Grant. And her favorite TV programs are "The Defenders" and the "Andy Griffith Show." (She's not, she says, a Perry Mason fan.)

The new job will change the pattern of Justice Sharp's life, though she plans to come home on weekends—or whenever she can.

Her mother, who was 78 last Sunday, is a fine gardener and an excellent cook. (Mrs. Sharp was named Reidsville's Mother of the Year a few years ago.)

Justice Susie has no time for gardening and she makes no culinary claims, though she can, as a matter of fact, whip up a tasty casserole when the mood is on.

A person of keen sense of humor, the lady who pled her first case before the supreme court at 21 is aware that she now has a veritable tongue twister of a title: Miss Justice Susie Marshall Sharp.

[From the Charlotte Observer, Mar. 10, 1962]  
SUSIE SHARP, LADY PIONEER, PUT ON NORTH CAROLINA SUPREME COURT

(By Jay Jenkins)

RALEIGH.—Susie Marshall Sharp, who will be the first woman to serve on the North Carolina Supreme Court, was a happy lady with a burden Friday.

In a telephone interview from her home in Reidsville, she said that she feels much the same as she felt in 1949 when she became the first woman on the superior court bench.

"I just felt I not only had the burden of the law on my shoulders, but that I also had the burden of the future of women in the law."

The diminutive judge (5-2) carried both burdens well. She ran a taut court with quiet dignity, and her male colleagues found that she knew the law.

After a tiring day on the bench, she would return to her needlepoint, her collection of hi-fi operatic records, her cookbooks.

"I'm one of these one-shot cooks," she said. She likes to make salads, desserts and casseroles, "the kind of cooking a woman doesn't have to do."

Some lawyers act as if they would prefer to operate the court. These felt uncomfortable around Judge Sharp. She had only to drop a calm word to cool hot tempers and quiet rising voices.

She insisted on decorum. Lawyers wore coats in the hottest summer weather. They dared not light a cigarette while she was in the courtroom.

On one occasion in Mecklenburg, when the county had more court terms than courtrooms, she was forced to hold court in places such as the county commissioners' room, the post office and juvenile court quarters.

Lawyers, out of her presence, dubbed her the "gypsy judge." To each improvised

courtroom, she carried a portable sign which read, "No Smoking At Any Time."

Judge Sharp is 54.

Born in Rocky Mount, she is the eldest of seven children, six of whom are still living, as is her mother, Mrs. Annie Blackwell Sharp.

"I first got interested in law at the dinner table," she said.

Her father, the late James M. Sharp, was a lawyer. "He'd come in and tell about the cases of the day."

"I decided to be a lawyer when I was a high school senior."

After attending public school in Reidsville, she went to Woman's College in Greensboro, transferring to the University of North Carolina Law School where she won her degree in 1929.

Former Superior Court Judge Dan K. Moore of Sylva recalled that Miss Sharp was "very popular" with her classmates. She was one of the student editors of the University of North Carolina Law Review, a post that goes only to the top scholars.

In the Reidsville law firm of Sharp & Sharp, she practiced law with her father from 1929 to 1949. Between 1937 and 1947, she was city attorney for Reidsville—the first woman to hold that post in any city in North Carolina.

The late Gov. W. Kerr Scott appointed her a special superior court judge in July 1949. Since that time, she has lived between court sessions with her mother in the family home in Reidsville.

She was reappointed to her job by Gov. William B. Umstead and Gov. Luther H. Hodges.

Judge Sharp lists honorary degrees from Woman's College and Pfeiffer College as special honors she has received.

She was a member of the study commission which drafted a proposed new State constitution which the 1959 general assembly did not enact.

Gov. Terry Sanford's action in naming Judge Sharp to the State's highest court was a reminder of his campaign promise to place more women in top jobs.

When Sanford's press secretary called Judge Sharp Friday for some biographical information, he finally located her in a Reidsville beauty parlor.

"This is an honor which comes to few men and fewer women," she said. "I feel very humble and grateful for the opportunity to work with the able and distinguished judges on the North Carolina Supreme Court."

"I shall do my best to justify the Governor's faith in me and serve the people of the State well."

Success is a habit in the Sharp family. One of her two brothers, Dr. James V. Sharp, is a Reidsville surgeon. The other, Thomas A. Sharp, is director of technical services for the Univac division of the Sperry-Rand Corp. in Connecticut.

A sister, Louise W. Sharp, is a lieutenant commander in the Navy Nurse Corps. Another, Mrs. R. W. Newsome, Jr., is a Forsyth County schoolteacher. Another sister, Mrs. Fred Klenner, is a Reidsville housewife.

One sister, Mrs. L. A. Taylor, is dead. Mrs. Taylor's husband also is dead. Their two sons, both UNC students, live with Judge Sharp and her mother in Reidsville.

Lawrence A. Taylor is a medical student. James M. Taylor is a freshman, and Judge Sharp is his guardian.

As Judge Sharp was recalling her emotion when she was first chosen for the bench nearly 13 years ago, she said, "Nobody who has not been a judge can realize a judge's responsibility."

"The judge is tampering with people's lives. Solomon is the only one qualified to do it, and he's gone. The only consolation you have is that somebody has got to do it, so you do the best you can."

"People were awfully kind to me. Instead of trying to put stumbling blocks in my way, they helped in every way they could."

"I had the help of the bar. That meant everything to me."

During a case, Judge Sharp takes copious notes in shorthand.

Attorneys speak of her often as "Judge Susie" but never in the courtroom. It is always "Judge Sharp" or "Your Honor" there, although occasionally they slip and say "Yes Sir" instead of "Yes Ma'am."

While the judge runs her courtroom as strictly or more strictly than any of the male judges, there is usually a touch of the feminine about.

There are usually flowers brought by attorneys or courthouse workers.

She wears her salt and pepper gray hair in a neat but not unstylish bob and uses makeup sparingly.

Her favorite courtroom attire is a tailored suit which she often wears with frilly blouses.

From the back of the courtroom the black robes worn by superior court judges clothed her in all the dignity of the law.

But up close there was often a lace collar peeking up from beneath the robe.

After she had been on the bench for nearly 10 years, Judge Sharp gave some of her views to other members of her sex in a talk to the legal auxiliary in Charlotte.

She said that the judicial clock keeps better time when women serve on a jury. Women, she said, are "more realistic" than men, more apt to render a true verdict based on evidence than men.

To illustrate, she told a story. One woman was serving on a jury with 11 men in a case in which a woman was suing for \$50,000 damages.

The woman plaintiff contended that her back had been permanently injured in an accident and that she was in constant pain. The 11 men jurors wanted to award her \$10,000, but the lone woman held out for \$5,000.

Said the woman juror: "No woman with a bad backache goes teetering around on spike heels with ankle straps."

Judge Sharp added, in a tone of satisfaction, "The men came around to her way of thinking."

#### WINBORNE RETIREMENT ANNOUNCED—DENNY TO BECOME NEW CHIEF JUSTICE

RALEIGH.—Gov. Terry Sanford Friday announced the appointment of Superior Court Judge Susie Sharp, of Reidsville, as an associate justice of the State supreme court.

The appointment climaxed a day in which the Governor announced that Chief Justice J. Wallace Winborne was retiring and that he was appointing Senior Associate Justice Emery B. Denny to succeed Winborne as chief justice.

When she was appointed to the superior court bench back in 1949 by Gov. W. Kerr Scott, Judge Sharp became the State's first woman superior court judge. She now will become its first woman on the supreme court bench.

The appointments will become effective Monday. However, no date for a swearing-in ceremony has been set.

Sanford had high praise for Judge Winborne, Denny, and Judge Sharp.

"Judge Sharp has an outstanding record as a lawyer and as a superior court judge," Sanford said. "She is eminently qualified to serve as a justice of the supreme court."

The timing of Winborne's retirement means that Denny and Judge Sharp will not have to run in the Democratic primary this spring. Instead, the State Democratic executive committee will pick the party's candidates for the fall general elections.

The State Republican executive committee will pick the GOP nominees. The law provides that when a vacancy occurs within less than 10 days of the end of the primary filing time, nominees will be chosen by party executive committees.

Court justices are elected for 8-year terms. Denny, 69, the new chief justice, has served 20 years on the supreme court. Winborne has served 24 years.

Winborne, 77, recently had an operation for removal of cataracts from an eye. He said the eye has "not responded to treatment as rapidly as I anticipated," and this was a contributing factor in his decision to retire.

The chief justice was born in eastern Chowan County but lived his adult life in Marion, in western McDowell. He was appointed to the supreme court by Gov. Clyde R. Hoey in 1937.

Former Gov. Luther Hodges elevated Winborne to chief justice in August 1956 to succeed M. V. Barnhill.

Denny, 69, was named to the supreme court in 1942 by Gov. J. Melville Broughton. He had practiced law in Gastonia and served as Gaston County attorney for many years.

Sanford said Winborne served "with distinction and unusual ability. He has added luster to the tradition of service of a long line of talented chief justices."

Of the new chief justice, Sanford said: "Mr. Justice Denny is well qualified to perform his new duties in the great tradition of North Carolina's past chief justices, and we are fortunate to have a man of his caliber for this position."

Denny, the son of a minister, was born in Surry County. He is a graduate of the University of North Carolina and holds an honorary doctor of laws degree from the university and another from Wake Forest College.

[From the Charlotte Observer, Mar. 11, 1962]

#### JUSTICE WITH A LACE COLLAR

It's a funny thing about Judge Susie Sharp. She's extremely attractive; she likes cooking and needlepoint and frilly blouses—but when you watch her and listen to her on the bench you think of her first as a judge, second as a woman.

You listen as she slices through excessive verbiage and circuitous testimony with crisp, to-the-point questions that reach immediately to the legal point involved.

You watch as she upbraid a lawyer for lowering the dignity of a courtroom by strolling in sans coat, and you wonder as she chews out a newspaperman for smoking a cigarette in the back room while court is in session.

At first, you wonder if maybe she isn't over-compensating a little bit; if maybe she isn't trying a little harder than necessary to convince people that she can run a court as tautly as her male contemporaries.

But after you watch and listen a bit longer, you know that this is not so. You know that Judge Sharp runs a tight court because she feels that this is the type of atmosphere in which justice is best dispensed.

This knowledge is buttressed by a statement you read—a statement Judge Sharp made Friday after Gov. Terry Sanford named her as the first woman to sit on the State supreme court.

"Nobody who has not been a judge can realize a judge's responsibility," she said.

"The judge is tampering with people's lives. Solomon is the only one qualified to do it, and he's gone. The only consolation you have is that somebody has got to do it, so you do the best you can."

Judge Susie Sharp has been doing the best she could all her life. Her best has been far more than adequate.

Her appointment was a wise one. She's an attractive woman—and she's also an outstanding jurist.



# COMMENCEMENT ADDRESS BY THE VICE PRESIDENT AT NATIONAL CATHEDRAL SCHOOL FOR GIRLS

Mr. MANSFIELD. Mr. President, yesterday the Vice President of the United States delivered an excellent address to the graduating class of the National Cathedral School for Girls. The occasion was a memorable one for the Vice President; in the audience before him was his daughter, Linda Bird Johnson. I ask unanimous consent that the text of his address be printed at this point in my remarks.

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

## OUR CROWDED HOUR OF HISTORY

(Commencement address by Vice President LYNDON B. JOHNSON, National Cathedral School for Girls, Washington National Cathedral, Washington, D.C., June 5, 1962)

I am thinking today, along with the rest of your parents, of the day you were born. It was just about the best day of our lives.

Now, as we look into the faces of you lovely young women, we find that our war babies have grown up. Somehow they survived colic and cod liver oil and to our amazement, and with our regret, they are all perched to leave the nest.

I am thinking, too, of 17 or 18 years in between. You were born in the wake of World War II and into a world without roots. You emerge into a world that is reaching for freedom on all fronts: in the heavens as well as around the globe.

When Woodrow Wilson was still the president of Princeton University, he used to say that the first object of education must be to make the son as different from the father as could possibly be arranged. In the past, I liked that challenge. It seemed to me to place the proper emphasis on change and independence.

But I began to revise my opinion as today's ceremonies grew steadily closer. Now I am sure that Woodrow Wilson was wrong. For I would like to believe that every graduate today, in her heart, would not wish to be very different from her mother—or, I may add, from her father also. At least you will allow all the mothers and fathers gathered here to cherish that hope.

## PROMISE OF FUTURE

Your thoughts today are on the future. All of us join with you in the prayer that you will find the coming years rich in achievement and happiness. But for us, the past, in a curious way, has also merged with the present and given its promise to the future. For I imagine I am not alone, as I watch these ceremonies, in seeing not a gracious young lady but an unforgettable little girl miraculously changed into today's graduate. These memories, touched with the benediction of time, and sanctified by affection, are in all our hearts today, though they cannot find expression on our lips.

No one knows better than your parents, of course, that you are not faultless masterpieces. That is why our debt of gratitude is so large to everyone in this school who helped you along the way to maturity.

## VALUES LEARNED

The changes and chances of an unknown future will inevitably scatter the members of today's graduating class to many far places. But the friendships formed here will transcend the distances of geography and survive the separations of time. To the end of your days the greeting of an old school friend will have a special meaning for you. The values learned in this school will be not only a discipline of character but an incentive to achievement. For that lesson, too, we are grateful.

I have been thinking of the differences between this school and the schools which I have seen in various parts of the world. In other lands young people are faced by the burdens of poverty, the scourge of illiteracy, the bitterness of an aroused nationalism. They feel they are the trustees of their national greatness. They think of themselves as the spokesmen for the silent and submerged people who have known cruel oppression and even harsher neglect. In all these new lands, there is an impatient demand for social reform and economic growth. We should not be too surprised if this campaign sometimes leads to criticism of our country. Our motives will often be misunderstood and our policies denounced. But these temporary explosions of irritation and anger must not obscure the community of interest which unites us in our devotion to freedom and peace. These nations have not emerged from their colonial period to embrace a communist servitude. They know they can be our friends because we want allies, not satellites. We wish to impose neither dogmas nor domination. We can differ with respect and cooperate with equality. The record shows that these achievements are beyond the reach of Moscow and Peking.

## MANY WINNING FREEDOM

Since 1945 almost as many people have won their freedom and independence as have been cast into new slavery by Communist power. Which group of nations will make the greater progress in the next few years? There can be no more fateful question in world affairs.

No so long ago the answer seemed in doubt. That suspense has now ended. The verdict has been pronounced alike by events in the Communist world and in the free world.

In Eastern Europe, freedom is a refugee and justice an outcast. Everywhere there is the wreckage of hope. In China the ancient cry of hunger and destitution fills a desolate land. In Cuba the bitterness of a revolution betrayed and a nation impoverished on a tragic scale mocks the false promises of a braggart dictator. Communist governments have aimed at armed power without giving prosperity to the state or freedom to the individual.

Turn now to the record of the free nations. There are blemishes on that record and many mistakes. But look at it in the generous perspectives of history. We have not been unworthy of the duties imposed on us by this challenge to freedom. The free nations of Western Europe are drawing together in a closer union of economic strength and political aspiration. In the enterprise they have the understanding and the support of the United States.

## SEEK PARTNERSHIP

In Latin America, there is a new stirring of economic progress, a new striving after social reform, a new march toward the horizons of hope. Whether in Asia or in Africa, in the Middle East, or Latin America, the new and endangered nations want to be the partners of the free world.

I have emphasized the significance of this struggle for two reasons. In the first place, the contest will last for a long time. We can expect no easy victories. We must therefore prepare ourselves for a long campaign. There can be no reprieve from responsibility while the danger remains so urgent.

My second point is a trifle more complicated. In the last few years we have witnessed, and sometimes suffered, the growing pains of freedom. Some new governments have coveted power without responsibility. They have not always been easy colleagues in the search for peace, nor trusted partners in the defense of freedom. But these mistakes will not be repeated in the long future as these nations become more experienced in the uses of responsi-

bility. By the time you come to positions of influence and power, these countries will be of major and growing importance in world affairs. What is more, they will, in almost all cases, be led by young men and women far more interested in the future than in the past.

## IMPORTANT ASSETS

You will not always find it easy to agree with these young leaders. Differences of national background and occasional collisions of national interest will sometimes make it easier to breed a sense of friction than to produce a feeling of friendship. But I dare to believe that these differences will mark the casual exceptions rather than the enduring rule. I believe that most of these young leaders will find in you and in other young Americans a respect for their ideals, a hatred of oppression, a detachment from ancient dogmas, and a veritable passion for freedom. In these aspirations and ideals of young America I see new and important assets for peace.

I expect you to take full part in these great causes. Gone beyond recall, and beyond regret, is the old evil tradition which set a spacious destiny before men and a shabby career before women. You can enter the most diverse careers now and make your way forward.

We live amid falling taboos. In our own crowded little hour of history we have seen how the prejudice of religion no longer can bar the way to the White House. Some of you may live to see the day when the prejudice of sex will no longer place the Presidency beyond the reach of a greatly gifted American lady. Long before then, I hope that you will see a woman member of the Supreme Court of the United States. In Congress and in our State legislatures we need more women to bring their sensitive experience to the shaping of our decisions.

## YOUR PRESENCE FELT

Our literature and all the arts would be shrunken and mediocre things without the support of women and the inspiration of their achievement. From industry to social welfare, from the laboratory to the classroom, from the hospital to the halls of government, there is scarcely an area of American life today that does not feel the touch of your presence or respond to the challenge of your interests.

I do not wish to make the blunder of believing that your success must be measured by the distinguished positions which you gain. Far more important than the glittering prize which an individual has won for herself is the scale of values which permeates our whole society. It is here that all of you can take an essential part in resisting the oldest conspiracy known to mankind—the conspiracy of the second rate against the first rate. You can help us to honor the neglected truth and to shun the popular error, no matter how well publicized. Above all, you can make hope, and not despair, the arbiter of our policies.

If our wisdom is equal to our strength, we can, for the first time in history, outlaw war and conquer poverty and vanquish ignorance and tame disease. We can use the triumphs of science to glorify life and not to bring terror into a frightened world. Are not all these tasks worthy of your best efforts?

## STRENGTH IS SHIELD

Upon our country has fallen the burden of leadership in this difficult period of world history. We did not covet this responsibility but we cannot quit it now without opening the gates to the tyrants. With all our faults and mistakes, we have certain great assets as a nation as we make our stand for freedom and peace. Every race in the world has been welcomed to our shores. We believe in unity but never in uniformity. We are tolerant of everything except intolerance itself. We want every citizen, regardless of class or creed

or color, to live in generous equality. We have a passion for peace but a still greater hatred of appeasement. We are proud that the great and the powerful respect our strength; but we are thankful beyond all expression that the unknown and the weak find in our strength the shield of their safety and the sanction of their peace. We welcome the scorn of the tyrant but we carry in our hearts the prayers of the poor. Our home in America can remain a fortress of freedom only so long as it also remains a temple of honor.

And to you graduates I say: Courage is certainly the master virtue, for without it, all other virtues are soon lost. Arm yourselves for the long journey with this majestic virtue of fortitude. Journey well and journey patiently, and look always at the far horizons. With courage as your companion and idealism as your guide, I know that all of you will travel through life with honor, and I trust, with overflowing success and happiness.

#### THE 18TH ANNIVERSARY OF D-DAY IN EUROPE

Mr. FONG. Mr. President, 18 years ago today the Allied forces launched their ground counterattack against Adolf Hitler. It was D-day in Europe.

As we today commemorate that fateful hour, it behooves us to give thanks to divine providence for His guidance and deliverance in that terrible struggle whose outcome, on June 6, 1944, was still in doubt.

One hundred and eighty-five million Americans live in freedom today because of the indomitable courage and dedication of the men and women of the Allied forces. We owe eternal gratitude to all who served under our flag and the flag of our Allies—to those thousands of Allied soldiers, seamen, and airmen who made the supreme sacrifice and to the thousands of their comrades in arms who bear the scars of wounds suffered in that great conflict. Truly, uncommon valor was a common virtue.

There was scarcely a crossroads in America that did not send a man or woman to serve in our Armed Forces in World War II. From Hawaii, then a Territory, more than 40,000 men answered the call to colors, serving in all branches of the service and in every theater of action. More than 800 of them gave their lives. Some 2,200 were permanently disabled.

We in Hawaii will never forget the magnificent example set by our island boys—in the Hawaii National Guard, in the 298th and 299th Infantry Regiments, the 1399th Engineer Construction Battalion, the 100th Infantry Battalion, the 442d Regimental Combat Team, in the Army and its Air Corps, in the Navy, in the Coast Guard, and in the Marine Corps. Wherever men from Hawaii served, they demonstrated the bravery, the tenacity, the will to win that has characterized American fighting men in every war.

We honor and we hallow the memory of all the Americans who did not return, and we share with their loved ones the heartbreak and anguish they endure to this day. We salute the veterans who served and survived. To all, we pledge from our overflowing hearts our determination to safeguard the freedoms which they saved for us nearly two decades ago.

#### FREEDOM OF TRAVEL

Mr. CASE of New Jersey. Mr. President, as a cosponsor of the freedom of travel amendment introduced yesterday by the distinguished senior Senator from New York, I would like to urge that the Senate once again express its support of the principle of equal treatment of all Americans by other countries regardless of race or religion.

The practice of certain countries in refusing to honor the American passport in granting personal or commercial access to their territories because of race or religion is repugnant to the Congress, and we have repeatedly said so. I was one of the sponsors of the amendment to the mutual security appropriations bill in which the Congress expressed itself on this matter in 1959. The same provision was repeated in the appropriations act last year, and it is contained in the freedom of travel amendment now under consideration. Its only difference of substance from the 1959 amendment is contained in the final sentence, which states that the Secretary of State shall report annually on the measures taken to apply the principles stated.

All Americans must be concerned when certain Arab states refuse to honor the American passport because its holder happens to be Jewish, or when governments engage in discriminatory treatment against American businessmen on grounds of race or religion. I do not believe our country can afford to accept such obnoxious practices.

In view of the continuance of practices against American citizens which are repugnant to our principles by the recipients of U.S. aid, it seems to me that the freedom of travel amendment should be restated at this time in our amendments to the Foreign Assistance Act. Mr. President, I urge the Senate to give its wholehearted support to this amendment.

#### AN ABLE MAN LEAVES GOVERNMENT

Mr. BARTLETT. Mr. President, I should like to remark on the approaching departure from Federal service of a key member of the administration, Secretary of the Army Elvis J. Stahr, Jr.

As Senators know, President Kennedy has accepted Secretary Stahr's resignation to accept an offer from the board of trustees of Indiana University to become president of that institution upon the retirement of its incumbent president on July 1. I feel this is an appropriate time and place to acknowledge, publicly and officially, the distinguished service Secretary Stahr has rendered as civilian head of the Army since January 24, 1961.

A distinguished scholar and nationally recognized educational administrator, Secretary Stahr relinquished his position as president of West Virginia University at the call of President Kennedy to address himself to the task of developing a stronger Army in a time of prolonged and serious external threat to the Nation and its ideals.

Secretary Stahr has handled his critical duties and responsibilities with con-

spicuous vision, vigor, and effectiveness. Under his direction, the Army not only performed its vast and increasingly complex global mission with distinction, but went through the busiest period of expansion, reorganization, and readjustment in this Nation's peacetime history. Its manpower grew from 870,000 to more than a million; its combat-ready strategic reserve in the continental United States was more than doubled; and its forces overseas were strengthened and provided with some of the most modern weapons and equipment.

Adjusting to a new and important emphasis on counter guerrilla activities to help our hard-pressed allies in southeast Asia, the Army led the way in a type of military operation that promises much for the future hopes of free nations imperiled by Communist guerrilla aggression.

In addition to participating with the other Services and agencies of the Department of Defense in the consolidation of many common activities and functions, the Army accomplished, during Secretary Stahr's tenure, major improvements within its own structure, including reorganization of Department of the Army headquarters, the development of a new organizational plan for combat divisions which will permit the prompt and precise tailoring of units to meet any contingency, the creation of a modernized concept of Reserve readiness, and the development of a revision of the Reserve Officers Training Corps program designed to increase significantly the effectiveness of the ROTC in producing qualified junior officers both for the Army Reserve and the Active Army.

In accepting Secretary Stahr's resignation with "regret and reluctance," President Kennedy took cognizance of those accomplishments when he wrote this estimate of his service:

Your conduct of Army affairs has been an outstanding example of good management. Your policies of recognition of young talent, of examination and adoption of new doctrines and techniques, and emphasis on vigorous leadership for our Army marks your tenure as Army Secretary.

In an uneasy period of international tension, under your leadership the Army has effectively performed its mission. The improvements made are important ones; the sacrifices that have been made are appreciated deeply by the American people; and the pride and high esprit of the Army today is more than justified.

As Secretary Stahr leaves his post, he goes to a position of great influence, not only among the young people who attend Indiana University, but in the nationwide educational community. He takes with him to that world a knowledge and awareness of national military problems that he has gained both as Secretary of the Army and as an Infantry officer in World War II. How much closer together our people and Government could grow if more such men experienced a similar exchange of duties between private and public service, thus bringing to both realms a broader view and deeper insight. I am confident that the Army and the Government will benefit from the work of a good and faithful friend in raising up tomorrow's leaders when



Elvis J. Stahr goes to the campus of Indiana University.

Before he leaves, I want to place on record this sincere expression of appreciation for his skillful and devoted service as Secretary of the Army. I know my colleagues in the Congress join me also in wishing him continued success in the tremendously important task he is taking up again among the maturing young men and women in America.

### RUSSIAN AGRICULTURAL PRODUCTION

Mr. HRUSKA. Mr. President, we have all read with great interest recent news accounts of Premier Khrushchev's exhorting the Russian agriculture worker to greater production. The fact that the Soviets have a critical problem in farm output, coupled with the well-known food crises in other Communist countries, notably Red China, makes especially timely an analysis by the U.S. Department of Agriculture of what is wrong with Russian agriculture.

A condensation of an article prepared by Lazar Volin, Russian-born specialist on Soviet agriculture, appeared in the June 3 edition of the Washington Post.

The article, Mr. President, is worth reading for the lesson it contains for America. One of the principal points Mr. Volin makes is that the Russian farmer's problems "are further aggravated by the constant interference with and harassment of the farm managers by the bureaucracies of both the Communist Party and the government."

I ask unanimous consent that the text of Mr. Volin's 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:

#### THE RUSSIAN ABC'S OF HOW TO LOSE AT FARMING

(By Lazar Volin)

(This is a condensation of an article by the chief of the East European analysis branch, regional analysis division, of the Agriculture Department Economic Research Service. The Russian-born Volin has been an Agriculture Department specialist on Russian agriculture since 1926 and is the author of many essays and articles in both technical and nontechnical publications.)

When the magic touches of incentives and property are applied to Soviet agriculture, it prospers. But when there are no rewards for extra efforts and when decisions that should be made by farmers are dictated by government officials, Soviet agriculture withers like an undernourished plant.

The most graphic example of these contrasts can be seen in the small but prosperous plots and the few animals that Soviet peasants are still permitted to maintain on collective and state farms. The private plots amount to only 3 to 4 percent of the country's cropland, but all of the output from them that is not consumed by the peasants is sold by the peasants in the marketplace at a profit.

In 1959, the latest year for which figures are available, these tiny farm holdings (with some contribution of animal feed from the collectives) accounted for nearly half of the Soviet Union's meat and milk production, 80 percent of its eggs, 60 percent of its potatoes, and 46 percent of its green vegetables.

#### THE KEYS TO PLENTY

American farmers continue to outproduce Soviet collective and state farms not only because they have the incentives to do a better job but also because they have better climatic conditions and because the United States has encouraged agriculture while the Soviet Union has stressed heavy industry to the detriment of its farm economy. As a result, the farm problem in the United States is one of surpluses while in the Soviet Union it is shortages.

In the United States, the Government has nurtured family farming, particularly through programs supporting farm prices and farm income. These incentives have stimulated investment in farming and promoted scientific agricultural research.

Technological advances have also been encouraged in the United States by the agricultural colleges; by experiment stations maintained by the colleges, the States and the Federal Government, and by private business. The Federal-State agricultural extension service and the free farm press have demonstrated to farmers how they can improve their operations.

But the basic decisions of what to plant, how to feed livestock, how to apportion the use of land (within Government acreage allotments on crops where they are in effect) and how to manage the farms are left to individual American farmers, the vast majority of whom own and operate their own farms.

#### A PERSISTENT EMPHASIS

In the Soviet Union, on the other hand, the highest priority has been given to promoting the growth of heavy industry and to other nonfarm investments at the expense of agriculture and consumer goods. In 1960, for example, the Soviet Union invested more than twice as much in heavy industry as in both collective and state farms.

Soviet Premier Khrushchev has placed more emphasis on agriculture and consumer goods than Stalin did. But as recently as last March, Khrushchev warned a meeting of the Soviet Communist Party Central Committee that increased measures of assistance to agriculture "do not mean that there will be immediately a diversion of resources to agriculture at the expense of the developing of industry and of strengthening the defense of our country." This statement was made only a few days after Khrushchev had expressed concern over the shortage of farm equipment in the Soviet Union.

The central organization and direction of Soviet agriculture are other obstacles to a viable and prosperous farm economy. Except for the small amount of land set aside for private plots, Soviet agriculture is organized in huge collective and state farms.

The Soviet farms are so large that they are almost inherently unmanageable. In 1960, the average collective was spread over 15,600 acres and 6,800 of these acres were sown to crops. The state farms are even larger. In 1960, they averaged 22,000 acres of sown cropland alone.

By contrast, in the United States, the average size of the commercial farms that account for practically all of the agricultural production is only a little more than 400 acres.

#### BUREAUCRACY'S THUMBS

The problems of managing such large farms as those in the Soviet Union are further aggravated by the constant interference with and harassment of the farm managers by the bureaucracies of both the Communist Party and the Government.

Collectives are supposed to be owned by the people who operate them while the state farms are Government-operated enterprises on which peasants work as if they were factory employees. But both types of farms are rigidly controlled by the state.

In 1958, Khrushchev sought to reduce regimentation of the farms by abolishing the machine-tractor stations that served not only as sources of machinery needed by the farms but also as important instruments of Government control over the collective farm system.

The farm machinery was sold to the collectives to eliminate what Khrushchev has so aptly called the "two bosses on the land." But to a large extent this move was offset by continued petty interferences with farm management by party and state bureaucrats.

The Soviet farm economy has also been hobbled by the government's insistence that certain farm methods or crop patterns which struck the leaders' fancy must be used throughout Russian agriculture, regardless of differing soil and climatic conditions. The grassland system of crop rotation, for example, was made mandatory everywhere under Stalin. Now it has been ordered abolished, again everywhere. Today corn, which Khrushchev has called "queen of the fields," must be grown throughout the Soviet Union.

Many Russian farm managers and agricultural specialists undoubtedly realize the harm that such mandates can cause in a country as large and diverse as the Soviet Union. But once these orders become part of the official dogma, they must be followed.

To make matters even worse, the theoretical trend toward decentralization and decreased regimentation has been reversed by the recent reorganization of the administrative apparatus of Soviet agriculture, which established new state supervising agencies over collective and state farms.

Not only are American farmers free from such central direction of even the smallest and most detailed farming operation; they also have the freedom to choose from a number of competing firms the machinery, fertilizer, seed and other commodities that a modern farmer needs. They do not have to take only what a government monopoly will supply, as in the Soviet Union.

Furthermore, the companies producing goods for American agriculture are themselves free and do not have to be spurred by the Government to adopt innovations resulting from scientific and technical research.

There are many other contrasts between Soviet and American agriculture that help to explain the productivity of the U.S. system and the difficulties of the Soviet Union.

Although both countries have large areas of fertile soil and know how poor soil can be made productive with chemical fertilizer, the Russian climate is much less favorable than that of the United States. Most of the Soviet Union is farther north than the United States and consequently the Soviet growing season is generally shorter. Even more important, there are more extensive dry areas in Russia.

The Soviet climate is particularly severe in the eastern regions beyond the Volga River and the Ural Mountains, where virgin land has recently been plowed up. The Soviet agricultural stagnation of the last 3 years was due in part to unfavorable weather, which Khrushchev has underemphasized. But in 1958, the benchmark year for the current 7-year plan, the weather was good in the virgin-land areas and elsewhere and a record crop was gathered.

With their vast area of more than 500 million acres of sown cropland, the 220 million people of the Soviet Union do not suffer from the kind of population pressure that bedevils so many underdeveloped countries, including China. In many Asian countries, there is far less than 1 acre of arable land per person, but in the Soviet Union the ratio of arable acres to population is more than 2 to 1.

This does not mean, of course, that the Soviet Union has no food problem. Its

population is growing by  $3\frac{1}{2}$  to 4 million a year and, what is more important, the Soviet Union is becoming an increasingly urban country. That alone increases demands for improvements in the starchy Russian diet.

The Russian people also have had so many promises of an improved standard of living from the Communist leadership that they are now anxious to have the promises fulfilled. It was partly to satisfy this demand that Soviet cropland was expanded by more than 100 million acres in recent years.

But this expansion was in areas with a dry climate and a short growing season. In the United States, by contrast, Government efforts to keep farm production in line with demand have concentrated cropland on about 330 million of the better acres.

Further expansion of Soviet agricultural production, which Khrushchev emphasizes so often in his speeches and official plans, will have to come primarily through more intensive farming of acres now under cultivation.

This will require a more efficient farm system, an improved farm technology, the encouragement of innovations and proper incentives to farm managers and workers. Yet these are the areas where Soviet agriculture has fallen down in the past.

The Soviet Union does not have enough tractors and other farm implements and is also short of the fertilizers, herbicides, and fungicides needed to increase production on acres already being cultivated. Nor do Soviet farms have adequate electric power.

In 1959, consumption of electricity on Soviet farms was only 31 percent of that on American farms. And, as Khrushchev has said, "one cannot demand high productivity of labor and hack corn with an ax."

Not only is machinery in short supply on Soviet farms; it is also poorly maintained. It is often left out in the open to rust throughout the severe Russian winter. Neglect of machinery has in fact become such a problem that it has recently been made a criminal offense.

There also are chronic shortages of spare parts and sometimes it is easier to buy new implements rather than seek the parts. Every year the Soviet press is filled with reports of breakdowns of tractors and other machinery at the height of the planting and harvesting season when they are badly needed.

In 1959, for example, when the Soviet Union had considerable trouble harvesting the grain crop in Kazakhstan, 32,000 combines and 11,000 reapers were not in use in that region. Also, 18,000 tractors could not be operated because they needed repairing.

All of these facts were cited by Khrushchev himself in criticizing the shortcomings of Soviet agriculture.

Chemical fertilizer is also badly needed in the Soviet Union. These new fertilizers are an important reason why the United States has been able to increase crop yields per acre so greatly.

Although the Soviet Union has 50 percent more land under cultivation than the United States has, Soviet farms use only a third as much chemical fertilizer as American farmers use. Much of the Soviet fertilizer apparently is not even utilized. There are frequent reports in the Soviet press of piles of fertilizer dumped at railroad sidings and left to deteriorate.

As for herbicides to control weeds and other chemicals to combat pests and plant and animal diseases, the Soviet Union has hardly begun to make use of them.

Nor has irrigation been stressed sufficiently in the Soviet Union, despite its large dry areas. An ambitious irrigation program was planned in the European part of the Soviet Union during the last years of Stalin's regime, but it was largely abandoned after his death and the subsequent Khrushchev-ordered expansion in dryfarming areas.

Last year, however, Khrushchev revived a large-scale irrigation program, but it is envisioned as a long-range development that will not increase production for many years.

Finally, the Soviet Union is continually short of improved seed stocks. Despite the development of many improved varieties by Soviet plant breeders and despite numerous Government edicts, a solution to the seed problem still appears to be far off. Khrushchev has noted that collective farms frequently are forced to deliver seed grain to the Government to meet their quotas.

But even if all of these deficiencies of Soviet agriculture are corrected, the Soviet farmers must be given a carrot as well as a stick. Khrushchev knows this. That is why the ridiculously low prices paid to the collective farms for their produce under Stalin were increased to provide more income for the members of the collectives.

Yet a sample survey showed that in a good year like 1958, as much as 38 percent of the income of peasants still came from their private acre-and-a-cow plots. On some collective farms, expenditures for production and for general welfare purposes such as clubhouses, schools and hospitals were excessive and limited the amounts available for members of the collectives and workers on the state farms.

But the most serious problem facing Soviet agriculture is still the high priority given to heavy industry by the state. This deprives agriculture of sufficient capital and retards the growth of consumer goods industries. And farmers, like everyone else in the Soviet Union, not only want rubles but want goods which can be purchased with the rubles.

#### SIGNIFICANCE OF MEMORIAL DAY— A TRIBUTE TO EDWARD GOMEZ

Mr. HRUSKA. Mr. President, last week there were a great many speeches given, a great many articles and editorials written, and many commentaries made upon the meaning and the place of Memorial Day.

All over the country this was done as it is appropriate to do each year. It is well that we remind ourselves of the full implications of this national observance. One cannot help but marvel at the many fashions of expressing the thoughts which all of us feel for the occasion.

One of the most effective writings on this subject came to my attention from the columns of the Omaha World-Herald. It is an article written by Tom Allan entitled "The Name of Babe Gomez Lives On."

Tom Allan has been doing some very splendid writing over these last several years covering the State of Nebraska for his newspaper. Because of his excellence of writing and because he has a military experience which particularly qualified him to write about Babe Gomez, the results are especially praiseworthy.

I should like to add my tribute to this wartime hero of Kearney, Nebr., and at the same time compliment Tom Allan for his excellent tribute.

Mr. President, I ask unanimous consent that the text of this article be printed in the RECORD at this point.

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

#### NAME OF "BABE" GOMEZ LIVES ON (By Tom Allan)

KEARNEY, NEBR.—In September of 1951 Marine Pfc. Edward "Babe" Gomez, just be-

fore going into battle in Korea, wrote his mother:

"I may die in the next assault. You will hear about it before getting this letter and I hope you don't take it too hard."

"I am not sorry I died because I died fighting for my country and that's the No. 1 thing in every one's life, to keep his home and country from being won over by such things as communism."

"I am very proud to have done what little I have done. Tell dad that I died like the man he wanted me to be. The kids, remind them of me once in a while and never forget, kids, fight only for what you believe in—that's what I am fighting for."

A Nation and State that did not forget the South Omaha boy who wrote these lines before his hero's death will honor his memory here Memorial Day.

The name of Private Gomez, just 19 when he died, will live forever here on the campus of the Boys Training School in the hopes his simple creed and love of country will remain eternal in his fellow man.

Gomez Hall, the school's new commissary and utility building, is being dedicated in memory of the boy once sent here by the society for which he later gave his life to preserve.

High church, State and American Legion officials as well as bands, drill teams and firing squads from Shelton, York, Alliance and Stuart will participate.

Standing proudly in the front row will be his parents, Mr. and Mrs. Modesto Gomez, 2609 Monroe Street, Omaha, and his brothers and sisters and their families.

Babe, one of 12 children, won the Nation's highest decoration, the Medal of Honor.

He was always a fighter. He fought with heart and skill in the Golden Gloves. He fought above and beyond the best tradition of a marine in Korea.

There must have been an intuition of impending death that September day in 1951 when he wrote that tender letter to his mother telling of his pride of country and exhorting his brothers—and perhaps all men—to "fight only for what you believe."

"Be proud of me, Mom," he wrote. "Because, even though I'm scared now I know what I am doing is worth it."

A few hours later Private Gomez clawed up Hill 749 with a machinegun crew. An enemy automatic weapon spat death their way. The South Omaha boy dropped to one knee, lobbed in a grenade and fought back with his carbine, wiping out the enemy stronghold.

The marines struggled upward. Once when the line wavered "Babe" snarled:

"If the Third Section Marine guns can't take this mole hill—nobody can."

The wavering line straightened and fought on, gaining the crest of the hill. The Nebraskan provided covering fire as his machine gunners emplaced their weapon.

Then an enemy hand grenade bounced in among them.

Unhesitatingly the boy, who'd learned the true values of life the hard way, grabbed it, pulled it close to his stomach as he spun away from his buddies and fell on it, smothering its explosive blast. His buddies' lives were saved.

There were glowing words on his Medal of Honor citation. There will be others here.

But perhaps none can match his own, written to his mother in that letter:

"I am very proud to have done what little I have done."

#### FOREIGN AID TO LATIN AMERICA

Mr. PELL. Mr. President, I would like to comment on the new title VI—Alliance for Progress—section of the foreign aid



bill we are now considering. More specifically, I am concerned with the expenditure of the \$500 million available in the next fiscal year for loans repayable in dollars.

It is my fervent hope that it will be possible to follow the recommendation of the Foreign Relations Committee concerning the purposes for which the loans will be made. In appropriating these moneys, I believe it has been the intention of Congress that the loans would go to specific development projects. This has not always been the case.

I would like to quote at this time from the committee report:

Economic and social progress are quite clearly dependent on political and fiscal stability. If the program is to succeed, however, it must at some reasonably early stage begin to produce a steady decline in the need for budgetary and balance-of-payments support and a corresponding increase in the level of development assistance resources that can be usefully absorbed.

In this connection, I was happy to note that our Government was able to fulfill its commitment of \$1 billion in aid to Latin America from March 1961 to March 1962, the first 12 months after the program was announced. However, I was disappointed to see that a large

part of this billion dollars was not used directly for development, but for budget support and balance-of-payment loans. It has been estimated that of the \$1 billion about \$468 million went to pay past debts, current Government bills, and balance-of-payment deficits stemming largely from the failure of exports to match imports. For example, in Brazil which received \$357.2 million, \$268 million went to refinance old debts and cover a balance-of-payments deficit.

Although I have been assured by AID officials that this kind of support is directly related to development and is a necessary prerequisite, I am hopeful that every effort will be made to emphasize the role of specific development projects.

With so many agencies now involved in assistance under the Alliance for Progress, I have found it sometimes hard to ascertain exactly how the funds are being spent, and by what agencies. I would like unanimous consent that a chart showing "U.S. economic assistance to Latin America, obligations and loan authorizations, July 1, 1961, to April 30, 1962," be printed in the RECORD.

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

*U.S. economic assistance to Latin America—Obligations and loan authorizations July 1, 1961, to Apr. 30, 1962*

[Millions of dollars]

Country	Total U.S. assistance			Eximbank loans more than 5 years	AID	Social progress trust	Food for Peace	Peace Corps
	Total	Grants	Loans					
Total.....	902.4	158.1	744.3	199.0	364.2	214.0	122.1	13.1
Argentina.....	78.3	1.4	76.9	51.9	21.4	5.0		
Bolivia.....	22.4	18.3	4.1		18.0		4.2	.2
Brazil.....	103.6	36.9	156.7		80.1		65.9	.6
Chile.....	125.9	11.4	114.5		102.1	13.7	8.7	.6
Colombia.....	68.0	15.2	52.8		35.8	22.8	8.3	1.1
Costa Rica.....	9.6	1.6	8.0	4.5	1.6	3.5		
Dominican Republic.....	35.2	.2	35.0	10.0	25.0			
Ecuador.....	30.4	3.8	26.6		15.5	13.6	1.3	(?)
El Salvador.....	25.2	3.6	21.6	10.0	1.2	11.6	2.3	.1
Guatemala.....	7.6	4.1	3.5		3.6	3.5	.5	
Haiti.....	2.4	2.4			1.7		.7	
Honduras.....	2.9	2.9			2.5		.2	.2
Jamaica.....	.7	.7			.6		(?)	.1
Mexico.....	110.7	8.3	102.4	91.8	.5	10.6	7.8	
Nicaragua.....	8.0	1.9	6.1		2.5	5.2	.3	
Panama.....	21.4	11.8	9.6	2.0	11.5	7.6	.3	
Paraguay.....	8.3	5.2	3.1		1.1		7.2	
Peru.....	64.3	7.8	56.5	17.1	15.9	24.8	6.5	(?)
Surinam.....	.4	.4			.3		1.9	
Uruguay.....	6.5	.6	5.9	1.0	.2	2.5	.1	
Venezuela.....	58.3	6.3	52.0		10.6	42.0	5.6	.1
West Indies and East Caribbean.....	10.0	1.0	9.0	9.0	.8		.1	.1
British Guiana.....	.5	.5			.4		.1	
British Honduras.....	.3	.3			.2		.1	
Regional and undistributed.....	11.5	11.5			11.0	3.5		

<sup>1</sup> As of Mar. 31, 1962.

<sup>2</sup> Less than \$50,000.

<sup>3</sup> Technical assistance grants.

Source: Statistics and Reports Division, Agency for International Development, May 17, 1962.

Mr. PELL. Mr. President, taking specifically the figures for AID it is interesting to note that a further breakdown shows that about 55 percent of the AID program moneys went to specific long-range development projects. It is estimated that another 34 percent went for other development purposes, principally to pay for imports essential to the development process. This leaves only 11 percent for direct budget support which puts the whole picture in a slightly better light.

Consequently, I will not introduce at this time an amendment to limit ex-

penditures of Alliance for Progress funds, or in fact any aid funds, to specific development projects, but I think we should make clear our intent when authorizing these funds. During the forthcoming year, I intend to follow very closely the purpose for which loans are made.

#### FORTIETH ANNIVERSARY OF RADIO STATION WEAN

Mr. PELL. Mr. President, on June 2 Rhode Island's pioneer radio station,

WEAN, in Providence celebrated its 40th anniversary.

Since 1922, it has grown from an original 10-watt transistor station in the Shepard Co. store in Providence to one of 5,000 watts, and today has the most up-to-date and modern facilities.

During its first 25 years of broadcasting, WEAN provided the public with a variety of information and entertainment programs. When television appeared on the scene in the late forties, the station adjusted to the challenge provided by the new visual medium by offering a new format of music, news, and public service.

Now owned by the Providence Journal Co., it is well equipped to provide such programming, especially in the news field by taking advantage of the large staff of reporters in the city room and on the State staff of the Journal-Bulletin.

I congratulate radio station WEAN on its anniversary and commend it for its contribution to the life of Rhode Island and its awareness of its public responsibilities.

#### WITHHOLDING AT THE SOURCE OF TAX ON INCOME FROM DIVIDEND AND INTEREST

Mr. DOUGLAS. Mr. President, on May 24, 1962, the New York Times carried an editorial supporting the proposal of the President to withhold on the income from dividends and interest at the source.

The editorial quite correctly points out that this is not a new tax, that those under 18 are exempt, and that the older people would not be harmed by the provision for they could gain exemption if they reasonably expected to have no tax liability.

The editorial states that the facts in no way justify the near hysteria there has been about this provision.

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

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

#### THE FACTS ON WITHHOLDING

The mail received by the White House and Members of Congress, not to mention the newspapers, reveals many misapprehensions about the Federal Government's proposal for income tax withholding at source from dividend and interest income.

No new tax is proposed. Withholding at source means that a substantial number of people who have been escaping existing taxes by failing to declare their dividend or interest income will have to pay, thus easing the burden on more honest or more careful taxpayers. Any person whose income is so low that he may reasonably expect to owe no tax liability can avoid withholding by filing a statement with the savings institution involved.

All children under 18 are made automatically exempt when they file a statement regarding age. Persons over 65 already get special tax benefits which make them more likely to be eligible for exemption from withholding than are people between 18 and 65. A relatively small number of persons do run the risk of having more tax withheld from interest or dividend income than should be withheld; but they are entitled to quarterly refunds. The latter privilege is far more favorable than is the correspond-

ing provision for annual refunds to wage earners subject to withholding from earned income. Senator PAUL H. DOUGLAS, of Illinois, has made all of this clear, for the 20th time, again this week.

These are the facts. They in no way justify the near hysteria against the withholding proposal which has been aroused in some areas by its opponents.

Mr. DOUGLAS. Mr. President, on June 3, 1962, the St. Louis Post-Dispatch carried an editorial in support of withholding dividend and interest income at the source.

Their editorial properly deals with the subject of older couples whose entire income is from dividends or interest and in whose name the opponents of this provision have been objecting to withholding.

As the Post Dispatch points out, an elderly couple would have to have \$5,300 of income from interest or \$6,100 of income from dividends in any year before they would be subject to any Federal income tax.

As one would need an investment of from \$125,000 to \$150,000 at 4 percent interest to earn these amounts, no one can honestly say that aged people would be harmed by this bill which exempts anyone over 65 from its provisions if they reasonably expect to have no tax.

I ask unanimous consent that the editorial be printed in the body of the RECORD.

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

#### EXEMPT AT \$5,000

Administration supporters in the Senate Finance Committee are now offering a compromise on the bill to withhold income taxes on dividends and interest. Their proposal is to exempt incomes of \$5,000 or less. The offer ought at least to block antiwithholding propaganda aimed at retired citizens. For example, in answer to a charge that an elderly couple with \$5,000 yearly in dividends would have to pay income taxes of \$50, Senator DOUGLAS, of Illinois, proved that the couple would pay no tax at all.

From the \$5,000, the Senator said, the couple would first deduct \$50 apiece in dividend exclusions, and from that they would deduct \$2,400 in the double personal exemption allowed those over 65 years. This would leave \$2,500, from which the standard of 10 percent of adjusted gross income (\$4,900) would leave \$2,010 in taxable income. The normal tax on that would be \$402, but a dividend credit of 4 percent or \$80.40 and a retirement income credit of \$321 would cancel the tax.

Actually, the Treasury figures that a retired couple could have up to \$6,000 in yearly dividend income or \$5,300 in interest income without paying a tax. And the hypothetical couple to which Senator DOUGLAS referred would have to have \$125,000 in investments to earn their \$5,000 at 4 percent.

The fact remains that the withholding bill does not mean new taxes for anyone. It is only an effort to collect some of the tax loss in unreported dividend and interest income which the Treasury put at more than \$1 billion for 1960. The compromise \$5,000 exemption would eliminate some fairly large investment incomes from withholding but still should recover the bulk of the tax loss.

Mr. DOUGLAS. Mr. President, the issue of the Progressive magazine for June 1962 carried an article on withholding the tax already owed on dividends and interest. This article is

extremely accurate and supports the proposal put forward by the President to withhold at the source.

It should help very much in doing away with many of the misleading arguments which have been made about this legislation.

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

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

#### THE BIG LIE

In view of all the major crises confronting the American people at home and abroad it seems doubtful that even the most sensitive public pulsetaker would have chosen the proposed Federal income withholding tax on interest and dividends as an issue that would excite almost unprecedented popular attention.

Yet this modest proposal embodied in section 19 of a complex 240-page tax revision bill—already passed by the House and now under Senate consideration—has provoked a flood of mail—almost all in opposition to the measure—that some Senate veterans claim is greater than any since the Korean crisis of more than a decade ago. Senator PAUL DOUGLAS, one of the leading supporters of the withholding tax, has been swamped with more than 50,000 letters on the issue. Other Senators report as many as several thousand letters a day.

Behind this outpouring of public opposition is a barrage of deceptive propaganda laid down by banks and savings and loan companies which has frightened countless numbers of elderly people, widows, and others who depend for their livelihood on interest and dividend income into believing the Government is preparing a major raid on their modest holdings.

It is widely represented that refunds of taxes withheld but not owed would be slow and difficult to process.

There is no evidence for this assertion. The volume of refunds would be minute because of the liberal exemption provisions—nothing remotely resembling the volume of refunds involved in Federal withholding on income from wages. In addition, the proposed law provides for refunds on a quarterly basis—four times as frequently as refunds of the tax on wages.

Another argument against the system—this one raised mainly by the financial institutions rather than individuals—is that compliance would be difficult and expensive.

The truth is that compliance could hardly be simpler. If a corporation paid out \$1 million in dividends for example, it would merely transmit 20 percent—\$200,000—to the Treasury, and pay 80 percent of the dividend to the shareholder. It is not required that the corporation report each individual account. Similarly, when banks pay interest, they would merely transmit 20 percent of the total paid, but not the depositors' names and amounts withheld. Filing of the annual personal income tax has been equally simplified.

Largely because of the misconceptions concerning the ease of compliance, it is claimed the withholding system would cost more to administer than the increase in revenue would warrant.

In a remarkable piece of testimony before the Senate Finance Committee, a prominent banker cut the ground from under this argument. To the great surprise of the committee, the withholding plan received enthusiastic support from John Sadlick, vice president and controller of the Franklin National Bank of Long Island, the 32d largest commercial bank in the country, with deposits totaling more than three-quarters of a billion dollars. Sadlick, who had done his homework better than the opposition, provided the only concrete testimony concerning

the cost to banks of administering the withholding tax, which he estimated at seven-tenths of 1 percent of the amount withheld the first year, and less than half that in subsequent years. Bank profits would be reduced one-fourth of 1 percent the first year, less than half that thereafter. "In view of our findings," Sadlick concluded, "how could our bank or any other bank \* \* \* justifiably refuse to cooperate with the Treasury in helping to close this important loophole?"

In spite of the overwhelming evidence favoring withholding on interest and dividends the measure is in trouble in the Senate, largely because of the huge volume of mail promoted by the devious propaganda of the banks and savings and loan associations.

Mr. DOUGLAS. Mr. President, in his column which appeared in the Washington Post on Saturday, June 2, Mr. George Sokolsky has written about the proposal to withhold at the source on income from dividends and interest. I commend the fairness of his article to the Senate and to the public.

He also mentions the problem of income abroad escaping taxation. This, too, is a subject on which the tax bill attempts to close some of the existing loopholes.

I ask unanimous consent that Mr. Sokolsky's article may appear in the RECORD at this point.

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

#### TAX EVASION

(By George E. Sokolsky)

The argument in favor of a withholding tax, of any kind, is that there is considerable cheating in the payment of taxes. The American people are an honest people, but as every tax collector knows, in any country, most folks find it a pleasure to evade a tax, avoid a tax, find a loophole in a tax law. This has been true from time immemorial and a tax collector is usually disliked not for his personality but on account of his profession. He is like a hangman.

Senator PAUL DOUGLAS, of Illinois, is a trained economist. He believes in the withholding method of collecting taxes as fair because there is an estimated cheating of \$1 billion per year and therefore those who honestly pay are at a disadvantage as compared to those who manage to cheat. He favors using the withholding device with regard to dividends. He says:

"The bill as written provides for either exemption or for quick quarterly refunds which in my judgment will mitigate almost all the objections which previously have been made against the provision. The fact is that over 75 to 80 percent of those over 65, in my judgment, would be exempt from withholding, and an aged couple both over 65 would need investments of well over \$100,000 even to be subject to withholding."

I dislike the withholding tax because I prefer to keep my earnings as long as I can and to manage my own money—however badly I may do it. Nevertheless, any citizen must agree that the tax evader is a cheat and that he cheats not the Government but his fellow citizens who pay their taxes as they pay other bills.

But there is another point of view in all this and Senator DOUGLAS might give it consideration. Actually tax evasion must amount to more than the \$1 billion which we lose because the income taxes on dividends are not paid. The loss in tax collection from American money on deposit in Switzerland, West Germany, Liechtenstein, Monaco, Panama, Hong Kong, and other places and managed by bankers and brokers in those places must be much larger than



\$1 billion, although I have been unable to get accurate figures.

Why penalize the American who keeps his money in the United States and uses it to expand and strengthen American industry and commerce?

Perhaps if the income tax were simplified and were not so brutally collected, involving huge bookkeeping costs and irksome man-hours spent by individuals and small businessmen, who can hardly afford the time or expert advice, there would be less cheating.

Would not a transactions tax be a suitable substitute for the income tax and would that not make the withholding tax unnecessary? American money held abroad could evade the transaction tax as it evades the income tax, but if any form of paper were moved, the transaction could be taxed immediately. In fact, if a transactions tax were used, the Government would not have to wait for its money, as it would be paid as soon as any transaction occurred.

There would be no reports, no questionnaires, no field men making spot checks, no accountants, no lawyers. A transaction would simply have no legality, no validity, unless the transaction stamp were affixed to the documents, be they nothing more involved than checks or receipts or contracts.

The development of a new taxation system cannot be done overnight but it might be taken under advisement by the Committee on Banking and Currency which includes several knowledgeable Senators.

#### STATEMENT OF THE MORGANTOWN, W. VA., CHAMBER OF COMMERCE ON RESIDUAL OIL IMPORTS

Mr. BYRD of West Virginia. Mr. President, since I first became a Member of Congress 10 years ago, I have spoken many times of the damage to the national economy and to the national security caused by excessive imports of residual fuel oil. I have pointed out that this waste product of foreign oil refining operations is coming into the country in such amounts that it constitutes a real and serious threat to the future of the domestic coal industry, particularly with regard to the important east coast industrial fuels market.

The damage which imported residual fuel oil causes in the Appalachian coal-producing areas of West Virginia was highlighted in a statement recently adopted by the Morgantown, W. Va., Chamber of Commerce. The statement declared, and I quote:

During this year so far, at least 300 miners have been furloughed from their jobs in coal mines in our county, and, as much of the coal produced by Monongalia County mines is consumed by public utility plants, it can be definitely stated that most of these furloughs of coal miners here are the result of the continued increasing use of this residual fuel oil in our mines' normal markets.

The story of coal miners furloughed because of residual oil imports is being repeated in all coal-producing areas. The effect of imported residual fuel oil is being felt even in the Midwest coal producing areas, which do not directly supply the east coast market. As Appalachian-produced coal is displaced in its historic east coast market, it is forced to seek market outlets in other areas, often in direct competition with Midwest produced coal. Thus, imported residual fuel oil has a nationwide significance aside from the national defense aspect.

At the present time, residual oil imports under the import control program are running at the rate of 507,000 barrels daily—or about 185 million barrels for the 1962-63 quota year. This total is about 10 percent greater than quota imports in the 1961-62 import year.

The need for relief from the intolerable burden which excessive imports of residual oil imposes upon the coal industry is obvious. I hope my colleagues will realize that time is running out for the coal industry. We must make up our minds, and make them up in a hurry, as to whether we want a coal industry that is vigorous and healthy and capable of expanding its production rapidly and significantly in a national emergency, or whether we want to gamble with our self-interest by allowing this vital industry to literally die on the vine.

If we want a coal industry capable of participating in an active economy, and fully prepared to act as the Nation's energy supplier in the event of a national emergency, then we must take action to stem and control imports of residual fuel oil. The price of inaction can be increasingly costly to our national economy, and may also affect our freedom.

The statement adopted by the Morgantown Chamber of Commerce should be carefully read and studied. It clearly outlines the problems created for the coal industry by excessive residual oil imports. It also proposes action needed to save the coal industry. I ask unanimous consent to have the statement printed in the body of the RECORD.

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

STATEMENT OF THE MORGANTOWN CHAMBER OF COMMERCE, MORGANTOWN, W. VA., WITH REFERENCE TO OBTAINING FEDERAL GOVERNMENT ACTION TO STABILIZE FOREIGN RESIDUAL OIL IMPORTS AT SPECIFIC LEVELS, APPROVED AT BOARD OF DIRECTORS MEETING, MAY 21, 1962

The importation of foreign residual fuel oil, which is used for boiler fuel in industrial and public utility plants along our eastern sea coastal area, is becoming increasingly more critical, particularly as it relates to the coal produced in Monongalia County, W. Va. During this year so far, at least 300 miners have been furloughed from their jobs in the coal mines in our county, and as much of the coal produced by Monongalia County mines is consumed by public utility plants, it can be definitely stated that most of these furloughs of coal miners here are the result of the continued and increasing use of this residual fuel oil in our mines' normal markets.

The loss of these many men from the payrolls of our county coal mines means a loss of \$2 million yearly wages, without taking into account the loss of earnings of the coal companies, the loss to the railroads in freight revenue and to their employees in wages, and to the overall effect on the economy of this county.

In addition to the furloughed miners, many miners who are still employed at the mines are now only getting about 3 days' work per week. Therefore, the actual payroll loss from furloughed miners is only a part of the overall loss to the men and our county's economy because, in addition, those miners still working are losing much in wages by not being able to work full time. Our mines here are geared to work a full normal week and the loss of running time

creates problems with lower profits and increased cost of operation. It can readily be seen that the loss of payroll wages to our miners means the loss of millions of dollars a year to the economy of Monongalia County, W. Va.

The administration's proposed trade expansion bill will soon come before the Congress in Washington for its action. Efforts are being made to obtain inclusion of an amendment in the trade act which would have the effect of stabilizing residual oil imports at specific levels, permitting coal to get some relief from the presently increasing flood of foreign oil, which now deprives our coal from its established markets.

The Morgantown Chamber of Commerce urges the administration to support any amendments which would require specific limitations on foreign residual oil imports and thereby make it possible for this county's coal mines to compete with this foreign product, giving needed work to our miners and permitting our mines to operate on a normal workweek.

By order of the board of directors, Morgantown Chamber of Commerce, Inc.  
JAMES R. MCCARTNEY,  
Managing Director.

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

The ACTING PRESIDENT pro tempore. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

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

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

The ACTING PRESIDENT pro tempore. Is there further business? If not, morning business is closed.

#### AMENDMENT OF THE FOREIGN ASSISTANCE ACT OF 1961

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the unfinished business be laid before the Senate.

The ACTING PRESIDENT pro tempore. Is there objection?

There being no objection, the Senate resumed the consideration of the bill (S. 2996) to amend further the Foreign Assistance Act of 1961, as amended, and for other purposes.

The ACTING PRESIDENT pro tempore. The question is on agreeing to the amendment of the Senator from Wisconsin [Mr. PROXMIER].

Mr. MANSFIELD. I suggest the absence of a quorum.

The ACTING PRESIDENT pro tempore. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

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

#### TAX LEGISLATION

Mr. MORTON. Mr. President, it seems apparent that we will have before the Congress an omnibus tax bill, including a tax reduction feature, if not at this session, at the next session. I noticed an eight-column headline in the

Washington Evening Star which reads, "Democrats Back Tax-Cut Move."

We have before the Finance Committee now a controversial tax measure. I wonder if it would not be the better part of wisdom if the administration would ask us to hold up action on this bill pending the introduction of a new bill.

It goes without saying that any tax bill is upsetting to the business community, to the investment community. It seems to me that today the business community is showing some lack of confidence in the policies of this administration; and certainly the investment community shows a similar lack of confidence, as is borne out by the gyrations of the stock exchange during the last 10 days.

The Speaker of the House, the majority whip of the Senate, the Secretary of the Treasury, and others assure us that in the not-too-distant future, there will be presented a major tax bill involving a tax cut. Such a bill might well influence the judgment of many of us on such matters as withholding, tightening up on expense accounts, investment credit, and even a tax on foreign subsidiaries of U.S. corporations.

How can we intelligently legislate today on a tax bill when hanging over us is this promise of a tax cut? It seems to me completely inconsistent.

As I pointed out, business is upset now; the market is upset now. Let us calm down a little. Let us just say we are not going to pass tax legislation until the promised omnibus bill comes before Congress.

I realize that the Ways and Means Committee of the House labored long and diligently in getting a bill through the House of Representatives; but it seems to me equally clear that the distinguished chairman of that committee will call the committee together, perhaps the week after the election, and start hearings on the omnibus bill, if there are not hearings prior thereto.

I believe that for the good of the country, in order to restore confidence, we had better lay it aside. Any tax bill makes the economy and the business community more nervous, and this is no time for us to be getting into a nerve spasm, with the market going the way it is.

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

Mr. MORTON. I yield.

Mr. CARLSON. I commend the distinguished Senator from Kentucky for the statement he has just made in regard to our tax program and proposed tax legislation. He is a very distinguished and able member of the Finance Committee, who has been attending the hearings we have held in our committee for weeks on a tax bill. It is a bill that arouses much controversy. It is a bill, as the distinguished Senator from Kentucky has said, which has caused much unrest and concern in our Nation. I share with him the view that the bill should be set aside.

The country is suffering from a lack of confidence as is evidenced by the stock market and numerous business indicators. This is no time for Pollyanna

statements. We need immediate and constructive action.

I do not share the views of the administration that we should begin to talk about a tax cut in 1963. Those of us who have served on the Senate Committee on Finance and on the House Committee on Ways and Means, who have studied tax problems for years, know positively that when one wants to start the economy moving, one should consider a reduction in taxes.

I believe that at this time we have an opportunity to take action the country needs, which will benefit it. We need a reduction in Federal spending and at the same time a reduction in taxes.

I do not have it with me now, but I ask unanimous consent to have printed in the Record a statement by Mr. A. J. Livingston, who I think is well known as a financial writer in this Nation, published in the newspapers about 2 weeks ago. Mr. Livingston mentions that the recovery over a 13-month period from the recession—and he called it a recession—"has been less oomphy" than recovery from any postwar depression the Nation has had. There have been four since 1949. Only on a gross national product basis is the percentage of recovery higher than in the three previous depression periods, considering 13-month periods. The industrial production, the carloadings, housing, retail sales, manufactures orders, workweek, employment are lagging in recovery.

Mr. President, I ask unanimous consent to have that article printed in the Record at this point, because I think it shows positively that the recession we are going through is not picking up slack, as has been the experience in the past.

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

And Albert L. Nickerson, chairman of Socony Mobil Oil Co., pointedly told stockholders at the annual meeting that corporate profits as a percentage of national income have dropped from 9.2 percent in 1947 to 5.4 percent. "The erosion of corporate incentive poses a serious threat to the continued well-being of our Nation's economy."

#### WHERE WENT THE OOMPH

Businessmen are uncertain about the present administration. Is the President antibusiness? This leads to hesitancy in decisionmaking. And they're uncertain about business, itself. It hasn't come up to first-of-the-year expectations and has fallen far below the projections of the President's Council of Economic Advisers.

So far, this recovery has been less oomphy than any previous postwar recovery, with the possible exception of 1954-55. Here is a comparison of the pluses in the present advance with those of previous recoveries over the same time span—13 months:

Indicator	1961-62	1958-59	1954-55	1949-50
	Percent	Percent	Percent	Percent
GNP.....	9.5	9.1	9.5	7
Individual production.....	13	25	12	28
Retail sales.....	8	12	9	21
Carloadings.....	12	23	15	40
Manufacturers orders.....	16	30	25	44
Workweek.....	3	5	3	4
Employment.....	4	10	5	15
Housing.....	26	52	26	80

Obviously, this hasn't been a stick-in-the-mud recovery. The rise in total output of goods and services—gross national product—is right at the top. But in housing starts, employment, retail sales, and industrial production it has lagged far behind the best. And, though it's not shown in the table, unemployment has been especially stubborn.

#### PROSPERITY STILL AHEAD

This explains Wall Street's teeter-totter behavior. Even omitting the sharp declines of April and May, the stock market rise this time was only 21 percent versus 32, 55, and 27 percent in the other recoveries. This, of course, could be due entirely to downward adjustment in earnings expectations. But it could be more.

Some economists argue that slow recoveries lead to early recessions. Even now, some pessimists prophesy that we're rounding out a top and going into an economic valley.

I don't agree. For some people, if business doesn't boom, it's a bust. I agree with Walter W. Heller, Chairman of the Council of Economic Advisers, that there's still plenty of prosperity left in the recovery.

Mr. CARLSON. Mr. President, I commend the Senator from Kentucky for making his statement. I share his views. We ought to lay the present tax proposal aside. We ought to get about the business of writing tax legislation which would give to the country some assurance of getting our economy moving. It can be done.

Mr. MORTON. I thank the Senator. Mr. President, I hope there will be some second thoughts downtown. I hope the Secretary of the Treasury, or someone from the White House, will see the wisdom of taking the initiative in laying the proposed tax bill aside. I do not think this is the time to engage in a partisan fight about attempting to table it. I think that would be a mistake. I think it would further destroy the confidence which is so badly needed today in order to get our industrial machine and our economy moving ahead. We have heard much said about getting America moving. Let us do it. One way to do it is to take away the roadblocks which are obstructing progress. The uncertainty about our tax policy is one of the roadblocks.

I do not see how we can well afford a tax cut of any particular consequence at this time, but when this "carrot" is waved before the economy or before the American investors, obviously it becomes more difficult for Members of the Congress to vote for such things as a withholding tax or dividends and interest income, or an additional tax on American companies with foreign investments, or investment credit.

What would be the outcome of the depreciation proposal made by the Under Secretary of the Treasury at Hot Springs? How would that apply in comparison with investment credit? If corporate taxes are to be lowered, do we need to provide an investment credit? Can we afford to? These are some of the questions which occur to me, after reading the newspapers today.

I say in closing, Mr. President, I think it is obvious that the 1963 promise is being injected into a 1962 campaign. I do not think that in the heat of that atmosphere is any time to attempt to legislate judiciously on something as



important as our tax structure, which can indeed seriously affect the economy of this country one way or another.

I repeat, I hope someone from the administration will take the initiative and will say, "Since there will be under consideration an omnibus bill, which will incorporate all tax reduction proposals, therefore we wish to lay this bill aside."

The time involved is only a few months. By the time the forms have been printed to implement any tax law which Congress may pass at this session, Congress will be engaged in debating proposed legislation to change the tax law. Then there will be manuals and forms and everything else to be changed, and all will have to be thrown out the window, because another tax bill will come along in a matter of months.

I sincerely hope that we will all think the problem through and lay the pending proposal on taxes aside. That in itself would give confidence to the investors in this country, stability to the stock market, and stability to the American industrial and business complex.

#### RESERVE MILITARY FORCES SHOULD BE MODERNIZED, BUT NOT REDUCED

Mr. YARBOROUGH. Mr. President, as national chairman of the National Reserve Officers Association's Legislative Advisory Committee, my interest in the pending proposal to reduce the forces of the Army Reserve and National Guard units is intense. I call attention to the fact that the ROA has recently voiced 100 percent approval for modernization of the U.S. Military Reserve.

However, the ROA is correct in pointing out that "modernizing" and "cutting back" in strength are not synonymous and that whatever reorganization that is put into effect should be carried out without reducing strength. It should also be managed without changes damaging to States and communities within the States.

Mr. President, the position of the ROA has been misunderstood at times publicly. It has been stated that they were opposed to modernization. They are not opposed to modernizing the Reserve Forces. I think the forces should be modernized in keeping with the best military overall strategy, and also in keeping with the more localized tactics requirements of modern warfare. The forces should not be decreased. They should be made more efficient.

While the ROA has made its position clear, I am continuing almost daily to receive strong protests from officials all over Texas—at virtually all levels of government—opposing a reduction of forces of the Texas National Guard.

American servicemen are now serving in danger zones in many places, and any move to weaken our country's position of strength is a grave and entirely unnecessary risk.

I favor any move toward modernization that will mold the National Guard and Reserve units into a better, stronger fighting force, but I oppose any move that represents a trend away from the

treasured American tradition of maintaining a strong, ready citizen army.

To emphasize the growing alarm in Texas in the face of a pending reduction of forces of the Texas National Guard, I have a series of resolutions opposing National Guard cutbacks from the City Council of the City of Stamford, Jones County; City Commission of the City of Ballinger, Runnels County; Commissioner's Court of Odessa, Ector County; City Council of the City of Bowie, Montague County; City Council of the City of Santa Anna, Coleman County; Mr. Paul Cain, president of the Sweetwater Board of City Development; City Commission of the City of Ranger, Eastland County; Commissioner's Court of Swisher County; Commissioner's Court of Wharton County; City Commission of the City of Vernon, Wilbarger County; City Council of the City of Mission, Hidalgo County; City Commission of the City of McAllen, Hidalgo County; and the City Council of the City of Sherman, Grayson County.

Those counties range all the way from the Rio Grande and the gulf coast to the high plains of the State of Texas. I ask unanimous consent that the resolutions be printed at this point in the RECORD.

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

#### RESOLUTION OF THE CITY COUNCIL OF THE CITY OF STAMFORD, TEX.

Whereas the city of Stamford, Tex., enjoys the benefits of a unit of the Texas National Guard with a unit strength of 53 men, including 1 full-time employee, expending in this community approximately \$44,520 during the past fiscal year, and has an armory building for which the city of Stamford, Tex., donated the land, of a value of approximately \$70,600 and the said Texas National Guard unit is of immense importance and value to the community and this area not only for the defense furnished but because of its availability for use in connection with disasters caused by storms and other causes as well as the financial benefits resulting from the location of such Texas National Guard unit in Stamford, Tex.; and

Whereas the citizens of Stamford, Tex., are in a large measure dependent upon the Texas National Guard unit for the services that it has and does perform in emergencies as well as the maintenance of the armory available for public purposes and is concerned over the proposal of an announced plan of the U.S. Government to reduce the strength of the National Guard in Texas and elsewhere: Now, therefore, be it

*Resolved by the City Council of the City of Stamford, Tex., on behalf of the citizens of Stamford, Tex., and the surrounding area, That this council protest and vigorously oppose any action by the U.S. Government to reduce the strength of the Texas National Guard units and particularly the strength of the unit stationed at Stamford, Tex., as an unwise reduction of the military strength of this country, and as an unwise action which would deprive the people of immensely valuable emergency services of the National Guard as well as having a serious impact upon the economy of the area surrounding and including Stamford, Tex.; and be it further*

*Resolved, That the Honorable R. R. Kelley, mayor of the city of Stamford, Tex., take such further action in protest of the reduction of the National Guard units throughout Texas and in Stamford, Tex., as he may in*

his discretion deem advisable; and be it further

*Resolved, That copy of this resolution be furnished to Hon. OMAR BURLISON, Congressman; Hon. RALPH YARBOROUGH, Senator; and Hon. JOHN TOWER, Senator, and to such other officials or interested persons to advise of the deep and sincere concern of the people of Stamford, Tex., regarding such proposal.*

This resolution passed by the City Council of Stamford, Tex., on this 18th day of May, A.D. 1962.

R. R. KELLEY,  
Mayor.

Attest:

J. W. CARLTON,  
City Secretary.

Whereas it has come to the attention of the City Commission of the City of Ballinger, Tex., that the Department of Defense is planning a reduction in force of its National Guard units; and

Whereas this reduction in an organization which has so ably served this Nation in times of war and peace cannot fail to deny to the communities affected an effective force for assistance in times of emergency or disaster; and

Whereas the withdrawal of a National Guard unit from any locality shall result in an economic loss to the community and deprive the youth of the community of an opportunity to serve their country: Therefore, be it

*Resolved, That the City Commission of the City of Ballinger, Tex., here in session strongly oppose any reduction in force of the National Guard units under proposed Department of Defense plans.*

Considered and adopted this the 22d day of May 1962.

A. H. DALLINGER,  
Mayor, City of Ballinger.

Attest:

J. T. ISBELL,  
City Secretary.

On this the 14th day of May A.D. 1962, came on to be held a regular meeting of the Commissioner's Court at the courthouse in Odessa, Ector County, Tex., with the following members present: Gerald K. Fugit, county judge; Earnest Broughton, commissioner, Precinct No. 1; Tine Davis, commissioner, Precinct No. 2; Kellus Turner, commissioner, Precinct No. 3; Norman Maney, commissioner, Precinct No. 4; J. C. Hamilton, county auditor; and Edna Smith, county clerk, when the following proceedings were had, to-wit:

Motion by Maney and seconded by Broughton that county pass a resolution opposing any reduction in strength of National Guard of Texas. Motion carried.

#### CERTIFICATE OF TRUE COPY

The State of Texas, County of Ector:

I, Edna Smith, clerk of the county court, in and for the county and State aforesaid, do hereby certify that the above and foregoing is a true and correct copy excerpt from the minutes of the commissioners' court, which meeting was held May 14, 1962 in Odessa, Ector County, Tex., as same appears of record in vol. 7, p. 45, Commissioners' Court Minutes of Ector County, Tex.

Witness my hand and seal of office this 15th day of May A.D. 1962.

EDNA SMITH,  
County Clerk, Ector County, Tex.  
By VALTA DAVIS,  
Deputy.

RESOLUTION BY THE CITY COUNCIL OF THE CITY OF BOWIE IN REGULAR SESSION ON THE 14TH DAY OF MAY 1962

Whereas it has been called to the attention of the city council that there is a

probability of elimination of some, or possibly all, of the National Guard; and

Whereas the Texas National Guard has fought with great distinction in every war in which this Nation has been engaged since 1836; and

Whereas if the elimination as proposed or discussed takes place, it means that the State of Texas will lose 22 of its present units, located in 22 towns throughout the State of Texas; and

Whereas the National Guard was created by the Constitution and has always been an effective reserve force available to the U.S. Army; and

Whereas the National Guard is always effective, ready, and willing and renders great service in assisting civil authorities in times of emergency, national disaster and nuclear attack and National Guardsmen's costs are one-sixth as much to maintain as to maintain a regular soldier and, therefore, the National Guard is strengthening our defense dollars sixfold; and

Whereas our local unit of Bowie National Guard consists of 99 men, most of whom reside here in our community, have families and are good citizens and are members of the National Guard because they believe in freedom for our country and are willing to pay the supreme sacrifice if called on to do so; and

Whereas the City Council of the City of Bowie believes that if there has ever been a time when our country should be prepared, it is at the present time and under the existing conditions: Now, therefore, be it

*Resolved by the City Council of the City of Bowie,* That this resolution be adopted by them as favoring a continuance of the National Guard as it now exists and that it specially be continued as to our local unit, for the reason that it means assurance of protection and if an emergency should arise, we would have a part in a unit that is always prepared and ready and willing to do its part.

Wherefore, it was moved by Paul Echols and seconded by R. D. Patterson and the following members voted in favor of such motion: Cecil Ice, Paul Echols, J. A. Airington, C. V. Young, R. D. Patterson, and W. C. Myers that said resolution as herein presented be in all things approved and adopted and that a copy of this resolution be mailed to the adjutant general of the State of Texas, Thomas S. Bishop, and a copy be mailed to each of our Senators and to our Representative, as expressing our views in this matter, with request that if they concur in our views, they use their influence in favor thereof, should the matter be submitted to Congress.

J. A. SPEARSON,  
Mayor of the City of Bowie.

Witness my hand this 14th day of May 1962.

BOBBY WINDHAM,  
City Secretary of Bowie, Tex.

#### RESOLUTION BY CITY OF SANTA ANNA, TEX.

Whereas the Texas National Guard has one of its finer units stationed in the city of Santa Anna and the county of Coleman and State of Texas; and

Whereas there has recently been completed in the city of Santa Anna National Guard Armory which serves such unit and serves the public in this area to great benefit; and

Whereas a proposed reduction will cause the loss of the National Guard unit and the above facilities to this city and to this Nation: Now, therefore, be it

*Resolved by the City Council of the City of Santa Anna, Tex.,* That this city and this council go on record as opposing any reduction in the Texas National Guard and in particular opposing any removal or reduction in the size of the unit of said Texas National Guard located in Santa Anna, Tex.,

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and respectfully request that the proper authorities not permit such reduction and that a copy of this resolution be sent to the Adjutant General of the State of Texas, Hon. O. C. Fisher, Hon. LYNDON B. JOHNSON, Vice President of the United States, Hon. RALPH YARBOROUGH, and Hon. JOHN TOWER.

W. FORD BARNES,  
Mayor.

Attest:

PAULINE GARRETT,  
City Secretary.

#### SWEETWATER BOARD OF CITY DEVELOPMENT, Sweetwater, Tex., May 18, 1962.

U.S. Senator RALPH YARBOROUGH,  
Senate Office Building,  
Washington, D.C.

DEAR SENATOR YARBOROUGH: The board of directors of the Sweetwater Board of City Development have voted unanimously to ask that you oppose in our behalf any reduction in the National Guard.

In view of the world situation today any reduction in our Armed Forces would be, in our estimation, very foolish. We should at this time maintain a backup force for our regular armies to cause any nation to hesitate to attack this country.

The National Guard serves in case of national emergencies as well as military. We protest strongly any reduction. Your statement which was made on the floor of the Senate entitled "Reduction in Strength of National Guard Very Untimely" represents our feelings fairly well.

Very sincerely,

PAUL CAIN,  
President.

#### CITY OF RANGER, TEX., May 7, 1962.

An excerpt from the minutes of the regular meeting of the City Commission of the city of Ranger, held in the city hall May 7, 1962, at 6:30 p.m., with the following members present and participating in the meeting: Morris L. Newnam, mayor; O. L. Cantrell, commissioner; W. J. Sipes, commissioner; James Higginbotham, commissioner. Among other business had was the following:

Motion was made by Commissioner Cantrell, seconded by Commissioner Sipes, that the City Commission of the City of Ranger, Tex., be opposed to a reduction of the Texas National Guard.

Motion carried.

I, Reba C. Rawls, city secretary of the city of Ranger, Tex., hereby certify, that the foregoing resolution is a true and compared copy of a portion of the minutes of the City Commission of the City of Ranger, Tex., in regular session in the city hall May 7, 1962, and that same is recorded on page 47 in volume 14 of the minute records of said city commission.

REBA C. RAWLS,  
City Secretary.

The Commissioners' Court of Swisher County, Tex., this 14th day of May 1962, hereby resolve to oppose any cut or reduction in our National Guard Reserve.

Whereas since our National Guard is located in a strategic point between Lubbock and Amarillo our National Guard would be vital in any emergency arising in our national defense program, and

Whereas if a reduction is made it could cripple our Nation's defense; and

Whereas a reduction in the local National Guard will bring depressing payroll slashes in our community; and

Whereas our National Guard performs unsurpassed good during time of disaster caused by elements as well as in time of war: Therefore,

We directly oppose any reduction in strength of our National Guard.

Signed this 14th day of May 1962.

JACK DRISKILL,  
County Judge, Swisher County, Tex.  
PRICE BRADLEY,  
Commissioner Precinct No. 1.  
E. M. THOMAS,  
Commissioner Precinct No. 2.  
A. F. WILKINS,  
Commissioner Precinct No. 3.  
P. P. STUBBLEFIELD,  
Commissioner Precinct No. 4.

#### RESOLUTION BY COMMISSIONERS COURT OF WHARTON COUNTY, TEX.

Whereas the Commissioners Court of Wharton County, Tex., has been advised by Gen. Thomas S. Bishop, the Adjutant General of the State of Texas, that there is a possibility of the reduction in the National Guard strength in the United States, which reduction will in all probability affect National Guard units located in 22 Texas cities; and

Whereas there is located in El Campo, Wharton County, Tex., a National Guard unit, Headquarters and Headquarters Company, 2d Medium Tank Battalion (Patton), 124 Armor 36th Infantry Division, and said unit does expend the sum of \$108,306 locally; and

Whereas said National Guard unit has, in the opinion of the court, rendered material service to the citizens of Wharton County and the Texas coast generally during times of emergency, in particular on September 9 through 17, 1961, at which time the Texas coast was raked by Hurricane Carla: Now, therefore, be it

*Resolved by the Commissioners Court of Wharton County, Tex., sitting in regular session this 14th day of May 1962,* That it go on record as favoring the retention of the National Guard units in Texas, both as to present number and strength; and be it further

*Resolved,* That this resolution be spread upon the minutes of this court, and that a copy hereof be by the clerk of this court forwarded to the Honorable CLARK W. THOMPSON, Congressman of the Ninth Congressional District; the Honorable RALPH W. YARBOROUGH, U.S. Senator; and the Honorable JOHN G. TOWER, U.S. Senator.

DORMAN NICKELS,  
County Judge.

Attest:

DELFIN MAREK,  
County Clerk.

#### RESOLUTION 127

Resolution urging the National Guard Bureau of the U.S. Army not to reduce the strength of National Guard units in Texas

Whereas the Department of the Army's National Guard Bureau has announced that Texas will lose 10 percent of its company size National Guard units under the proposed Department of Defense plans to realign the Reserve components of the Army; and

Whereas this plan would mean that 22 Texas cities would lose their National Guard unit during the coming fiscal year; and

Whereas it appears that such a reduction would severely cripple the entire National Guard program in Texas and would cause a great reduction in the efficiency and morale of the National Guard; and

Whereas the National Guard program as reflected in Texas provides a tremendous benefit both to the national defense and to the welfare of the men involved, and to the entire economy: Be it

*Resolved by the City Council of the City of Mission, Tex., That—*

1. The city council hereby goes on record as opposing this proposed realignment and reduction of the National Guard units, and



2. The mayor of the city of Mission is directed to forward certified copies of this resolution to the Honorable JOE KILGORE, Congressman from the 15th Congressional District of Texas, and to the Honorable RALPH YARBOROUGH and Hon. JOHN TOWER, U.S. Senators from Texas, urging them to take any and all action necessary to prevent the proposed reduction and to allow the Texas National Guard the means to continue the service which it so ably performs for its State and country.

Adopted at regular meeting this 8th day of May 1962.

HERBERT R. MELCH,  
Mayor, City of Mission.

Attest:

EDWARD ROMEROS,  
City Secretary, City of Mission.

RESOLUTION OF THE BOARD OF COMMISSIONERS  
OF THE CITY OF RAYMONDVILLE, TEX.

Whereas there has been a proposal presented to decrease the National Guard in Texas, and said proposal might affect the National Guard unit located in Raymondville; and

Whereas the Government has in recent years spent \$121,084 for the construction of a new armory building in Raymondville and civic groups have contributed the land on which the building is located; and

Whereas the economy of Raymondville and Willacy County will be greatly affected by any change in said unit at the present time; and

Whereas this unit contributed a great many trained men for the armed services at the beginning of World War II; and

Whereas the unit is of great service in time of national or local emergency since it is located adjoining the King Ranch, the Gulf of Mexico, and near the Mexican border; and

Whereas it is deemed vital that said unit be maintained for the national and local welfare: Now, therefore, be it

*Resolved by the Board of Commissioners of the City of Raymondville, Tex.,* That the maintenance of the local unit of the National Guard be and it is hereby declared to be of vital importance to Raymondville and surrounding area; that said unit is of great importance for the protection of the area in time of disaster, and is particularly important here because of our geographical location; that the elimination of the local Guard would result in great financial loss to the Government and the community; and that it would probably not be good business on the part of the U.S. Government to make any changes at this time or in the future; and be it further

*Resolved,* That the situation is of such importance that this resolution should be placed on the records of this city, and that proper publicity be given to the resolution in order to show all officials concerned that much study should be given to the problem and that hearings be held thereon before any decision is reached by the responsible officials.

Passed and approved, this the 8th day of May 1962.

C. R. HUFF,  
Mayor.

Attest:

City Secretary.

RESOLUTION BY CITY OF McALLEN, TEX.

Whereas, the Texas National Guard has fought with great distinction in every war in which this Nation has been engaged since 1836; and

Whereas it is the plan of the Department of Defense to eliminate from the Reserve force structure eight divisions (four National Guard); and

Whereas the National Guard concurs in the creation of six high-priority divisions, but the creation of these divisions should be in addition to, not at the expense of the remaining divisions; and

Whereas if this elimination takes place, the State of Texas will lose 22 of its present units located in 22 towns throughout the State of Texas; and

Whereas the elimination of National Guard units removes a most efficient recovery force from each community affected, and denies the area a most effective force for assistance to civil authority in times of emergency, natural disaster, and nuclear attack; and

Whereas the withdrawal of a National Guard unit from any locality results in a sharp financial loss to the community, and, in addition, denies our youth a means by which they can serve their State and Nation: Now, therefore, be it

*Resolved,* That the city of McAllen through its duly authorized officials does hereby go on record as being opposed to the proposed reduction in the strength of the National Guard and favors the continuation of the National Guard program for the reasons above set forth.

ROBERT F. BARNES,  
Mayor, City of McAllen, Tex.

Attest:

NATIVIDAD SANCHEZ,  
City Clerk.

CITY OF SHERMAN, TEX.

Be is resolved by the City Council of the City of Sherman, Tex., in a regular meeting on this the 7th day of May, 1962, that this body go on record as opposing a reduction in the size of the Texas National Guard Bureau.

It is further urged by the city council and so resolved that a copy of this resolution be mailed forthwith to the Honorable RALPH YARBOROUGH, Senator, Hon. JOHN TOWER, Senator, and the Honorable RAY ROBERTS, Congressman of the Fourth District, and urge their efforts in preserving the Texas National Guard as it now stands.

Passed and approved this the 7th day of May 1962.

TOM B. MOORE,  
Mayor.

Attest:

J. B. ATKINSON, Jr.,  
City Clerk.

RESOLUTION BY COUNTY OF WILBARGER, CITY  
OF VERNON

Whereas the City Commission of the City of Vernon deems the National Guard to be of vital importance to the Nation, the States, and the communities in which local units are maintained, and

Whereas the unit located at Vernon, Tex., is housed in a permanent type building owned by the National Guard on land donated by said city, and said unit can be of great assistance to the community in case of disaster or other emergency: Now, therefore, be it

*Resolved by the City Commission of the City of Vernon,* That the Department of the Army's National Guard Bureau be, and is hereby, requested to continue the unit of the Texas National Guard located at Vernon, Tex., in connection with any program such Department may hereafter instigate.

Adopted by the unanimous vote of all members of the City Commission of the City of Vernon, at a regular meeting held on May 8, 1962.

J. B. WRIGHT, Mayor.  
JAMES R. HAMILTON,  
ERNEST ROGERS,  
L. W. BRAJIL,  
J. B. TAYLOR,  
Commissioners.

Attest:

T. W. DANIEL,  
City Secretary.

TWO-THIRDS OF ABILENE, TEX.,  
HIGH SCHOOL SENIORS PLANNING  
TO ATTEND A COLLEGE THIS FALL

Mr. YARBOROUGH. Mr. President, the city of Abilene, Tex., which has three fine colleges, can be justly proud of the fact that 454 of the 679 seniors graduating from Abilene public schools this year are planning to enter college this fall.

As the Abilene Reporter-News pointed out in an editorial recently, this represents two-thirds of the graduating high school students in Abilene, and is a surprisingly high percentage.

These totals should serve as a warning bell to all who are interested in the field of higher education that the increasing demand for teachers and teaching space and facilities deserves our constant and unrelenting attention and efforts.

In the meantime, I salute Abilene and the ambitious youth. Abilene is known in Texas as the city of Christian education. It is the home of Abilene Christian College, McMurry College, and Hardin-Simmons University, all senior colleges. Loans under the National Defense Education Act of 1958 have helped nearly a thousand students attend those three colleges alone. With the coming tide of young Americans eager for learning and dedicated to their country's progress, larger programs will be needed in the future.

I ask unanimous consent to have printed in the RECORD an editorial from the Abilene Reporter-News of Thursday, May 31, 1962, entitled "Going to College."

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

GOING TO COLLEGE

Of the 679 seniors graduating from Abilene's three public high schools this week, 454 of them plan to go to college this fall.

This is two-thirds of the total. That is a remarkable percentage.

Our percentage, of course, would be higher than normal in noncollege cities, for many can arrange to attend one of the three institutions of higher learning here who could not go out of town.

This is one of the assets and good fortunes that accrue from living in Abilene.

But another reason so many plan to go to college is that these times call for a better than average education, and both the parents and students realize that.

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

The ACTING PRESIDENT pro tempore. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. SPARKMAN. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

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

AMENDMENT OF THE FOREIGN  
ASSISTANCE ACT OF 1961

The Senate resumed the consideration of the bill (S. 2996) to amend further the Foreign Assistance Act of 1961, as amended, and for other purposes.

WE DO NOT USE FEDERAL FUNDS FOR THE MAINTENANCE OF HIGHWAYS AT HOME—WE SHOULD NOT DO IT ABROAD

Mr. GRUENING. Mr. President, if our foreign aid program is to continue, if it is to have the support of the American people, if Congress is to be expected to continue to vote billions of dollars for it annually, wisdom in the expenditure of American taxpayers' funds must be vastly augmented and waste and the double standard hitherto prevalent must be eliminated. President Kennedy, in sponsoring the Alliance for Progress in Latin America, has set some specific guidelines in which self-help and reforms of various kinds in the recipient countries were declared to be essential to the continuation of Uncle Sam's financial assistance. It is regrettable that such self-help and such reforms, despite President Kennedy's prescription of them as conditional to our aid have not been generally forthcoming or, at best, forthcoming in a very limited degree.

As a member of a subcommittee of the Senate Committee on Public Works, of which my able colleague, the senior Senator from West Virginia [Mr. RANDOLPH] is chairman, I went to Central America shortly before the opening of this session of Congress to inspect the progress of the Inter-American Highway extending through the six Central American Republics from the Mexican border to the Panama Canal.

Its construction is the responsibility of the Congress under a variety of statutes and appropriation measures enacted, beginning as far back as 1930. Under these statutes, which are listed on page 3 of our subcommittee's report, the United States is committed to pay two-thirds of the cost of construction of this highway, and the six Republics—Guatemala, Honduras, San Salvador, Nicaragua, Costa Rica, and Panama—one-third. To date, the United States has contributed as its share of this arrangement \$138,703,000. Let me say that I consider this highway a desirable project. It links us with our neighbors and it helps them and should aid them increasingly in the development of their resources and of their economy. The highway is now nearing completion, although regrettably not on the schedule or within the appropriations at various times predicted by the officials of the Bureau of Public Roads, who have charge of the project. Our subcommittee, in its report, expressed the hope that the estimate by the Bureau of Public Roads as to the amounts needed to complete the Inter-American Highway would henceforth be more accurate than those presented in the past.

Indeed, the subcommittee reminded the Bureau of Public Roads that when that agency appeared before the committee in 1955 requesting an additional authorization of \$25,730,000 to complete the Inter-American Highway, assurances were given at that time that the highway could and would be completed with that sum. The following colloquy took place at that time:

Senator GORE. I would like, Mr. Chairman, to inquire either of Mr. Curtiss (Commissioner of Public Roads) or Mr. Turner (Assistant to the Commissioner of Public

Roads), as to the reliability, in their opinion, of the cost estimates?

Mr. CURTISS. We think they are reliable, and that the work can be done for that amount.

Senator GORE. Did you arrive at the recommended amount through detailed study or is it a so-called educated guess?

Mr. CURTISS. Mr. Turner was in charge of the work of making the estimates. I think it was a careful estimate.

Senator GORE. Do you say so, Mr. Turner?

Mr. TURNER. Yes.

However, in 1957, the Bureau of Public Roads was before the Congress again requesting an additional authorization of \$10 million and admitting that its previous estimates had been incorrect. Such increased authorization was voted by the Congress.

Now we are told that a request for the authorization of an additional \$32 million will have to be made to the Congress, again for the purpose of completing the construction of the Inter-American Highway.

Thus, the Bureau's estimate in 1955 that the expenditure of the sum of \$25,730,000 would complete the Inter-American Highway turns out to be incorrect by \$42 million—an error of close to 200 percent. No one now can say what the reaction of the Congress would have been in 1955 if it had been told that it would take \$67,730,000 to complete the highway rather than \$25,730,000. Congress is entitled, if it is to legislate intelligently, to more accurate estimates than have hitherto been furnished it with respect to this program.

I would add that the subcommittee also viewed with concern and so reported, that nowhere along the hundreds of miles of this highway through six countries was there any sign indicating that the construction of this major project was a joint undertaking in which the United States had actually paid two-thirds of the cost besides providing expert engineering and other services without which the highway could not have advanced to its present status. No adequate explanation was given as to why such markers and signs had not been installed. The subcommittee believes that this is not merely a matter of national pride but that such markers should properly serve as a constant daily reminder to the users of these highways of the tangible interest of the people of the United States in the economic betterment of the people of the Central American countries. It is our hope that such signs, suitably designed and appropriately placed, will now be forthcoming.

But of much greater concern even than the inaccuracies of the cost estimates with which the Congress has hitherto been confronted and the failure to attempt to secure recognition of the major part which the United States has played in this project, was the discovery by the subcommittee that with the exception of San Salvador, the one-third contributions of the five other countries came variously out of our own foreign aid program in the form of loans and grants from our various foreign aid and lending agencies. In other words, Uncle Sam was, in fact, to a large degree paying the one-third cost which, under the statute enacted by the Congress, was an

obligation of the recipient countries. The facts and figures are set forth on pages 63 to 70 of the subcommittee's report.

Had the Congress so wished, although I would not have considered it wise, it could have financed the entire project as an outright grant. I would have considered this undesirable in that it would not have required the obviously desirable participation and sharing of responsibility and costs which was clearly the intention of the Congress when it enacted the legislation that did provide a two-thirds participation by the United States and a one-third participation by the recipient countries. Certainly, the way the program has worked out has not been a fulfillment of and compliance with the congressional mandate. It certainly has not served the purpose of evoking the kind of self-help which President Kennedy has properly called upon foreign countries to vouchsafe in present and future programs.

Now that the Inter-American Highway is, however, let it be hoped, nearing completion, if and when the Congress votes the additional \$32 million now requested, the suggestion has been made that the United States continue, under its foreign-aid program, to assist these countries in maintaining the roads which as it turns out are virtually wholly or almost wholly built with American funds. This, I think would be a most unwise policy and a highly costly one. Certainly, after a generation of assistance and training by the engineers and officials of the Bureau of Public Roads, the appropriate road building agencies of these six Central American countries should be able to maintain the roads that we have built. In any event, in the remaining year or two when we complete the Inter-American Highway, the Congress could properly direct the Bureau of Public Roads officials to make every effort to inculcate road maintenance training and efficiency upon the appropriate officials of these six Republics.

Further, I doubt whether Uncle Sam's purse is going to be long enough to maintain in foreign countries all over the world the roads we have built wholly and in part through our foreign aid program. Let it be made crystal clear that we do not do this for ourselves at home. Many of our States would like nothing better than to use Federal funds for the maintenance of the highways built under our Federal Aid Highway program. Requests to that end have often been made but never granted. It seems to me unthinkable that we should do for foreign countries what we specifically refuse to do for our own States. Yet that is being seriously contemplated. I am, therefore, proposing an amendment to the foreign aid program, specifically to the Foreign Assistance Act of 1961, S. 2996, which would prohibit the use of funds for reconstructing, rebuilding, or maintaining any road or highway in a foreign land which has been wholly or partly built by American foreign aid funds, either through grants or loans. I trust that the amendment will be accepted and incorporated in the proposed legislation, and I ask unanimous consent that it be printed at this point in my remarks.



The ACTING PRESIDENT pro tempore. The amendment will be received, printed, and lie on the table; and, without objection, the amendment will be printed in the RECORD.

The amendment is as follows:

On page 11, after line 24, add the following:

"(F) After section 620 add the following new section:

"SEC. 620A. PROHIBITION AGAINST USE OF FUNDS FOR CERTAIN HIGHWAY PURPOSES.—None of the funds authorized to be appropriated by this Act shall be used for making any grant or loan to any country for the reconstruction, rebuilding, or maintenance of any road or highway in such country in the construction of which United States funds, either in the form of loans or grants have been used."

Mr. SPARKMAN. Mr. President, will the Senator from Alaska yield?

Mr. GRUENING. I yield with pleasure to the distinguished Senator from Alabama.

Mr. SPARKMAN. I have listened with interest to the Senator's presentation of his amendment. Most of the Senator's remarks—practically all of his speech—related to the Inter-American Highway. However, the amendment seems to cover any and all road projects. Is that a correct interpretation of the Senator's amendment; or is the amendment intended to relate only to the Inter-American Highway?

Mr. GRUENING. Of course, my attention was forcefully called to this situation by my visit to Central America. I believe it to be sound policy, wherever the United States has built roads in foreign countries under our foreign aid program, that the future responsibility of maintaining the roads after they have been built should be left to the recipient countries, and that Uncle Sam should not be expected to continue to supply financial aid to maintain the roads for an indefinite period. Otherwise we would be pouring our money into a bottomless pit.

I think it desirable for the United States where it has paid for highway construction not merely in Central America, although the situation in Central America was forcefully called to my attention, to insist that thereafter maintenance be by the recipient country. I believe we should not do for foreign countries what we ever do in our own country. As the Senator from Alabama well knows, and as the Presiding Officer, the distinguished Senator from Wyoming [Mr. HICKEY], knows, the attempt has often been made to obtain Federal aid for the maintenance of highways in the Western States. These requests have always been refused. The States are not allowed to use Federal funds to maintain roads which have been built under the Federal-aid highway program. There should be no different policy for road maintenance abroad.

Mr. SPARKMAN. I think the Senator from Alaska will agree with me that the situations are not analogous. In the United States we have a State-Federal arrangement. In the other case, the dealings are between two nations—the United States and another nation.

I am not attempting to answer the Senator's presentation concerning his

amendment at this time, but I am throwing out suggestions or thoughts. As I see it most of our assistance in road-building—I am speaking of roadbuilding generally—is going to countries which are underdeveloped. In other words, we do not ordinarily, in our aid programs, build roads in industrialized countries. Our purpose is to help underdeveloped countries. One of the first things we seek to do when we move into an underdeveloped country is to help in the building of communications systems. By "communications systems" I mean highways, railroads, and telephone and telegraph lines. It is facilities of that kind which can pull communities together.

So it seems to me that it might be necessary for us to continue to give some kind of assistance. When we build a road or make money available for the building of a road, certainly we do not want to see the road go to pot; we want to have it remain a good road. If, by making money available in relatively small amounts, roads can be maintained in good condition, the investment we have made, particularly in underdeveloped countries, can be protected.

Mr. GRUENING. Mr. President, will the Senator from Alabama yield?

Mr. SPARKMAN. The Senator from Alaska has the floor.

Mr. GRUENING. But as a part of our program in other countries—it is a program of assistance, and it also involves training and education—as we complete the roads, why do we not concomitantly train the local officials to maintain them?

Actually, the law provides that these countries shall maintain the roads that we build for them. Specifically, section 212 of title 23 of the United States Code says, and I quote:

No part of said appropriations—

This is the appropriation for the construction of the Inter-American Highway—

shall be available for obligation or expenditure in any such country until the Government of that country shall have entered into an agreement with the United States which shall provide in part that said country.

And then there are five provisions, and the fifth is: "will provide for the maintenance of said highway after its completion in condition adequately to serve the needs of present and future traffic."

Mr. SPARKMAN. I am glad the Senator from Alaska has brought out that point, because I intended to refer to it. It is highly essential that that be done, and that is what we ordinarily do when we work in a less developed country. We develop primarily the things I have mentioned—transportation, utilities, education, and technical assistance to agriculture, sanitation, and public health, for instance—things that require technical assistance and technicians. I certainly agree with the Senator from Alaska that as we help build the roads, we need to help train technicians there to maintain them. But that takes time; it cannot be done overnight.

Mr. CARLSON. Mr. President, will the Senator from Alaska yield?

Mr. GRUENING. Certainly.

Mr. CARLSON. I wish we could follow the suggestion of the Senator from Alaska and could adopt his amendment, but I believe some problems are involved. I am sure the Senator from Alabama and I have traveled in Cambodia and in Vietnam in areas where the roads had gone completely to pieces. So either we had to assist in bringing the roads up to standard again, or else we had to face the loss of the investment we had made in such roads. So we shall have to maintain some of the roads, at least for a while, although I wish we did not have to do it.

Mr. GRUENING. But cannot my suggestion be met at least part way, by imposing a time limit in that connection? I appreciate the fact that in a country such as Cambodia, the development of trained technicians would involve some delay. But, on the other hand, let us consider the situation in the countries of Central America where our engineers have been working for years. How long a time will be required to train the needed personnel there? There must certainly be some cutoff date.

Mr. CARLSON. One of my sincerest regrets is that I have not yet visited any of the countries of Central America or South America. But I hope some day to be able to visit there.

Mr. GRUENING. However, the principle is most important. Although I appreciate the point the Senator from Alabama has made—namely, that the situation is somewhat different—yet it is true that if we are to help these countries to stand on their own feet, we must make a beginning, particularly in countries in which our experts have been assisting in a particular activity for a generation. I do not now refer to countries such as Cambodia. But in countries where our experts have been giving assistance for many years, surely we can say, "We are turning over these roads to you. We expect you to maintain them from now on."

Of course, if within a year or so we found these highways were going to pot, and it was in the national interest to do so, we could reopen the situation. But certainly we must point out to the governments of these countries that that is their responsibility henceforth. At least I so believe.

It was a great shock to us, to the members of our Public Works Subcommittee, to find that in Central America none of these countries—except El Salvador—has contributed the one-third of the cost which each was supposed to contribute. Actually, the statute specifically provides that the United States will pay two-thirds and the other countries will pay one-third. But they have paid the one-third largely out of our own foreign-aid funds. Certainly this is a ridiculous situation, and considering the statute a highly improper one, and surely it is time for us to clamp down.

Mr. SPARKMAN. Mr. President, will the Senator from Alaska yield?

Mr. GRUENING. I yield.

Mr. SPARKMAN. I find in the Senator's statement nothing with which I

can quarrel in any way. However, he is referring to a specific instance; namely, the Inter-American Highway. Under the administration of that act there should have been a closer watch in this connection.

But the Senator's amendment does not deal only with the countries of Latin America through which the Inter-American Highway passes; his amendment also deals with the nations of Africa and with other nations in South America.

Last fall I visited in South America, and I saw there some very fine highways—for example, in Venezuela. I do not think U.S. funds were used to build that highway; I believe the Venezuelans built it with their own funds. Undoubtedly they are developing the needed technicians.

But I can think of other countries in South America that do not have the necessary roadbuilding knowledge. That is required, and it will take time to obtain it.

I believe the objective the Senator from Alaska has mentioned is a good one; and I believe that in the administration of the AID Act and in the administration of the Inter-American Highway Act, the principles he has enunciated should be carried out. But when such a provision is included in the law, in the manner called for by the Senator's amendment, no leeway is left.

The Senator from Alaska himself has said that if the amendment were adopted and if thereafter we found that these countries did not have the necessary technical knowledge so as to be able to maintain the roads, we could examine the situation again. But the Senator knows that it takes time for Congress to act.

So I hope the Senator from Alaska will take up this problem with our AID people; and I am sure he can get from them a good, strong letter regarding it, because I believe the principle of his amendment is a good one. However, I hope he will not insist upon including his amendment in the law.

Mr. GRUENING. Would the Senator from Alabama agree to the inclusion of my amendment in an amended or modified form, so as to limit the application of this provision for the time being to the Inter-American Highway?

Mr. SPARKMAN. That is a matter which is controlled by the Public Works Committee, I believe. I would much prefer to have some of the members of that committee in the Chamber, to participate in the debate. The Senator from Tennessee [Mr. GORE] was formerly chairman of the subcommittee, but I believe he is no longer a member of it.

Mr. GRUENING. That is true. He was a very effective member of the committee, but he no longer serves on it; he now has moved to the Committee on Foreign Relations.

Mr. SPARKMAN. I do not know who is the chairman of the committee now; but I hope the Senator from Alaska will wait until some of the members of that committee, and particularly the chairman of the Roads Subcommittee, are present.

Mr. GRUENING. I hope the Senator from Alabama will agree to the inclusion in the bill of a provision to the effect that when such roads are built, concomitant training of maintenance personnel will be insisted upon, so that in a year or so these countries will be able to take over. I believe we should at least establish a policy looking in that direction, even if this amendment is not approved.

Mr. SPARKMAN. I feel confident that the Senator from Alaska can obtain such assurances from Mr. Hamilton, the Director of the AID program; and I suggest that the Senator write a letter to him. Of course, we could include in the bill a statement of principle or policy; but it seems to me that these problems should be handled administratively.

Mr. GRUENING. They ought to be. However, as the Senator from Alabama well knows, frequently they are not.

Mr. SPARKMAN. That is true. Mr. GRUENING. A declaration of purpose by the Congress—although even that is not always respected—does carry a certain amount of weight and authority.

So I believe it desirable, as part of the entire foreign aid program, which, as we know, is to provide economic assistance and educational assistance—for us to indicate to these countries that when we embark on a new activity, such as roadbuilding, they will be expected at some future time—and at the earliest possible time—to maintain the roads. I believe it important that that be declared as part of our policy, and also that every effort be made by our administrative agencies which have charge of the work to see to it that that policy is carried out. Otherwise, the United States would merely continue indefinitely to provide assistance, but no sense of responsibility would have been inculcated upon the recipient countries.

Mr. SPARKMAN. During the day I shall be glad to discuss this question further.

Mr. GRUENING. I thank the Senator from Alabama.

Mr. DWORSHAK. Mr. President, will the Senator from Alabama yield to me?

Mr. SPARKMAN. I yield.

Mr. DWORSHAK. I should like to ask the acting chairman of the Foreign Relations Committee whether, in the deliberations in the committee on the foreign-aid bill, any reference was made to the acute situation involving the constant outflow of gold and the unfavorable balance of payments, which are placing the economy of our country in dire circumstances.

Mr. SPARKMAN. In the statement I made yesterday I mentioned that subject, although briefly. I called attention to the fact that under the overall aid program, 78 percent of the funds are spent in this country, and practically all the remainder—I refer now to the funds which are spent in other countries—is spent in countries which are greatly underdeveloped.

We do not spend any money in industrialized countries. Furthermore, I invite the attention of the Senator to the fact that under our military assistance program we actually reverse the flow of dollars, because instead of our

dollars going there, we get more dollars back. I remember a \$335 million item representing the sale of munitions or supplies to those countries. There was a \$800 million return, representing purchases in the United States made by those countries. So we actually recoup a good part of that money. I do not have the overall figures. It would be interesting to know what it amounts to, but we recoup a great part of the money.

Mr. DWORSHAK. Will the Senator yield further?

Mr. SPARKMAN. I yield.

Mr. DWORSHAK. I point out that we receive assurances, like the one given by the Senator from Alabama, that our economy is making some progress, that we are on the move. He says we are recouping some of our gold, but I invite the attention of the Senator to a statement I received from the Treasury, that in 1961 we had a loss of \$857 million in gold outflow. In the first 5 months of 1962 there was a loss. In January there was a loss of \$100 million. In February, \$52 million; in March, 152 million; in April, \$124 million; in May, \$60 million. During the first 5 months of this calendar year there was a loss of \$488 million.

If that rate of outflow is maintained throughout the calendar year, there will be a loss in excess of \$1 billion of gold this year.

Of course, a defense could be made that the foreign aid program contributes to this situation, which to me is even more of a menace than Communist aggression abroad.

I should like to ask the distinguished member of the Foreign Relations Committee, the Senator from Alabama, whether we can continue with this elaborate, very liberal foreign aid program and have a continual outflow of gold, which has reached levels which now constitute a serious challenge, if the American dollar abroad should lose some of its prestige and our creditors should demand payment in gold.

The Senator from Alabama is as aware as I am of this situation. It is a menacing situation to the economic condition of our country.

I should like to have some assurances from the Senator that we can continue blindly putting up billions of dollars under the guise of foreign aid at a time when our financial condition is immeasurably worse, probably, than the fiscal status of any other country in the world today.

Mr. SPARKMAN. I think that is a rather exaggerated statement.

Mr. DWORSHAK. It is in the record.

Mr. SPARKMAN. That is the Senator's conclusion. We hear a great deal about the outflow of gold or dollars from this country. It is rather strange to me that we do not consider the trend. There has been an improvement in the outflow of gold. I join the Senator in his concern about it. I am as concerned as he is about it, but I take comfort from the fact that 3 or 4 years ago we lost, in 1 year, about \$4 billion, and in another year \$3½ billion—

Mr. DWORSHAK. The Senator is thinking about the balance of payments.

Mr. SPARKMAN. I am talking about dollars. There was an outflow of gold



taking place at that time. The outflow of dollars has been whittled down. It is less. So long as we can keep the trend downward, we are making an improvement.

I agree with the Senator that we cannot go on forever with an outflow of gold or dollars—I do not care which way it is captioned—

Mr. DWORSHAK. Dollars are gold.

Mr. SPARKMAN. They represent a call on gold.

Mr. DWORSHAK. Redeemable in gold.

Mr. SPARKMAN. Yes; redeemable in gold.

I have given the figures relating to half of the bill—that is, the military part of it. If the Senator will refer to page 9681 of yesterday's RECORD, he will see reference to this subject. I think it is well to read it here. I am reading from the middle of the paragraph at the top of the first column on that page:

The committee was pleased to learn that the net effect on the American economy of the military assistance program is an inflow of gold. This year, \$335 million in military aid is being spent outside the United States, but the sale of military equipment under the program will return \$800 million to the United States. Also, more than \$400 million of direct business to U.S. firms will be created by a number of cost-sharing programs that are being carried on under this program.

In the next paragraph there is something to which I wish to call attention:

The fact is, as the committee report observes, that about 78 percent of all the funds appropriated for fiscal year 1962—

That is the present fiscal year, of course—

will be spent directly in the United States. And the administration estimates that almost all of the economic assistance not spent directly in the United States will be spent in countries which are the beneficiaries of our aid—as distinct from European countries and Japan.

As I said a few minutes ago, in the administration of this program we see to it that the money that is to be spent outside the United States—and it is only a small amount—is spent in nonindustrialized countries.

Mr. DWORSHAK. Will the Senator yield further?

Mr. SPARKMAN. I yield.

Mr. DWORSHAK. If these conclusions and figures are correct, according to the record, one might be justified in assuming that the foreign aid program has not contributed materially to the outflow of gold or dollars.

Mr. SPARKMAN. I am not prepared to say that, and I have not said that, but I have given the Senator the figures as to the present fiscal year, and I rest on those. I am not trying to say anything that in any way would seek to remove the concern every one of us ought to have regarding the outflow of gold and the balance of payments. The situation has been improving over the last year and a half.

Mr. DWORSHAK. Will the Senator yield for an observation?

Mr. SPARKMAN. I yield.

Mr. DWORSHAK. When we go back over a few years, we see that in 1951 the

gold stocks were \$22,873 million. At the end of May 29, 1962, the gold stocks were \$16,435 million, which is a loss of about \$6 billion over that 11-year period.

Mr. SPARKMAN. That is correct.

Mr. DWORSHAK. The annual losses were quite heavy. The record I have shows that in 1956 we had a gain in our gold stocks of \$305 million. In 1957 we had a gain of \$799 million. It is not true that we have had an outflow of gold of \$3 or \$4 billion a year—

Mr. SPARKMAN. No. I did not say outflow of gold; I said balance of payments.

Mr. DWORSHAK. I want that distinction made.

Mr. SPARKMAN. That eventually goes into an outflow of gold. I said balance of payments.

Mr. DWORSHAK. That is correct.

Mr. SPARKMAN. I said "dollars." I did not say "gold," as the Senator will remember, but I said "dollars."

Mr. GRUENING. Mr. President, will the Senator yield, with respect to the subject of gold?

Mr. SPARKMAN. I yield.

Mr. GRUENING. Is the Senator aware of the fact that there is a bill pending before the Congress, introduced last year by the distinguished Senator from California, Mr. ENGLE, and cosponsored by Senators KUCHEL, CHURCH, CASE of South Dakota, and myself, which would attempt to improve the gold situation by subsidizing gold mining?

Gold is the only product of industry which, under our free enterprise system, by a strange paradox, is held down by law to the price paid 28 years ago, in 1934. Of course, all costs of operating the industry, including labor and material costs, have increased. In order to meet this situation and to try in part to replenish the supplies of gold in the Nation's gold reserves, the bill would assist the gold miners in a way similar to the way the Government is assisting agriculture, although to no such extravagant extent as our multibillion dollar agricultural program provides.

There has been a hearing on the bill before the Subcommittee on Minerals, Materials, and Fuels of the Committee on Interior and Insular Affairs, of which my good friend from Idaho [Senator DWORSHAK] is a member. There will be another hearing this week, on Friday the 8th of June, at which time we shall question, we hope, the Treasury Department officials and the other departmental officials who reported adversely on the bill, and said, with complete irrelevance, that they could not approve the proposed legislation because we should not raise the price of gold.

The bill would do nothing whatever toward raising the price of gold. The bill would keep the price of gold fixed at exactly the price now in effect, which has been in effect since 1934, \$35 an ounce. The bill, however, proposes to subsidize the gold miners for each ounce of gold mined to compensate them for the fact that they cannot increase their prices although they have to pay increased costs, and to enable them to continue in operation.

Does not the Senator from Idaho believe that some measure of this kind

might be helpful in respect to stopping the diminution of our gold supply and replenishing the U.S. reserves?

Mr. DWORSHAK. It would not necessarily stop the outflow of gold, but it might increase the gold reserves in this country, if enough gold were mined.

Mr. GRUENING. Does the Senator not think it would be helpful not only to the gold mining industry but also to the strength of our economy, if our gold reserves could be increased?

Mr. DWORSHAK. Probably it would.

I have felt that if we could materially curtail Federal spending and prevent the large deficits every year we would be in a stronger financial position, and that automatically would curtail the outflow of gold dollars.

Mr. GRUENING. I agree with the Senator that there are other methods which could be employed. I believe, and hope the Senator will agree, when the time comes—and I hope he will be present at the hearings to help examine the officials who reported adversely on the bill—that the proposal with respect to gold to which I referred at least would be a concrete compensatory step.

Mr. DWORSHAK. Mr. President, will the Senator from Alabama yield for one more question?

Mr. SPARKMAN. I yield.

Mr. DWORSHAK. I am happy to have the assurance from the Senator from Alabama, the acting chairman of the Committee on Foreign Relations, that in the consideration of the foreign aid bill the subject of gold and the balance of payments has been considered. While there may be some improvement—and the record shows a gradual improvement—if the rate of gold outflow established during the first 5 months, through May 29, of this calendar year continues until December, there will be a gold loss of more than \$1 billion.

I should like also to invite the attention of the Senator to a table I have received from the U.S. Department of Commerce, which shows that in 1961 our unfavorable balance of payments was \$2,454 million.

Mr. SPARKMAN. Yes; that is correct.

Mr. DWORSHAK. I am not sure the Senator is justified in saying that perhaps not too much of the blame rests upon the foreign aid spending, which has reached the gigantic total of more than \$90 billion since the end of World War II, but certainly it is the responsibility of the committee on which the Senator serves and of the Committee on Appropriations, of which I happen to be a member, and of other committees of the Senate, to thoroughly explore the reasons why the United States is constantly going downhill. We will not bring up the subject of the stock market plunge or the deterioration and eroding of economic conditions in this country, but I am sure the Senator from Alabama will agree with me, if he studies these problems through the committees of which he is a member, that the time has come when the American people are demanding some remedial and effective action to be taken by the Senate and by the House.

Mr. SPARKMAN. I would certainly agree with the Senator that it is a matter we ought to study.

I serve on three different committees which have been rather concerned and interested. I am a member of the Committee on Foreign Relations. I am a member of the Committee on Banking and Currency. I am also a member of the Joint Economic Committee. I have been exposed to the problem pretty well, as the Senator knows.

I share the Senator's concern, but at the same time I firmly believe our Government is doing all it can to check the outflow of gold. I feel that progress is being made, and I am confident that in the long run the situation will work out satisfactorily.

The ACTING PRESIDENT pro tempore. The question is on agreeing to the Proxmire amendment.

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

The ACTING PRESIDENT pro tempore. The clerk will call the roll.

Mr. SPARKMAN. Mr. President, I withdraw my suggestion.

Mr. THURMOND obtained the floor.

Mr. MANSFIELD. Mr. President, will the Senator yield briefly?

Mr. THURMOND. I am happy to yield to the distinguished majority leader.

Mr. MANSFIELD. Mr. President, on behalf of the distinguished minority leader, the Senator from Illinois [Mr. DIRKSEN] and myself, I send to the desk a proposed unanimous-consent agreement, which I believe has been cleared all around, and ask for its immediate consideration.

The ACTING PRESIDENT pro tempore. The proposed unanimous-consent agreement will be stated for the information of the Senate.

The legislative clerk read as follows:

#### UNANIMOUS-CONSENT AGREEMENT

*Ordered*, That, effective at the conclusion of Mr. THURMOND's pending speech, during the further consideration of the bill (S. 2996) to amend further the Foreign Assistance Act of 1961, as amended, and for other purposes, debate on any amendment, motion, or appeal, except a motion to lay on the table, shall be limited to 2 hours, to be equally divided and controlled by the mover of any such amendment or motion and the majority leader: *Provided*, That in the event the majority leader is in favor of any such amendment or motion, the time in opposition thereto shall be controlled by the minority leader or some Senator designated by him: *Provided further*, That no amendment that is not germane to the provisions of the said bill shall be received.

*Ordered further*, That on the question of the final passage of the said bill debate shall be limited to 4 hours, to be equally divided and controlled, respectively, by the majority and the minority leaders: *Provided*, That the said leaders, or either of them, may, from the time under their control on the passage of the said bill, allot additional time to any Senator during the consideration of any amendment, motion, or appeal.

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

Mr. MANSFIELD. I yield.

Mr. JAVITS. I have informed the majority leader and the minority leader that on my amendment, the so-called antiboycott amendment, more time will be required. It is entirely agreeable to me to have that time yielded from the

time on the bill, and I am sure the Senators will accommodate me.

Mr. MANSFIELD. I appreciate what the Senator from New York has said.

The ACTING PRESIDENT pro tempore. Is there objection to the request of the Senator from Montana? The Chair hears none, and it is so ordered.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that in the agreement there be substituted in my place as majority leader the acting chairman of the Committee on Foreign Relations, the Senator who is handling the bill, the distinguished Senator from Alabama [Mr. SPARKMAN].

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

The unanimous-consent agreement, reduced to writing is as follows:

#### UNANIMOUS-CONSENT AGREEMENT

*Ordered*, That, effective Mr. THURMOND's pending speech, at the conclusion of, during the further consideration of the bill (S. 2996) to amend further the Foreign Assistance Act of 1961, as amended, and for other purposes, debate on any amendment, motion, or appeal, except a motion to lay on the table, shall be limited to 2 hours, to be equally divided and controlled by the mover of any such amendment or motion and the Senator from Alabama [Mr. SPARKMAN]: *Provided*, That in the event the Senator from Alabama is in favor of any such amendment or motion, the time in opposition thereto shall be controlled by the minority leader or some Senator designated by him: *Provided further*, That no amendment that is not germane to the provisions of the said bill shall be received.

*Ordered further*, That on the question of the final passage of the said bill debate shall be limited to 4 hours, to be equally divided and controlled, respectively, by the Senator from Alabama and the minority leader: *Provided*, That the said leaders, or either of them, may, from the time under their control on the passage of the said bill, allot additional time to any Senator during the consideration of any amendment, motion, or appeal.

The ACTING PRESIDENT pro tempore. The Chair recognizes the Senator from South Carolina.

Mr. THURMOND. Mr. President, attempts to justify aid to Yugoslavia or, for that matter, any country under the control of the international Communist movement must be based on fanciful theory and can find no justification in fact. The foreign policy which the United States is presently following has, as one of its basic principles, the theory of fragmentation. This theory, combined with the theory of evolution, is supposed to be the justification for providing aid to Yugoslavia.

In essence, our policy planners' specious reasoning is that the individual nations now under Communist domination will become more and more independent of Moscow as the rising tide of nationalism takes hold. Each will eventually evolve into a peaceful, non-aggressive, Socialist state. It is by this means that the threat of international communism is to be thwarted. Based on this highly speculative theory, which has no actual basis in fact, our policy calls for aiding any Communist country which shows signs of fragmentation in order to speed their independence of

Moscow. Since 1948, the year in which Tito is supposed to have split with Moscow, Yugoslavia has been the recipient of approximately \$2,279,900,000 in largesse from the people of the United States. Presumably, our policy planners are satisfied that the theory they have concocted is a valid one, but an examination of the facts forces a contrary conclusion.

Our policy planners have a penchant for compartmentalizing the individual Communist nations as aggressive or non-aggressive in accordance with some undefined and undefinable formula of which they alone are cognizant. For instance, Cuba is considered to be an aggressive Communist state, a member of the Sino-Soviet bloc and, therefore, we are committed to check their external aggression in all parts of the Western Hemisphere. However, it is well known that Belgrade is the principal link in the intelligence chain running from Moscow to Havana. Also, there is every indication that Yugoslavia has lent very active support in furnishing arms and technological advice and training to Cuban Marxists. Thus, Yugoslavia is aiding Castro in the export of the Communist revolution throughout South America. Even Under Secretary of State George Ball has admitted in open hearing that Yugoslavia is supporting the export of the Communist revolution, through Cuba, throughout Latin America. And yet, Mr. President, Yugoslavia is not considered to be at the present time either a member of the Sino-Soviet bloc or an externally aggressive state in the sense that the United States is committed to check their aggression.

In 1961, the freighters *Trobovle* and *Gundelec* left San Diego loaded with jet trainers bound for Yugoslavia. It has been reliably reported that at least one of the ships had a port of call in Havana en route to Yugoslavia. There is no way of knowing whether all of these jet trainers arrived at their point of destination since they were not checked by U.S. personnel upon arrival. However, the fact that Cuban Communist pilots have been trained in Yugoslavia lends credence to the belief that at least some of these trainers got no farther than Cuba.

There is intelligence information indicating that Yugoslavia contributes substantially to Communist activities in areas of the world other than South America, including southeast Asia and Africa. The only question which remains unanswered is how the amount of money which Yugoslavia spends in these activities compares with the amount the United States contributes through its foreign aid program to Yugoslavia.

One of the major occurrences relied upon to justify the fragmentation theory is the Yugoslavian action in closing its borders to partisans who were fighting in Greece. According to the State Department, this was a decisive factor in bringing to an end the Communist insurgency in that country. Also, it was thought at that time to be in direct conflict with the wishes of Moscow and, therefore, indicated a split between Yugoslavia and the U.S.S.R. A recently published book brings to light certain



considerations which bear on this conclusion. The book to which I refer is "Conversations With Stalin" by Milovan Djilas. On May 14 of this year, Djilas was again sent to prison by the Communist government of Yugoslavia for divulging "official secrets" in this book. One of the conversations between Djilas and Stalin related in this book took place on February 10, 1948. Djilas had this to say about Stalin's comments on the Communist insurgency then in Greece:

Stalin then turned to the uprising in Greece. "The uprising in Greece has to fold up." (He used for this word "svernut," which means literally "to roll up." "Do you believe"—he turned to Kardelj—"in the success of the uprising in Greece?")

Kardelj replied, "If foreign intervention does not grow and if serious political and military errors are not made."

Stalin went on, without paying attention to Kardelj's opinion: "If, if. No; they have no prospect of success at all. What do you think, that Great Britain and the United States—the United States, the most powerful state in the world—will permit you to break their line of communication in the Mediterranean Sea? Nonsense. And we have no navy. The uprising in Greece must be stopped, and as quickly as possible."

This conversation reveals that, far from deviating from the international Communist line, Yugoslavia closed its borders to the Greek partisans in accordance with the wishes and direct order of Stalin. Perhaps this is one of the reasons for the conviction of Mr. Djilas. Through his book the United States is afforded the opportunity of reevaluating the principal occurrence which originally indicated some break with Moscow.

Another factor which is pointed to in an attempt to justify the claim of fragmentation as it applies to Yugoslavia is their United Nations voting record. This has been used by State Department officials on many occasions when testifying before congressional committees. However, Mr. President, Yugoslavia's U.N. voting record has adhered closely to that of the U.S.S.R. and other Communist countries when questions affecting the international Communist movement were voted upon. On December 12, 1958, Yugoslavia voted "no" on the 37-power resolution condemning continued defiance of General Assembly resolutions on Hungary. Although the resolution was adopted by a vote of 54 to 10, the entire membership of the Communist bloc voted against it. Again on December 9, 1959, Yugoslavia voted "no" on the 24-power resolution deploring continued U.S.S.R. and Hungarian disregard of General Assembly resolutions on the Hungarian situation. Again the resolution passed by a vote of 53 to 10 with Yugoslavia and the entire Communist bloc the only ones in opposition. Throughout the entire period of the Hungarian uprising Yugoslavia lent tacit approval to the slaughter of the freedom fighters by a total and obvious lack of criticism. They maintained strict adherence to the Communist line and unflinching loyalty to the international Communist movement.

Milovan Djilas' own personal criticism of both the Hungarian and the U.S.S.R.'s brutal tactics in Hungary constituted

one of the major charges which Yugoslavia had against him in one of his trials. By displaying open contempt for the handling of the Hungarian uprising, he was deviating not only from Hungary and U.S.S.R. policy, but necessarily from Yugoslavian policy at the same time. The conviction of Mr. Djilas reaffirms the fact that at the present time Yugoslavia is adhering strictly to the policies emanating from Moscow and being implemented by all Communist regimes.

On the many other matters which have been up for vote in the United Nations General Assembly, my research has failed to reveal any question of a political or security nature in which Yugoslavia voted with the United States and against the Soviet Union. The only instance of significance in which the Yugoslav delegate to the United Nations voted with the United States and at the same time against the Soviet Union was with regard to the resolution appealing to the U.S.S.R. not to explode a 50-megaton bomb. This was Resolution No. 1632 and the vote took place on October 27, 1961. Yugoslavia voted with the Soviet Union and against the United States on approximately 21 separate votes in the 1961 United Nations General Assembly. These included the item on Tibet, the item on Hungary, against the U.S. resolution not to seat North Korea, against the resolution denouncing the Chinese representation question as an important question, and for the Soviet resolution to seat the Chinese Communists. On all questions of any importance to the international Communist conspiracy, Yugoslavia voted with the U.S.S.R. and the rest of the satellite countries.

Recently I had the opportunity to view a film which was an interview with Tito by Edward R. Murrow. Although this film was made in approximately 1956 it is not available to the American public. Although it contains nothing which should be of a classified nature it has been kept secret and its existence is not generally known. In this film the whole tenor of the statements made by Tito reaffirm his dedication to communism and his belief in its eventual goal of world domination. In response to the request that he describe the basic difference between communism in Yugoslavia and communism as practiced in the Soviet Union, Tito said:

These are not big, ideological differences. They are not too big. We have the same aims—that is to say, the building of socialism and communism.

Mr. President, Tito readily admits that his eventual goal is exactly the same as that of the Soviet Union, and yet our policy planners do not have the fortitude to face up to his warning. The goals of communism are well known. It is their intention to engulf the world with their insidious and atheistic way of life and snuff out the last flickers of hope for free people everywhere.

Tito explained his foreign policy as one of coexistence. At the same time he states flatly that he is in complete accord with Mao Tse Tung. He reiterates what he terms as "my point by point" agreement with Mao. Without a

doubt the coexistence of which Tito speaks is the same as that practiced by the U.S.S.R. under Khrushchev. This is the type of coexistence which has enabled them to take over some 15 countries since the end of World War II, Cuba just a few short years ago, and now has put Laos practically within their grasp.

For years now when this question of aid to Yugoslavia has been raised on the floor of the Senate, the defense has been made that our aid to them was reaching the critical stage. To have denied it at any one of those particular times would have undeniably meant complete domination of Yugoslavia by the U.S.S.R., so the proponents of aid to Yugoslavia have said on each occasion. No doubt that argument will be made now, and will be persuasive upon some people. However, all of our millions of dollars have not brought about the evolution of Yugoslavia into a peaceful, nonaggressive Socialist state or its fragmentation from the Soviet bloc as this aid was intended to do. Rather, the United States has been contributing, and contributing substantially, to its own downfall by supporting economically a government whose leader reaffirms his dedication to the eventual overthrow of our way of life. I cannot stress strongly enough my opposition to giving aid to Yugoslavia or any Communist-dominated country. Therefore, I intend to support the amendment offered by the Senator from Wisconsin [Mr. PROXMIER] and urge all Senators to do likewise.

If any Senator has any question about any statement I have made here today, or challenges any statement I have made, I would like to have him do so at this time, and I shall be pleased to answer his questions.

Mr. President, I commend the Dallas Morning News for its attention to foreign policy decisions and its untiring efforts to point up the importance of a strong, imaginative foreign policy dedicated to the principle of victory for the free world over the forces of world communism. I have always felt that our people need to know more of the intricacies of foreign policy, because in the end it is the American people who are going to have to get our foreign policy back on the right track, if it is going to be effective for freedom.

An excellent editorial which appeared in the Dallas Morning News of June 1, 1962, entitled "Schizoid Foreign Policy," is worthy of attention of the American people, and I shall now read it as follows:

#### SCHIZOID FOREIGN POLICY

It is becoming increasingly difficult these days to make any real sense out of American foreign policy. The only consistency seems to be an inconsistency in different parts of the world. At least two tendencies are glaring.

While the President and his State Department advisers sometimes talk a good or hard line, their actions usually are different.

In many areas of the world our policies are self-defeating; they work against other policies and actions in the same areas.

Southeast Asia is a perfect example. The President has declared time and again that our purpose is to save southeast Asia from the Communists at all costs. He has sent troops to Thailand and South Vietnam to

achieve that purpose, and his actions in this respect are commendable.

But at the same time, the State Department is doing nothing to support the pro-Western government in Laos. In fact, it is undermining that regime, trying to force it into a coalition government with the Communist faction. This inevitably will result in the surrender of Laos, and that will make our position in Thailand and South Vietnam less tenable.

The same self-defeating policies have been pressed in Berlin, which we are pledged to defend, but which is being undermined by our offering of concessions to the Soviets and East Germans.

In the past 2 weeks, two more examples of this double-jointed approach involve Indonesia and British Guiana.

Indonesian President Sukarno is bent upon seizing West New Guinea from an old and faithful ally of the United States, the Netherlands.

The United States—which should be siding with the Netherlands—is doing nothing better than sending an intermediary, a retired diplomat, to smooth things out but not to take sides. This is one side of the picture: neutrality.

However, we have not been neutral. Just last week the State Department admitted that in the past few months the United States has been sending such military equipment to Sukarno as brandnew U.S.-manufactured vessels mounted with five heavy machineguns.

With reference to British Guiana, which is soon to become independent, the State Department is pursuing an equally schizophrenic course. The Prime Minister of British Guiana is Cheddi Jagan, who has been described as "an English-speaking Fidel Castro." The State Department admits it is worried about Jagan.

Charles Keely of the Copley News Service, in a dispatch in the News on May 21, said the State Department will try to block the admission of British Guiana into the Organization of American States when it becomes an independent nation.

The story has not been denied, and it fits in with other statements made by State officials concerning their fear of a new pro-Communist regime in the hemisphere.

But here again, this is just one side of the picture. On the other side are some cold, hard facts and figures: Mr. Jagan is about to be given \$200 million by Uncle Sam.

Other examples of State Department duplicity and stupidity could be cited in virtually every part of the world. But these show that we have been lighting the candle at both ends. Sooner or later we're going to be burned badly.

#### COMMENCEMENT ADDRESS DELIVERED BY HON. RICHARD B. RUSSELL, OF GEORGIA, AT THE CITADEL, CHARLESTON, S.C.

Mr. THURMOND. Mr. President, on last Saturday, June 2, The Citadel—the military college of South Carolina—held its graduation exercises at which time the distinguished senior Senator from Georgia [Mr. RUSSELL] made the commencement address and was awarded a doctor of laws degree.

Senator RUSSELL's profound address merits the attention of all Americans. I particularly wish that the members of all graduating classes across our great land could have heard the eloquent discussion of the sound constitutional principles of government which he enunciated in his address. I was particularly impressed with his discussion of the separation of powers of the three

branches of government and the division of power between the States and the National Government. Also his warning against world government and unilateral disarmament and his statements in behalf of a strong military establishment and a firm foreign policy drew enthusiastic response from the approximately 1,500 persons who were present for the graduation exercises at The Citadel.

Mr. President, I ask unanimous consent that this magnificent address be printed at the conclusion of my remarks.

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

COMMENCEMENT ADDRESS DELIVERED BY HON. RICHARD B. RUSSELL, OF GEORGIA, AT THE CITADEL, CHARLESTON, S.C., JUNE 2, 1962

General Clark, members of the board of visitors, members of the faculty, graduates of 1962, ladies and gentlemen, it is indeed a high privilege to share the honors and the pleasure of this occasion with you.

The Citadel has made many contributions in almost a century and a quarter of service. Her sons were among the first and most heroic of the defenders of the Old South. For almost a century now they have been in the van of builders of the New South. When our common country has been threatened, men from The Citadel have distinguished themselves in its defense.

To my fellows who will receive degrees from The Citadel in 1962, I extend congratulations and best wishes. The achievements of the class of 1962 commemorated today are the result of determination and hard work.

The formal education and the training in citizenship and service that you have received in these hallowed halls are priceless assets that cannot be taken from you.

Although monetary gain should not be the principal objective of education, it must be pleasant for you to contemplate that the 1960 census supports the conclusion that the difference between 4 years of college and a high school education amounts to the considerable sum of \$178,000 over a lifetime.

Some of you doubtless plan a continuing period of study and learning. Today's world is so complex and presents so many problems that many college graduates are finding it desirable to look beyond their bachelors degrees to fields of specialized training.

These complexities rule out any attempt to lay down a pat formula for success in life. Indeed, there is no commonly accepted measure of success in life—this is a personal and highly subjective concept. The standard of many is relative material gains. For others, success means following a stimulating and satisfying vocation. Still others place emphasis on service and sacrifice. One of the vital functions of education is to provide the ability to weigh conflicting and competing considerations in order to select the combination best adapted to each individual's standard of values.

Nor would I dwell extensively on the dangers of the present day. We all know that these dangers exist and that many of them are immediate and formidable. I am sure that the training that you have received here enables you to recognize these dangers and generates the courage to join the battle against them.

Each generation of humanity has had its troubles and each probably deemed their problems the most pressing mankind has known.

Other eras have known international conflict and internal turmoil.

However, this generation is the first to live under the threat of a rain of nuclear explosions from the far reaches of outer space.

The efficiency of modern communications causes us to live constantly with our problems. We are not permitted to forget them for a single moment.

But newspapers, magazines, television, and radio also give all citizens—college graduates and nongraduates alike—the opportunity to be informed of current events.

But it is not enough to be only well informed. The people of a truly great nation should also be contemplative and wise.

Wisdom comes not by information alone, but by experience in the use of that information.

A large part of this class will be entering on active duty with the Armed Forces. That you elected a college having a military regimen is evidence of your good judgment in appreciating the many desirable characteristics that such a life can impart. Acceptance of constituted authority, physical and mental discipline, and esprit de corps are traits taught here and in the Armed Forces. From the performance of earlier graduates of this institution, I would like to think that you regard military service as an opportunity to be cheerfully entered upon, instead of a burden to be grudgingly borne.

To me the most important conclusion to be drawn from today's state of world affairs is that we must be militarily strong. The values of an education, the blessing of governing ourselves, the enjoyment of the products of our immense industrial capacity, and life itself all depend on our ability to defend ourselves successfully.

Force in international relations is resorted to only when nations have been unable to adjust their differences peaceably. The primary objectives of the foreign policy of any free nation is to maintain peace. If a nation and a people are not free, they have less to lose from war and, thus, are less responsible in their conduct of international relations.

The conditions that makes your military service important were not created by the United States. Despite the realization that we did not create them, we in the United States have more to lose in the form of resources, liberties, and system of government than any other nation. The defense of the non-Communist world should be a cooperative effort. If our contribution to the defense of the non-Communist world seems disproportionate at times, and I am one of those who think that it does, we still should persevere in the knowledge that our blessings are worth defending by ourselves if necessary. But we do not have to help those who will not help themselves.

The conduct of foreign relations is a difficult task requiring, among other things, patience, intuition, tact, and resourcefulness. There are too few absolutes in this area. The choice is often not between the right and wrong, the good or the bad; more frequently it is between degrees of right and wrong.

One of our great difficulties is that too frequently the choice has been between supporting the status quo and communism. The latter is unthinkable, but to the natives the status quo has meant a few very rich and many unbelievably poor, with very little hope of improved economic opportunity for the many. To people who are hungry and who have nothing to lose economically it is futile to argue the insidious nature of communism. Unless they have something to lose, they do not fear a change.

We must offer some hope of improved economic opportunity to the masses in the underdeveloped and newly emerging nations, but experience has demonstrated that a foreign policy based in large part on gifts is not the answer to the problem of creating good will toward our country.

Beyond the economic problem in these countries, nations do not develop the competence to govern themselves overnight. In



their zeal to defend against charges that the United States was supporting colonialism, some of our diplomatic representatives have been too eager to discredit the old and to embrace the new, regardless of any lack of rapport between the new and our own national objectives. Nations, no less than individuals, act from self-interest; our adversaries know this and the so-called neutrals know it. Any failure by the United States to act in its own self-interest is surely considered a sign of weakness by them.

The effectiveness of the United Nations has been keenly disappointing in recent years. I have hopes that it may receive new vitality, but this is not likely to happen if the United Nations continues to apply one rule to the strong and another to the weak. The power of a single member of the Security Council to veto action enables the Soviet Union to inhibit efforts to discourage aggression. For a time, the General Assembly was more effective, but the numerical disadvantage that the anti-Communist world is approaching in the General Assembly as a result of the precipitate admission of so-called new nations is a disquieting consideration.

Some criticism of the United Nations is based on the faulty assumption that its organization and functioning are comparable to the structure and powers of our own Government. Obviously, this is untrue. At this stage in history, I think it would be extremely unwise for the United States to yield sufficient sovereignty to permit the United Nations to become a supreme government on earth or to depend upon this body for our security.

International reaction to the resumption of nuclear testing in the atmosphere by the Soviet Union last fall was strange, to say the least. It was audacious enough for Russia to demand that we not resume testing after they broke the moratorium and completed their testing. The surprising element was that many of the so-called neutral nations, whose survival as independent countries unquestionably depends on the military strength of the non-Communist world, not only failed to criticize the Soviet action, but also joined in the clamor that we should not resume testing. We can be thankful that the President was unmoved by these urgings.

The preoccupation of the Russians with secrecy continues to be the chief obstacle to an agreement on atomic testing and arms control. From the experience we have had with Russia since World War II, it would be folly to enter into an agreement with them without foolproof inspection and enforcement. It should not be any surprise to the leaders of the Soviet Union that we are concerned about being tricked. They have given us much basis for this apprehension. Indeed, not in a single instance where their self-interest dictated otherwise have they given cause for reliance upon their word in any matter.

Although members of this year's graduating class are starting their careers at a time when weapons of destruction and the potentiality of catastrophe are at an all-time high, they are also making their beginning when the opportunity for constructive service and human comfort is at a peak.

The capacity to produce in this country is virtually unlimited. Houses, automobiles, food, and clothing are abundant.

Improved highways and jet air travel facilitate business and offer new recreational opportunities.

Progress in medical sciences and construction of hospital facilities are reducing pain and lengthening life.

College enrollments are increasing as more people have the means to finance education and as more realize that college means not

only an improved standard of living, but a more satisfying life and further progress for the individual and for the Nation.

But production and consumption are not ends in themselves. In our quest for the goods and services, the health, and the leisure that contribute to comfort, let us not lose ourselves in immediate pleasure and fail to invest something in the future. Just as an individual should save a part of his income, so should a nation devote a good part of its abilities to long-range objectives and investments.

A related question is whether a person should make happiness his overriding objective. The answer should be "No" if happiness is measured in terms of consumption and indulgence. There is adequate reason to believe that the most deeply rewarding activity is that which contributes to the progress of our fellow man. Perhaps real happiness is the realization that the world is different, if only slightly, and better for your having lived in it.

Among the blessings I would urge you not to take for granted is your system of government.

Our system did not spring into being. It is the product of wise and foresighted men who drew objective conclusions from the experience of other nations and other governments.

The privileges of personal liberty, of making your own choice of vocation, of changing jobs, of moving your residence, of religious freedom, of having a part in the selection of your government officials are not enjoyed by all people. In some forms of government, these freedoms and these economic choices are controlled by officials that ordinary citizens cannot replace.

One of the principal reasons for the existence of a constitution is that it should function as a restraint on governmental action. The effectiveness of our Constitution in accomplishing such a purpose depends to a large extent on the recognition and application of certain concepts incorporated in the Constitution.

Two of these important concepts are federalism and the separation of powers.

Federalism includes many elements. The element I have in mind today is the division of legislative power between the National Government and the States. This division is governed by the rule that the National Government has only those powers enumerated in the Constitution and that the States exercise residual powers—those not given the National Government expressly.

Through a combination of circumstances, including the economic distress of the 1930's, a concentration of political pressure at the national level, and lack of vigor in some State governments, an aggrandizement of national power has seriously unbalanced the intended division of power between the National and State Governments. Once yielded, the powers to deal with local problems can hardly be recaptured from Federal preemption.

The second of the two constitutional concepts to which I referred is the separation of powers.

The purposes of such separation are to keep to a minimum the authority lodged in any single unit and to place the powers of each unit as a limitation on the others. In practice, this means that the legislative, executive, and judicial functions are exercised by three separately manned departments of government that are constitutionally equal and mutually independent. Most of us learn from elementary civics courses that the legislative branch is intended to make the laws, the executive branch to enforce the laws, and the judicial branch to interpret the laws.

In recent years, there has been an increasing tendency toward encroachment upon the legislative power. Too often, the Congress has been content merely to dispose of legislation that the executive branch proposed, instead of taking the initiative in formulating the laws.

But more serious than this are the incursions by the judiciary, and lawmaking by judges under the cloak of interpretation. Judicial review can easily become judicial tyranny, especially on questions involving the meaning of the Constitution itself, because of the formidable barriers to its amendment. For this reason, lack of restraint by the judiciary seriously threatens to unbalance our entire system.

It is undeniably true that certain terms in the Constitution, such as "equal protection of the laws" and "due process," are not self-defined and that the document itself does not provide a literal answer to some problems of interpretation. But in the history of our Republic these terms have been evaluated and interpreted. For latter day judges to disregard precedent and to ascribe wholly different meanings is to throw constitutional law into chaos and to amend the Constitution in a manner inconsistent with its terms.

One of the remedies for excess in the exercise of power is care in the election of public officials. I would hope that you would value those who have respect for a fundamentalist approach to the law and those who believe in restraint in the exercise of their powers. You can be sure that if you are indifferent to the quality of your government, ambitious representatives of special interests can more easily impinge upon the general welfare.

I hope that these remarks today do not seem those of a person who has seen many changes and been against them all. Change is often an essential ingredient of progress. But the thought I would like to convey is that necessary shifts in emphasis should be accomplished in harmony with the system that has contributed so much to the progress and prosperity of our Nation.

In conclusion, let me express the hope that you will share my steadfast faith in the capacity of the human mind, acting with God's blessing and propelled by an unrelenting application of hard work, to solve the problems of our time and of the years to come.

Thank you.

#### ALASKA'S LUMBER INDUSTRY FACES NEW THREAT

Mr. GRUENING. Mr. President, the burgeoning lumber industry of Alaska which is a pioneering enterprise, faces serious trouble, some of it of recent origin, as does the industry in other of the Western States.

Depressed lumber conditions in the Northwest concern all of us. The lumber industry is the economic backbone of States such as Oregon and Washington, and it could well be equally important in Alaska. Our vast virgin timber stands are just beginning to be utilized.

But today this infant industry in my State is imperiled with danger from a new source long before it passes from childhood to maturity.

Today, the members of the Alaskan congressional delegation received a wire from the president of the Alaska Lumbermen's Association, Mr. Milton J. Daly of Ketchikan. Mr. Daly said the Alaska Lumbermen's Association members

"most earnestly endorse" the request of the National Lumber Manufacturers Association that "the U.S. Government impose a temporary quota on the flood of softwood lumber from Canada on a quarterly basis to remain in effect while a long-term solution is being explored by the several agencies of Government involved."

Mr. Daly said the importation of Canadian lumber has become a very major problem to the mills in both westward and southeastern Alaska now that the Canadian Prince Rupert-Whittier sea train barge has started operation. He reports that 780,000 board feet of Canadian softwood lumber was shipped recently to markets in the Alaskan "rail-belt."

The president of the Alaska Lumbermen's Association says mills in Alaska "cannot stand" the new competition to their limited and highly seasonal local markets. He predicts the influx of lumber will restrict operations and close some mills.

In my opinion, Mr. Daly is quite correct. Alaskan development cannot stand such a blow. Our lumber industry has had many obstacles to overcome. The present one could prove fatal.

The Committee on Commerce, of which my able colleague from Alaska [Mr. BARTLETT] is a member, has been holding fact-finding hearings to learn how depressed lumber conditions in the Northwest can be remedied. Hearings have been held in Olympia, Wash.; Lewiston, Idaho; and this past Monday in Portland, Oregon. Two days of hearings are scheduled in Washington, D.C., on June 14 and 15. This new development will be explored fully at that time. I am serving notice now on the Federal executive agencies that we of Alaska want a full report on the facts and their recommendations for presentation during the course of this hearing.

The Departments of Commerce and State should explore carefully measures of relief. The Department of Commerce has announced an interdepartmental study of the entire lumber problem. The study is welcome, but pending its findings, relief to the industry, if only temporary, should be afforded.

Our Canadian neighbors and friends are good businessmen. They will find and develop all possible markets.

On April 3, I joined as a cosponsor of S. 3105 introduced by my good friend, the distinguished Senator from Oregon [Mrs. NEUBERGER]. In brief, the bill would repeal the Jones Act and correct transportation cost differentials. The bill has desirable objectives. But S. 3105 will not solve the major problems of the lumber industry.

I hope that the question of a tariff or temporary quota may be considered immediately, and to assure prompt and expeditious action I have asked the Secretary of Agriculture and the Tariff Commission immediately to advise the lumbermen of my State on how to file a request for relief.

Mr. President, I ask unanimous consent that the full text of Mr. Milton J.

Daly's telegram be printed at this point in my remarks.

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

KETCHIKAN, ALASKA,  
June 6, 1962.

HON. ERNEST GRUENING,  
Senate Building, Washington, D.C.:

The Alaska Lumbermen's Association most earnestly endorses the position of the lumber industry as set forth in the telegram of Arthur J. Temple, president, National Lumber Manufacturers Association, of May 9, addressed to President Kennedy requesting the President's consideration and assistance in behalf of the lumber industries' problems and specifically urging that "the U.S. Government impose a temporary quota on the flood of softwood lumber from Canada on a quarterly basis to remain in effect while a long-term solution is being explored by the several agencies of Government involved." The lumber industry of Alaska has generally been only indirectly affected by the importation of Canadian lumber in the past; however, it is now a very major problem to the mills in both westward and southeastern Alaska. The first trip of the Prince Rupert-Whittier sea train barge carried 13 carloads, total 780,000 feet board measure, from Prince George to Alaska railbelt markets. This is competition which Alaskan mills cannot stand in their limited and highly seasonal local markets and without question will result in restricted operations and closure of some mills this year. May we ask your assistance in this matter. We do not believe the President's trade bill, H.R. 9900, should pass without incorporating essential changes recommended by the lumber industry to permit the resolution of the Canadian import problem. Your consideration and help would be greatly appreciated.

Regards,

MILTON J. DALY,  
President, Alaska Lumbermen's Association.

#### LAND USE IN THE NATIONAL PARKS

Mr. MOSS. Mr. President, few laws have brought greater direct benefit to the people of America than the National Parks Act of 1916. Because of it, we have saved areas of unparalleled natural heritage which otherwise would have disappeared from the earth. Because of it, those of us who now inhabit this Nation are far richer culturally and in spirit.

A generation hence, however, some 350 million Americans will be living in an area where, yesterday, a mere 100 million worked and played, and where already 185 million of us dwell. The need for more park lands is accepted in principle by virtually everybody.

But in practice there is strong opposition. Too often many who call themselves conservationists oppose conservation when it takes the form of park lands. They argue that America cannot afford more park land because of the mineral, forest, and other potentials of all lands. In the eyes of these people, any area selected is certain to have hidden values uncounted.

On the other hand, the need for more park land is not only recognized, but is given dedicated support by a group who are conservationists in the true meaning of the word. But this group favors an expansion of the national park inventory

only on their own terms. They recognize, I am sure, that we are on the threshold of a new era in recreation planning and management, but they cannot let go of the old approaches—of the old formulas. Every national park must be a "pure park," shut up and away from any but quiet recreation uses.

I respect both groups. I believe I understand their motivation in each instance. I am confident that each is convinced that what he wants will bring the greatest long-range benefits to our people.

America must, of course, husband and use her lands both properly and profitably. Multiple use is essential, and will be more essential in years to come. But multiple use must not mean the right to spoil and destroy. This is true both in the national parks which we plan for our future, and on our public domain lands and our privately owned lands.

My purpose here today is to discuss as frankly and fully as I can the dilemma which faces us. I sincerely believe that the creation of new parks need not necessarily come into conflict with reasonable commercial exploitation. I am convinced that sound national park management and controlled resource development need not necessarily be in conflict. I challenge those who hold divergent points of view, to balance off the values and find ways of reconciling them.

I speak as a friend of our national park system. I have great admiration for the National Park Service and the superb job it has done. I feel that nothing must stand in the way of the expansion of our national park system. Furthermore, speed is imperative if still available treasure troves of natural beauty are to be preserved for posterity and for ourselves.

The great esthetic values of our natural heritage must be preserved for all time—some as wilderness, some as recreation areas, much as natural forests, and an increasing part as national parks.

Last year's 80 million visits to the national parks was but a prelude of the pressures ahead. Our changing world means leisure and better living standards. These, in turn, mean more tourism and millions of added visits to the parks. Few will deny the place of tourism and recreation in our economic scheme. For this reason alone, it is essential that we add more parks.

In the past two administrations, little was done to extend the Nation's stock of parklands. In the Truman administration, only 73,000 acres were added. In the Eisenhower administration, the small trickle of additions was almost turned off and only 19,000 acres were added to the national park system.

We now have 30 national parks, and 157 national monuments of various size and descriptions. Total acreage of the entire national park preserve is only 25.8 million which is about 8 percent of all federally owned domain having recreation as one of its purposes. We have neglected to add areas of startling beauty and historic importance to the superb



system we have created. It is obvious that we must again move forward while there is yet time.

The Kennedy administration has offered a series of relatively modest proposals for building up our store of park and seashore lands. Under this administration's impetus, we added our 30th park when the Cape Cod bill became law last year. This park is scheduled to become operative next year; none too soon since these lovely and historic shores were fast melting away under a battering ram of uncontrolled commercialism.

The administration has proposed the addition of 1.1 million acres within 10 additional parks. Most of this land now is in the public domain, although some acquisitions would be required. If the entire program were achieved, it would add a modest 4 percent to our present national park area.

Even to make these modest additions to our national park system we must re-examine some of our most hallowed assumptions, and adjust some of our doctrine thinking on national parks. As a groundwork for this discussion, may I digress for a few moments to speak on the need for sound management on private as well as public domain lands.

If this Nation is to survive in greatness, it must treat all resources with respect, and the land is our No. 1 resource. I am troubled by what I see. Abuse of the land must end before we are made to pay a terrible penalty. Private ownership of land is a keystone of our system. But private ownership of resources is not an invitation to national destruction.

Spoilage of the land and its resources will lead this Nation from today's greatness to a bleak tomorrow, almost as surely as will the indiscriminate use of the H-bomb. Because we so clearly understand the horrors of the H-bomb, there is hope that we may avoid its devastation. But the horrors of eroded and lifeless lands to most people seem far away. Yet, we need only look to other areas of our world to learn how indiscriminate attacks upon the land have led to national disaster.

A few weeks ago, I read with mounting disbelief and shame, an article appearing in the April 1962 issue of the Atlantic magazine entitled "The Rape of the Appalachians." The author was no sensationalistic journalist, intent only upon making a good thing of miserable circumstances. The article was written by Henry M. Caudill, a Kentucky legislator from the Cumberland Plateau region.

Mr. Caudill has charged that strip mining is ripping the southern Appalachian mountain chain to shreds. If so, the great watershed protection for the Tennessee Valley is being undermined. Author Caudill has charged that "eventually every taxpayer from Maine to Hawaii will have to pay the cost of flood control and soil conservation in this strip-mining belt." He claims that "the TVA, which Congress established for the benefit of one backward southern region, has become a full-fledged partner in the devastation of another."

Without doubt, we need to mine coal as economically as possible, whether in the Kentucky mountains or elsewhere.

But this must be accomplished without the coldblooded destruction of an invaluable watershed.

Last September, Interior Secretary Udall told a conservationist group in Louisville that the problem is as serious as that which led to Federal resource legislation in the thirties. If the problem is as described, it merits the attention of the Senate Interior and Insular Affairs Committee. I intend to talk with Secretary Udall about the matter, since it is charged that the stripping of the hills to get cheap coal for TVA threatens the splendid lakes and recreation areas created by the agency's great dams which were built in the first place to stabilize and preserve the watershed.

Rising population means that we must take a new look at the full problem of land use. It imposes upon us a positive obligation to conserve and restore soil, timber, water, and mineral resources. It means that the day has come when the ravaging of mountain chains for temporary gain is impermissible.

If the southern Appalachian chain is a major coal resource, it is also a major timber resource. But besides coal and timber, it is also potential recreation space. All values involved must be put into balance. This would not deny special priority to the most logical use. It would, however, deny that such use automatically precludes preservation for other uses and values.

The Outdoor Recreation Resources Review Commission has reported at some length upon the need for multiple land use. It has urged that wherever possible, economic development and recreation go hand-in-hand. It has pointed out, for example, that farmlands removed from cultivation because they are not needed now can be a valuable recreation resource.

In many cases, full economic exploitation and recreation are not exclusive. This could be true in both public and private forest lands. It could be true in certain kinds of mining. In other cases, one use or another may have to be subordinated. In some instances, the utilization of land for one thing virtually excludes its use for others. The important thing is to have multiple use within the bounds of reason and under proper control wherever this is possible. Certainly, controlled multiple use is possible within the national domain.

Our great national forests are a case in point. Over 70 percent of the potential recreation land within the national domain lies within the jurisdiction of the National Forest Service. Last year, there were 102 million visits to established recreation areas within these forests; this year, 115 million are expected.

Chief Forester Edward P. Cliff has reported that existing national forest recreation facilities are overused up to 70 percent on peak days. This means that more of our national forests must be opened up to recreation. It means greater multiple use for these lands, both the grasslands and the forests themselves. The national forests are an asset of increasing national importance and we are fortunate that they remain

within the public domain. Because of this, we will be able to control the use made of these lands. Inevitably, population pressures will mean greater use for recreation purposes and as a source of raw materials. Demands for ever higher living standards mean more cutting of timber, oil well drilling, livestock grazing and water power development. The important thing is that we will be able to control this development, so that rational patterns will be maintained. Cliff was recently quoted as saying that there "isn't enough land in the whole world to have every interest have all the land it wants to be used in the way it thinks best."

This may be true, since the appetite of each special use group tends to be insatiable. But there is enough land left in America to assure that every legitimate interest will have a fair share. We have not yet passed the National Wilderness Act, but we have set aside areas as wilderness. Here, we have established a special priority for a relatively small share of the public domain. I would not have it otherwise. Wilderness is all-exclusive. It could not be wilderness if it were disturbed by manmade facilities. At most, we can permit trails within these lands, but that is all. We can well afford to permit the small share of our heritage represented by wilderness to remain forever wild for the generations yet to come. In this case, the very definition determines the sole priority.

But our biggest problem, as I indicated earlier, comes in the case of our national parks and our national seashores. I am convinced that only when we permit limited secondary use of the lands within the national parks and seashores—limited secondary use under strict control—can we expand our park system to the extent necessary to meet our growing needs for outdoor recreation.

Whenever there is talk of an added park, mankind's narrowest interests seem to come into play. Always, it seems, parks stand in the way of commercial progress, no matter how remote the area may be or how unproved its resources. Having sponsored the Canyonlands Park bill, I speak from firsthand experience. But if we permit intelligent secondary use of resources within our park areas—recognizing the priorities established by the National Park Act—we will have removed much of the opposition to an added store of park lands.

The concept of our national park lands and their use has changed since the relatively uncrowded days when the Park Act was passed. If we had stuck with the initial concept, we could not have had Cape Cod. Indeed, we might not even have had Hatteras or Everglades. In the former, we have agreed to let homeowners continue to remain in residence. In the latter, we permitted commercial development in limited degree upon the very fringes of Hatteras and oil drilling in Everglades. In all cases, however, the primary purpose of the Park Act has been served.

Our changing society is making essential new concepts regarding all land use, and this holds true for our national

parks. This was made clear in the report of the Outdoor Recreation Resources Review Commission, which stressed multiple use wherever possible. The objective in our park areas must be in keeping with the law itself. Once this objective is assured, controlled use of the lands for other purposes becomes consistent with the purposes of the law.

The National Park Act states clearly that the scenic and historic wonders and wildlife shall be left unimpaired for the enjoyment of future generations within the confines of the national park system. It does not say that controlled timbering to improve the forests shall not take place. It does not say that there shall be no grazing or mining of any kind.

The top priority has been spelled out in the act, and I, for one, will defend it with all my strength. It was in recognition of this priority that I introduced limited and controlled secondary use in my Canyonlands Park bill. I did this both to minimize the impact of vocal opposition and for other reasons that make sense within the context of the proposed park's boundaries.

The carrying capacity of the foliage within Canyonlands makes a controlled hunt essential. The available foliage simply will not support the wildlife of the area, which will starve unless thinned by the hunt. Predators have all but been eliminated.

The only real question is whether this shall be a controlled hunt in which outdoorsmen participate under overall direction of the Park Service, or whether it shall be a form of scientific butchery by members of the Service. Despite the purists who agree that the wildlife stock must be periodically thinned out, I see no violation of the spirit of the Park Act in the limited and controlled hunt. That sportsmen will benefit is all to the good.

Obviously, grazing that will crowd out the tourist and destroy the values of a park cannot be permissible. But controlled grazing in areas of a park not normally given to large-scale tourism, is another matter. The same thing is true even of timbering. Where cutting of trees will help preserve the health of a forest within a national park area, it is all to the good. Obviously, it cannot be permitted to destroy the forest.

In the Great Basin National Park bill, a new departure has been made. Here, in this Nevada desert country, it is proposed to permit limited mining for scarce beryllium. But the bill clearly states that the Secretary of the Interior may prescribe general regulations for the control of these activities "as he deems necessary to preserve the scenic, scientific, and recreation values of the area."

This means mining only where there is no conflict with the intent of the National Park Act. Certainly we cannot permit our parks to become mine dumps. Nor can we permit scenic, scientific, historic, or recreation areas to be destroyed. But within these limits—and with good sense—we can make use of the lands for mining where it serves the national interest.

Secretary Udall said, in testifying for the Great Basin bill, that "it is quite obvious with regard to the interests of different groups in multiple use of some of our land resources, that we are going to have to make what I call creative compromises in terms of getting new areas added to the national park system."

I am in full agreement, distressing as that might be to purists. I am not advocating changes in the terms under which any present park exists. But in each future park, there must be a weighing of all values. This is particularly true in the West, where economic development must take place where the resources exist.

I think the kinds of creative compromises that are required can be worked out. And, let me stress, creative compromise does not mean surrender to narrow interests at the expense of public interest.

It does not mean abandonment of basic premises; but it does mean reexamining cherished formulas; it does mean reevaluating traditional assumptions; it does mean facing up to today's world and tomorrow's needs.

At Point Reyes in California, A.T. & T. and R.C.A. maintain important transmitters that are a vital part of the Nation's communications system. There is no contradiction in permitting these stations, which are not unsightly, to remain within the confines of the proposed Point Reyes National Seashore. We are not removing the Coast Guard's Highland Light from Cape Cod, because it is essential to navigation. The same holds true for Hatteras Light, which has become a great attraction within that national shore. The principle is the same at Point Reyes because the existence of the transmitters does not alter the other key values of the proposed shore.

In establishing Point Reyes, certain other private commercial activity will be permitted. Allowance would be made for existing dairy activity and for expansion in villages which will serve the park area, and which lie within it. But 33,000 acres of forests and shores would be exclusively for park use. Inclusion of nonexclusive acreage will make it possible to obtain the kind of land management needed to protect the entire area.

At Padre Island there is oil, and the question has rightly been raised about the effect of drilling upon a national seashore. Without doubt the problems posed are more difficult than those at Point Reyes. But the Interior Department is of the view that conflict can be minimized under adequate controls. It has proposed a cooperative effort that will permit commercial exploitation without major impairment of the scientific and recreational values of the area. It is essential that a creative compromise be worked out so that the scenic, recreational, and scientific values involved can be saved for the Nation before the island is despoiled by uncontrolled commercial encroachment. Already, the bulldozers of the developers have started to eat up the area.

It has been said that multiple use of park lands is surrender, and that it will reduce these lands to the same status as national forests or recreation areas. This is untrue on its face. Our national forests do not necessarily contain scenic, scientific, or recreational values that must have top priority. Recreation is a secondary use, and so is scenery. National forests are a matter of conservation.

National recreation areas are generally manmade—resulting from the damming of rivers. Far greater commercial exploitation is permitted within them than would be true in the secondary use of national park lands. Further, recreational areas are usually created after other scenic or commercial values have been destroyed—as at Glen Canyon or Grand Coulee, where power and flood control are the key values.

Mr. Conrad Wirth, Director of the Park Service, is to be commended upon the job that he and his associates have performed. But, devoted though he is to the Park Service, Mr. Wirth has admitted that if Congress agrees to secondary use of park lands, consistent with the purposes of the National Park Act, the Service can manage the lands that way, and in the public interest. As Mr. Wirth has pointed out, most of the land in the national parks has no value other than those of scientific and scenic worth. Only a small part could or would be affected by multiple use. This was the gist of Mr. Wirth's testimony on the Canyonlands bill.

America's great scenic values and natural recreation space must be saved for the people. If this can best be done through creative compromise, this is the approach we will have to take. Our land and resources are limited, but we still can add substantially to the national park system. Let us proceed with this great creative task while time permits.

We will have to work out equitable compromise to do so. But let us plan now, before panic creates impossible conditions. If we move ahead on this basis, our compromise will not be surrender. It will, instead, serve the best interests of an America still beautiful, and still possessed of a grandeur beyond compare.

Mr. METCALF. Mr. President, will the Senator from Utah yield?

Mr. MOSS. I am happy to yield.

Mr. METCALF. I wish to compliment the Senator from Utah for pointing out that in our future development of parks we must have additional multiple use. It seemed to me that the point was very well demonstrated in the Canyonlands hearing in which we both participated. I would be very strongly opposed to having Glacier National Park set aside for a multiple use or to permit additional uses such as mining in that area, which is already established. I would also be opposed to such development in Yellowstone Park.

But such uses have grown up in the additional areas we have named. Grazing, mining, and lumbering have developed. If we are going to extend our park system, as I believe we must, we must



recognize that we have a different situation today in, for example, Canyonlands than the situation we had when Yellowstone National Park or Glacier National Park was created. In recognizing that difference we must try to preserve as much as possible of the natural beauty and recreational facilities available in those areas, and yet give people an opportunity to develop the uses they have established in those areas.

Mr. MOSS. Mr. President, I thank the distinguished Senator from Montana [Mr. METCALF], who was chairman of the subcommittee during part of the hearings on Canyonlands. I know his understanding of the problem, and I certainly appreciate his comments on my remarks today.

Mr. YARBOROUGH. Mr. President, will the Senator from Utah yield to me?

Mr. MOSS. I am happy to yield to the distinguished Senator from Texas.

Mr. YARBOROUGH. I wish also to express my appreciation for the Senator's distinction between park lands to be acquired in future and the old established parks.

The PRESIDING OFFICER. The additional time granted to the Senator from Utah has expired.

Mr. YARBOROUGH. Mr. President, I ask unanimous consent that the Senator from Utah may have an additional 1½ minutes.

Mr. SPARKMAN. Mr. President, I yield an additional minute to the Senator from Utah in order that he may yield to the Senator from Texas.

Mr. MOSS. I thank the Senator.

Mr. YARBOROUGH. Mr. President, the multiple use program for newly acquired lands has been well illustrated in the bill that passed the Senate and is now pending in the House which would provide for the creation of the Padre Island National Seashore Recreational area. The distinguished Senator from Utah [Mr. MOSS] held very comprehensive hearings on that proposal in Corpus Christi, Tex., in December of 1959. There are very valuable oil lands in the area covered by the bill which passed the Senate. The bill provides that the minerals under the proposed park could be developed without spoilation of the recreation area. The bill provides for multiple use, and demonstrates that some of the land is so valuable for mineral purposes, it would be difficult to purchase the area for park purposes, if, in doing so, the under-surface minerals had to be purchased.

In the hearings and the recommendations made at that time, the distinguished Senator from Utah illustrated how, in acquiring additional areas in the future, multiple use can be contemplated without destroying the potentiality of proposed parks. After the underground minerals are produced, all the land will be available for park purposes for future generations. I thank the Senator.

Mr. MOSS. I thank the Senator from Texas for his comments.

Mr. MANSFIELD. Mr. President, I suggest the absence of a quorum; and I wish to announce that the time required for the quorum call will be taken out of the time available on the pending amendment.

The ACTING PRESIDENT pro tempore. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. SPARKMAN. Mr. President, I ask unanimous consent to dispense with further proceedings under the quorum call.

The PRESIDING OFFICER (Mr. SMITH of Massachusetts in the chair). Without objection, it is so ordered.

#### AMENDMENT OF THE FOREIGN ASSISTANCE ACT OF 1961

The Senate resumed the consideration of the bill (S. 2996) to amend further the Foreign Assistance Act of 1961, as amended, and for other purposes.

Mr. PROXMIRE. Mr. President, yesterday the distinguished Senator from New Hampshire [Mr. COTTON] joined me as a cosponsor of my pending amendment, which would suspend aid to Yugoslavia for 1 year. I ask unanimous consent that the name of the junior Senator from New Hampshire [Mr. MURPHY] be added at the present time as a cosponsor of the amendment.

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

How much time does the Senator from Wisconsin yield to himself?

Mr. PROXMIRE. I yield myself such time as I may require.

Yesterday I quoted from a speech which Tito had made in Belgrade on June 11, 1956. I wish to emphasize that speech once again with a short quotation from it. What Marshal Tito of Yugoslavia, the Communist dictator, to whom we have given over \$2 billion in aid, and who is eligible for aid in the program now before the Senate, but whom my amendment would exclude, said, was this:

Yugoslavia, in time of war, as well as in time of peace, marches shoulder to shoulder with the Soviet people toward the same goal—victory over the enemies of socialism.

Mr. President, if that means anything, it means that if there is war, Yugoslavia will be on the side of the Soviet Union and against us. I challenge anyone to give any quotation from anything Tito has said which in any way changes or retracts or modifies that statement in the slightest. I believe I can show conclusively that in the ensuing years Tito has not drifted away from Soviet communism; on the contrary, as a matter of fact, Tito has come closer and closer to the position of Russian communism and has become more and more critical of the free world, particularly the United States of America.

Tito's report to the seventh congress of the LCY, the Communist Party of Yugoslavia, in April 1955, was a complete retraction of his earlier statement to the seventh congress 5½ years earlier. It was on the basis of the earlier statement that the program for aid to Tito developed, as well as on the basis of his assistance to us in 1948, when he was of real assistance in our battle for the freedom of Greece and Turkey.

But in April 1958, Tito charged that the Western Powers had forged NATO as an instrument of world domination,

thus provoking the formation of what Tito called the defensive Warsaw Pact.

Again in April 1958, Tito attacked the Western trade embargo against Socialist countries—that is, the Soviet bloc. In the same year, 1958, Tito accused the West of drawing a strategic noose around the U.S.S.R. and the Communist bloc.

This was the kind of talk that we hear from Khrushchev. Tito has consistently alined himself, year after year, with Khrushchev, ever since 1955. He has come closer in the last few months than ever before.

At the same time, in 1958, Tito accused the West of interference in the internal affairs of people's democracies engaged in building what Tito called a new social order, meaning Communist government.

Tito said that Yugoslavia's relations with the U.S.S.R. have continuously improved, and are continuously improving. All this means that Tito would go along with Khrushchev, while he could not go along, for personality reasons, for power reasons, and for ego reasons, with Stalin.

The program of LCY, the Communist Party of Yugoslavia, in 1958 stressed another point which is extremely important. Yesterday the distinguished senior Senator from Iowa [Mr. HICKENLOOPER] said that the important distinction is whether a dictator is interested in world domination, whether he is interested in exporting his country's ideology.

Well, Mr. President, the LCY program of 1958 stressed the concept of "proletarian internationalism." This opposes any idea of national communism, which was explicitly rejected in the program of 1958.

In the second place, it showed Yugoslavia Communists as faithful believers in the Marxist-Lenin credo that "humanity was moving deep into the era of socialism."

Furthermore, it emphasized that Yugoslavia was ready to lend a militant hand to encourage the world communizing process.

Mr. President, Yugoslavia is not a country that wishes to go its way and develop according to its own desires, and not bother its neighbors. Tito said in 1958, and he has said it repeatedly since then, that the mission of his government is to help lead the effort toward a Communist world in a militant fashion.

Of course it is true that Tito is not as warlike as Khrushchev or as Mao, and for a very good reason. It is true that Tito does not rattle nuclear missiles, because he does not have any. It would be ridiculous for Tito to indicate that he is interested in going to war against the United States of America.

Yugoslavia is a little country, relatively speaking. Short of that, however, I defy and challenge anyone to say that there is any real difference between Tito's position and Khrushchev's position.

In the last 3 years, especially in his address before the United Nations on September 22, 1960, and in his address before the Yugoslavia Parliament on De-

ember 26, 1960, Tito leaned heavily toward the Moscow-U.S.S.R. foreign policy.

The embrace of Soviet foreign policy has never been warmer than in his speech before the Belgrade conference of nonaligned nations on September 3, 1961. As we all know, that was only 2 days after the Soviet Union had broken the moratorium on nuclear testing. It was the testing of the dirtiest bombs that had ever been tested up to that time. At that time, Tito in his speech did the following:

In the first place, he endorsed Khrushchev's proposal on general disarmament, and he derided the United States "fetish of controls and inspections." This is the dictator to whom we are asked in this bill to authorize substantial additional aid.

In the second place, he expressed "understanding"—these are his words—of the reasons invoked by the Soviet Union in resuming atomic testing in the atmosphere. The understanding was that France was continuing to test. Of course, that is obviously ridiculous, in view of the primitive stage of France's atomic development, as compared with the impressive development of the nuclear potential in the Soviet Union.

Yet we are asked to give aid to this Communist dictator.

In the third place, he endorsed the thesis of two German states, one of which was, as he put it, acquiring a "more outspokenly new social character." That was East Germany, of course. The other, West Germany, he said, featured "a typical capitalist social system pregnant with interwoven remnants of fascist and revenge conceptions and tendencies." Of course, this was Tito's characterization of West Germany.

This is exactly the kind of Communist-Russian propaganda which Khrushchev has been dishing out in his attacks on the West. Tito in his most recent major speech has said exactly the same thing as Khrushchev. Yet we are asked to give aid to this Communist dictator.

In the fourth place, Mr. President, Tito in his speech asked for modifications of the role of the Secretary General of the United Nations, suggesting that he be downgraded to a simple "administrative functionary of the U.N. without independent political competency."

This is exactly the kind of thing that Khrushchev was asking for in his bid for a troika. Incidentally, that proposal was overwhelmingly defeated.

In the next place, Tito has praised the "unanimous resistance of the Cuban people against the aggressive intervention" of the United States supported Freedom Fighters the preceding April.

Yet we are asked to give aid to Tito, who is supporting Castro and is supporting Khrushchev as explicitly and clearly as he can. We are asked to provide hard-earned taxpayers' money for assistance to Tito.

Mr. President, let us take a look at Tito's so-called independence of the U.S.S.R., and especially at the international influence of Titoism and the international effect of the aid we are giving to build up this dictator.

It is said that we should play along with Tito, even though he is a Communist, because he is aligned with the neutralist bloc; that there is developing a split in the Communist world. Let us take a look at what he is doing with these so-called neutralist countries.

In December 1954, Tito visited Burma and India. In December 1958, Tito visited Burma and India again; also Ceylon, Ethiopia, Sudan, and the United Arab Republic. Early in 1961, he visited Ghana, Togo, Liberia, Guinea, Morocco, Tunisia, and the United Arab Republic once again. Tito was building an informal, nonaligned bloc of countries. For what purpose? Where was he to lead those countries?

In the first place, Tito has steadfastly maintained that the nonaligned countries should refuse to join any of the existing military blocs, and he declined to take part in the global cold war. All this sounds like it might be a praiseworthy effort to preserve peace. Tito's express purpose by using his influence to convert the armament race to peaceful pursuits sounds fine and noble.

But let us take a deeper look at the influence Tito has had upon those countries. As regards ideology, the 1958 program of the Yugoslav Communist Party is clearly stated:

In the underdeveloped countries just liberated from colonial oppression, tendencies and possibilities exist for bypassing certain phases of capitalist development and immediately passing on to the construction of the economic foundations of the development of socialism.

But obviously what is practiced in Yugoslavia is a Communist dictatorship.

By the same token, the principle of "active coexistence" as applied to the countries under Tito's leadership had only one precise meaning: To broaden the basis of the struggle against imperialism and colonialism. In other words, the whole purpose of Tito's travels to those countries—the so-called neutralist, nonaligned countries—was to align them so that they would stay with the Soviet Union. Yet we are being asked to give aid to this dictator. Thus Tito identifies his type of neutralism with the victory of communism over freedom. This is what he is working to achieve, not only in Yugoslavia, but also in Asia and Africa and, it is obvious, in view of his statements, if he can do so, in South America. Yet we are being asked to give aid to Yugoslavia.

Despite the heretic label affixed upon Titoism by the Communist bloc, Titoism promotes Soviet interests in the third or neutral world, if not directly, then indirectly, by inspiring and supporting attitudes in those countries which are detrimental to the basic interests of the West. As George Bailey has described it in the Reporter magazine:

The fitting of the Marxist formula into the neutral anticolonial reaction is the greatest service the Yugoslav regime has made to the Communist cause.

In other words, I am not simply offering the amendment because I do not like Tito, because he has suppressed liberty, because he has jailed Milovan Djilas, a man who has dared to speak out against

communism; but because Tito has actively engaged in spreading communism and hatred of and opposition to the West throughout the world.

In the second place, with regard to Tito's activities among the neutral nations, Tito's public statements and behind-the-scenes politicking at the Belgrade conference confirmed once more that he is doing his best to align the nonaligned behind Soviet foreign policy objectives.

Yet we are asked to give aid to Tito. Tito's "anti-imperialist" harangues and the support he tenders to radical revolutionary movements in the developing areas help to undermine Western positions and create effective roadblocks to the kind of cooperative ventures envisaged in the Alliance for Progress program. It seems incredibly wasteful for the United States to authorize and appropriate aid to Yugoslavia when we are asked to authorize and appropriate huge sums for the Alliance for Progress because we believe the way to success and prosperity among the South American countries is the way of freedom, while at the same time we give support and assistance and sell at knock-down prices planes and ammunition to, and train pilots for, the Yugoslavs. Yet what do they do?

Every statement, every word, and every activity of the Yugoslav Government is designed to undermine our position. I see no evidence to the contrary.

As Milorad Drachkovitch has said so well, in a brilliant article in *Orbis*, published by the University of Pennsylvania for the Foreign Policy Research Institute:

One of the ironic paradoxes of our time is that at least part of the generous economic assistance given by the United States to Yugoslavia as a calculated gamble to weaken the Communist bloc is used by Tito to undermine Western power and influence in the grey zones of southeast Asia, Africa, and, less directly, Latin America.

Mr. LAUSCHE. Mr. President, will the Senator from Wisconsin yield?

Mr. PROXMIRE. I yield to the Senator from Ohio.

Mr. LAUSCHE. What is the name of the author just identified by the Senator as having written an article?

Mr. PROXMIRE. His name is Milorad Drachkovitch.

Mr. LAUSCHE. He may be the same person who wrote the book entitled "Tito the Trojan Horse." That book describes Tito as being within our midst as a "Trojan Horse" having a potentiality for ruining the very foundation of free nations of the world. I suggest that those who have not read that book read it, because it gives a clear insight into the problems which confront us when we give help to a Communist country. Time and time again, after the help had been committed, Tito made declarations of his allegiance to communism and of his purpose to fight for the communization of the nations of the world.

It may be that the author mentioned by the Senator from Wisconsin is the same person who wrote the book, "Tito the Trojan Horse."

Mr. PROXMIRE. Mr. Drachkovitch wrote an extremely well-balanced,



thoughtful article. It was not a polemic; it was not in the nature of anti-Yugoslav propaganda. It was a scholarly paper, published by the Foreign Policy Research Institute of the University of Pennsylvania, in *Orbis*, a quarterly publication. The author wrote a responsible, scholarly, well-documented piece. He may well be the same man referred to by the Senator from Ohio. However, the article was not an attempt unqualifiedly to destroy Tito, or anything of that kind; it was an article that I think would win the respect of any scholar as being objective and fair.

To sum up: All of us must recognize, of course, that Tito and Yugoslavia suppress freedom. In Yugoslavia there is no freedom of speech, there is no freedom of religion, there are none of the other freedoms which we cherish, which we rank, perhaps, higher than any other value in our country. The Yugoslavs enjoy none of those freedoms. Many of us feel strongly that we should look very carefully at any proposal for any kind of aid to any country which suppresses freedom.

Of course, we have compromised on this principle; we have had to. I have supported such compromises. Some of our best allies are countries which suppress freedom and which deny the opposition full play. That is true of Pakistan, it is true of Turkey, and it is true of Spain. Each of those countries, however strongly we may oppose brutality and an antidemocratic attitude on the part of the government, the fact is that they are important, vital allies of the United States. This cannot be said of Tito. His is a Communist dictatorship. He has said so over and over again. His is a Communist dictatorship which, at one time, had a difference with Stalin—and it was an important difference—but that situation has disappeared. The fact is that Tito has aligned himself closer and closer to Khrushchev, to the point where the two are almost inseparable. The only difference is the difference in Yugoslavia's expressed attitude toward world war III. Tito has made it very clear that he believes strongly in supporting revolutionary communism throughout the world. He also has said, at Stalingrad, in June 1956, as I have quoted several times:

Yugoslavia, in time of war, as well as in time of peace, marches shoulder to shoulder with the Soviet people toward the same goal: Victory over the enemies of socialism.

Finally, it is always difficult for any human being, especially if he is a public official, to change his mind. But we must change our positions when events change. In this instance, events have changed, and changed drastically. The Tito who made the speech at the Belgrade conference has not the same attitude in any way as the Tito who was of some military assistance to us some 12 years ago. I think we must recognize the change and act accordingly.

Mr. President, I reserve the remainder of my time.

Mr. President, I yield 10 minutes to the distinguished Senator from New Hampshire [Mr. COTTON].

The PRESIDING OFFICER (Mr. METCALF in the chair). The Senator from New Hampshire is recognized for 10 minutes.

Mr. COTTON. Mr. President, as a cosponsor of the amendment of the distinguished Senator from Wisconsin, it is not my purpose to use any of the time available to me to rehearse or recapitulate or repeat the very able and cogent presentation he has made, and for which he should be highly complimented. He has reviewed masterfully the history of the utterances of Dictator Tito and many of the chapters of the recent history of Yugoslavia as a Communist power.

However, I wish to add a few words. In the first place, I desire to join in supporting this amendment partly for sentimental reasons, because my late beloved colleague, Senator Bridges, so many times fought on this floor for this amendment, yet I also wish to make very clear that there are other reasons for my support of the amendment, for I am an impassioned believer in shutting the door to any use of the funds of the taxpayers of our country to aid Yugoslavia; and long ago I took that position in my own right.

I was a Member of the House of Representatives when the first Yugoslavia aid bill—then requested by President Truman—came before us; and one of the first speeches I made on the floor of the House of Representatives was in opposition to that measure. I think that at that time I was actuated somewhat by personal reasons—if the Senate will pardon a personal reference—because that aid was requested only a few weeks after Marshal Tito's forces had shot down a U.S. plane and had killed the American military personnel on the plane, including the son of one of my dearest friends in an adjoining town. Never shall I forget the feeling we had at that time about having the funds of U.S. taxpayers given in support of such a regime.

Mr. President, year by year, in recent years, I have been impressed, as we have considered these so-called foreign-aid bills, with the fact that we have grown more and more into the habit of giving our aid to governments, rather than to peoples. I recognize that as a practical matter that must occur, and I am not blaming anyone for it; but it is hard for us to get the picture of reaching into the pockets of the taxpayers of the United States and using their funds to bolster various governments of other nations; and in many cases it is very difficult for us to know whether the government we are helping is really a government of freedom or a government of oppression.

I fear that many times our country has knowingly poured out its resources in order to keep in power the governments of other countries, although we know those governments were oppressive; but because we felt that perhaps they were more favorable to the balance of power of the free nations than some other factions which might take their place, we have continued on that course. The food we have given, the economic aid we have given, and the assistance we have given in obtaining weapons, have perhaps more frequently than otherwise

been used to bolster the governments of the countries concerned, and the people of those countries never have known from whence that aid came.

But in this case if we give this aid, we deliberately give it to a Communist dictatorship.

Mr. President, I recognize that in this particular bill there is no designation that certain sums of money shall go to Yugoslavia. I recognize that recently we have not been giving military aid to Yugoslavia. I recognize—and I believe it was stated on the floor of the Senate by the distinguished Senator from Alabama [Mr. SPARKMAN]—that recently we have not been giving economic aid to Yugoslavia. Nevertheless, the fact remains that funds for aid to Yugoslavia are available and can be given. I wish to suggest to the Senate that if we—and by we, I mean the Congress and the Government of the United States—have any idea of retaining the confidence of the American people in any kind of mutual cooperation, mutual assistance, or foreign aid, the time has come for us to bolster the confidence of the people of the United States by making very sure how the aid is to be extended and by making crystal clear to them that it is not going into improper hands.

Mr. President, in making this proposal, I wish to point out that I do not distrust the President of the United States and I do not question his motives. Perhaps he may find that there is no rhyme or reason for giving such aid; and I do not doubt that he is as indignant over the utterances of Marshal Tito as is any other citizen of this country. But this week the Senate is in the process of laying down the ground rules for U.S. foreign aid; and we must state, in words that are clear, plain, and incapable of being misunderstood or misinterpreted, that under no circumstances does the Congress of the United States countenance—for I understand that even with the adoption of this amendment, it would be possible for certain funds and certain assistance to be extended, if the President desired that to be done—the giving of any aid of any kind—military, economic, or otherwise—to a country which is avowedly and clearly a Communist dictatorship, lined up with the Iron Curtain countries, seeking to destroy freedom in the world, and seeking to hold up the hands of those who are thwarting the earnest efforts of our people and our Government and other governments of the free world to preserve the peace, the security, and the safety of those who now live and those who will follow us.

Mr. President, I cannot conceive for a moment that the Senate would reject the amendment of the Senator from Wisconsin; and I cannot conceive that any Senator who really wishes to have the foreign aid bill passed would vote against this amendment, for by means of it one more assurance will be given to the American people that they can have confidence in the administration of this important measure.

For those reasons I earnestly hope that the amendment offered by the Senator from Wisconsin will be adopted.

It is the intention of the Senator from New Hampshire to offer, at the proper time in the consideration of this measure, another amendment, which was offered in the last session by the then senior Senator from New Hampshire, Mr. Bridges, who was absent because of illness, and which I offered and debated on the floor of the Senate, and which received a very substantial vote in the Senate. That amendment provides for the prohibition of assistance to countries trading with the Communist bloc in war materials or those commodities used to produce war materials.

I give notice that I shall offer that amendment, and unless an amendment along the same line is offered sooner, shall bring it up and seek its adoption.

I thank the Senator for yielding me time. I again express the hope that the amendment will be adopted.

Mr. SPARKMAN. Mr. President, I yield 5 minutes to the Senator from Vermont [Mr. AIKEN].

The PRESIDING OFFICER. The Senator from Vermont may proceed.

Mr. AIKEN. Mr. President, it seems to me we should take a realistic look at the proposal of the Senator from Wisconsin. I do not think any Member of this body holds any brief for Tito, Gomulka, or any other Communist leader of the satellite states. However, the question before us now is whether we should take such action as will assure Russia that under no circumstances will we give aid to any satellite or Communist state which seeks to break away from the Soviet orbit.

Right now the situation seems to be very tense in Eastern Europe because of the current common market proposals. I feel it is driving satellite states in Eastern Europe deeper and deeper into the Soviet orbit, which I think some would like to break away from as soon as they dare to and as soon as they are assured they might get some cooperation from the democratic nations. I think it is this fear of the common market that is driving Mr. Tito, or that may drive him, to accept Mr. Khrushchev's invitation to meet him in Moscow.

I do not know that we should object to Mr. Tito's going to Moscow. We invited Mr. Khrushchev to Washington, and he came and obviously had a good time while he was here. President Eisenhower had planned to visit Mr. Khrushchev in Moscow. That plan, of course, was interrupted rather abruptly by the U-2 incident. President Kennedy went a long way for a meeting with Mr. Khrushchev in Vienna.

I do not know whether or not we should deprive a country of any assistance because of that fact, because certainly, if we undertook to say what head of a country should visit the head of what other country in the world, we would be taking on a man-sized job, and in view of the fact that we ourselves would be guilty of the same thing.

I hold no brief for Yugoslavia. I do remember, however, that Yugoslavia's armies prevented Hitler from overwhelming the Middle East. I do not forget that Yugoslavia stood between Greece and Russia and the overrunning of that

country by Russia. I have seen the Yugoslav delegate in the United Nations take direct issue with Russian representatives in that body.

Even so, we have given a great deal of aid to Yugoslavia. It is true we began in the late 1940's, when they were very short of food over there. I thought at the time we gave them corn it was a good investment. It enabled them to break out of the Soviet orbit. They have up to now stayed out ever since. We gave them a great deal of aid during the 1950's. President Eisenhower found it was to the advantage of this country to give them assistance, and we gave them a great deal, including weapons. Those weapons were geared to use U.S. ammunition, which certainly would not indicate that Yugoslavia had plans to rely upon Russia in the event of war.

I do not pretend to know what the situation is now in every detail. I do not condone statements which Tito has made, and he has made some statements he should not have made. I think we should keep aid to Yugoslavia and to such countries at a minimum, but I do not think we should ever close the door to giving assistance to satellite countries that want to break out of the Soviet orbit, thereby forcing those countries into a close union of states, which would undoubtedly bring in the Communist Chinese as well as countries of Eastern Europe.

Perhaps we ought not to forget that it was Yugoslavia that is generally credited with bringing about the difference of opinion originally between China and Russia.

So I would not tie the President's hands. I expect him to make some mistakes. I know he has made many mistakes. I can point to a lot of his mistakes. But when it comes to the choice of forcing a closer and tighter alliance between the Communist countries or giving some of them hope that they can break away, then I think we would go too far if we undertook to tie the hands of the President in that way.

Mr. SPARKMAN. Mr. President, may I inquire as to how much time for debate remains?

The PRESIDING OFFICER. The Senator from Alabama has 23 minutes remaining. The Senator from Wisconsin has 16 minutes remaining.

Mr. SPARKMAN. Mr. President, I yield 5 minutes to the Senator from Kentucky [Mr. COOPER].

The PRESIDING OFFICER. The Senator from Kentucky is yielded 5 minutes.

Mr. COOPER. Mr. President, all of us know that the question to which we are addressing ourselves is a difficult one. It is the question whether the Government of the United States shall have authority to provide aid to Yugoslavia, in this case by the method of a loan, if the President determines that it is in the national interest to do so. It is a difficult decision that we must make, because we know that Tito is a Communist, the Government of Yugoslavia is a Communist government, and it is probable that, if the Soviet Union and the United States should come to a confrontation now,

Yugoslavia would be on the side of the Soviet Union.

All this being admitted, I believe, in looking at this question, we must not fall into an error which I think is a common one when we consider whether aid shall be provided other countries. Many in our country look at this question of providing or withholding aid as if every nation had decided its course, Communist or anti-Communist forever, as if events, circumstances, the decisions of their peoples would have anything to do with their political position in the world. A better way to look at the issue is to consider it from the viewpoint that every country has not decided forever its future course.

In my view, it is more courageous and hopeful to conduct our foreign policy and foreign aid program with the view that countries will not forever be tied to Soviet policy, if they are Communist countries, or, if they are neutralist countries, that they are not finally going to decide to be on the side of the Communists. To take the view that every country which does not now stand on our side in every respect, is forever gone, is to abandon these countries to the Soviet Union's designs.

I am not saying that we should provide aid to Communist countries, or others, which are dominated by the Soviet Union.

In this case, the case of Yugoslavia, while it is a difficult decision to make, the issue has a certain simplicity. The Soviet Union has tried with all its might to build up in Eastern Europe a strong system of satellites, a monolithic Soviet Communist group of countries. But it is a fact, despite the disappointments we have experienced at the hands of Tito, that Yugoslavia, since World War II, has never committed itself firmly and wholly to Soviet policy. It has maintained its independence from the Soviet doctrine that all Communist countries must bow to Soviet decisions. We have maintained the hope that the example of Yugoslavia will find support in other Communist countries of Eastern Europe, and that they will break away in some measure, at least, from the domination of Soviet policy. This is in the interest of the United States.

The newspapers note that Tito will soon go to Moscow for talks with Premier Khrushchev. It may well be that a closer union of the policies of Yugoslavia and of the Soviet Union will result from the meeting. I point out that, should Yugoslavia give up its independent policy as a result of these talks or thereafter under the present law the President has authority to terminate aid. In fact, the Congress has imposed on the President an ever great responsibility. It is the responsibility to permit aid only if he can positively affirm it is in the interest of the United States, and that the recipient country is independent of the Soviet Union.

The weight of the popular opinion in the country today may well say, "Cut off this aid."

But I believe the long-term interest of our policy—a policy to foster independent policies on the part of the



Eastern European countries, from those of the Soviet Union and considering the fact that Yugoslavia has since World War II maintained an independent course of action against Khrushchev and the Soviet Union, dictate that it is best to continue the arrangements Congress has made in prior legislation, that is, to permit loans when the President finds it is in the interest of the United States. For this reason to permit freedom in the conduct of our foreign policy, and to encourage a split within the Soviet bloc, I shall vote against the amendment offered by the distinguished Senator from Wisconsin.

Mr. JAVITS. Mr. President, will the Senator yield to me?

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

Mr. JAVITS. Mr. President, will the Senator from Alabama yield 1 more minute to the Senator from Kentucky?

Mr. SPARKMAN. I yield 1 more minute to the Senator from Kentucky.

The PRESIDING OFFICER. The Senator from Kentucky is recognized for 1 minute.

Mr. COOPER. I yield to the Senator from New York.

Mr. JAVITS. I shall vote as the Senator from Kentucky will vote, for the reasons stated, plus the additional reason that Tito and Yugoslavia, no matter how we slice it, are a bone in Khrushchev's throat. It may be that that bone right now is not hurting too much. Tomorrow it may be a bone which is hurting a lot.

We have heard a lot about a "no win" policy and about the idea that we are not seeking victory. We have now an opportunity to arm our President with a weapon which may be effective in order to reach behind the monolithic Communist bloc curtain to countries there situated. It is proposed to deprive the President of that weapon, which I think would be a very unwise act. I shall therefore vote against the amendment.

Mr. COOPER. Mr. President, the Government of Yugoslavia and the people of that country know very well the purposes of the Soviet Union.

The PRESIDING OFFICER. The time of the Senator from Kentucky has again expired.

Mr. SPARKMAN. Mr. President, I yield 1 minute to the Senator from Kentucky.

The PRESIDING OFFICER. The Senator from Kentucky is recognized for 1 additional minute.

Mr. COOPER. I remember an occasion at the United Nations—I think at the time I was serving with the Senator from Alabama—when the Yugoslavian representatives brought charges against the Soviet Union for interfering in the affairs of their government and country. After debate, Yugoslavia was upheld by the United Nations. Its resolution, asking that the Soviet Union be condemned for its interference in Yugoslavian governmental policies was approved. The Yugoslavian representatives had the courage to bring the Soviet Union before the United Nations for condemnation. They are aware of the interference by the Soviet Union in their own policies.

I recognize all the dangers of providing any aid to Yugoslavia. I recognize that there may be, finally, larger agreement between the Soviet Union and Yugoslavia, but so far I think that agreement has not been reached. If a change occurs, the President can cut off our aid.

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

Mr. SALTONSTALL. Mr. President, will the Senator yield to me?

Mr. SPARKMAN. Mr. President, I yield 2 minutes to the Senator from Massachusetts.

The PRESIDING OFFICER. The Senator from Massachusetts is recognized for 2 minutes.

Mr. SALTONSTALL. Mr. President, I shall vote against the Proxmire amendment. I have given it very thoughtful consideration.

I have always voted with the present administration and with the past administration with respect to aid to Yugoslavia, but I have been hesitant this year because I am not at all confident that Yugoslavia is independent of the Soviet bloc and has not turned to the East rather than to the West.

I think the Senator from New York [Mr. JAVITS] and the Senator from Kentucky [Mr. COOPER] have very well expressed the reasons why the Senate should not adopt the amendment.

Mr. President, I say to the acting chairman of the Committee on Foreign Relations, I hope that the Senate will accept the amendment offered by the junior Senator from New York [Mr. KEATING], which states, in part:

It is the sense of Congress that clear priorities should be established among the countries receiving assistance under this Act and that any requests for appropriations to carry out programs of assistance under this Act should be accompanied by information with respect to the priorities assigned for the fiscal year for which appropriations are requested.

The Congress provided a section in the foreign aid appropriation bill to that effect last year.

The amendment to be offered by the Senator from New York [Mr. KEATING] contains language a little stronger than that in last year's appropriation bill, but I shall vote against the Proxmire amendment in the hope that the Keating amendment will be adopted, because I think that would cover the situation in relation to Yugoslavia, without putting a flat "no" to Yugoslavia at this time. I hope the Keating amendment will be adopted.

For these reasons I shall vote against the Proxmire amendment.

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

Mr. PROXMIRE. Mr. President, before I summarize my arguments, I wish to take a few minutes to answer some of the statements which have been made. I yield myself 3 minutes.

The PRESIDING OFFICER. The Senator from Wisconsin is recognized for 3 minutes.

Mr. PROXMIRE. Mr. President, I have the greatest respect and admiration

for the Senators who have spoken, unfortunately, against my amendment. But I must set the record straight. I challenge the Senator in charge of the bill or any Senator to furnish evidence that Yugoslavia is moving away from the Soviet Union. In the past few years Yugoslavia has moved in exactly the opposite direction. The record in that regard is as clear as it could possibly be.

The distinguished Senator from New York [Mr. JAVITS] said that Yugoslavia is a bone in Khrushchev's throat. That is ancient history. Yugoslavia was a bone in Stalin's throat, certainly, but is not a bone in the throat of Khrushchev in any sense. The fact is that there has been consistent and constant collaboration between Yugoslavia and Khrushchev, between Tito and Khrushchev. It is getting to be closer collaboration all the time.

Senators ought to remember the Belgrade statement of Tito in Yugoslavia, the most important statement recently made by him, in which he endorsed the Khrushchev proposal for disarmament, and derided the U.S. fetish for controls and inspections. Only 2 days after the Soviets resumed nuclear testing, he expressed his "understanding" of the reasons invoked by the Soviet Union in resuming atomic tests in the atmosphere.

In addition, Tito endorsed the thesis of the two German states, one of which he said was acquiring a "more outspokenly new social character." He referred to East Germany in that regard, whereas he described West Germany as "a typical capitalist social system pregnant with interwoven remnants of Fascist and revenge conceptions and tendencies."

Furthermore, in that speech Tito asked for modification of the role of the Secretary General of the United Nations, suggesting that he be downgraded to a simple administrator, a "functionary of the United Nations without independent political competency."

Tito sharply criticized U.S. policies in Latin America.

Tito praised the resistance by the Cuban people against the "aggressive intervention" of the U.S. supported freedom fighters.

Mr. President, this is not the action of a neutralist. This is not the action of a man who is independent of the Soviet Union.

The fact is, as many competent, scholarly observers have said—and I have quoted some earlier today—Yugoslavia is serving the international interests of the Soviet Union. Yugoslavia has said over and over again it is interested in spreading international communism—as they put it, "proletarian internationalism."

This is the position of Yugoslavia today. Perhaps it was not the position 4 or 5, or 8 or 10 years ago, but it is the position now.

I cannot see any justification, under all of the present circumstances, for the United States to provide economic development aid for a country under these circumstances, when there are other countries in the world which need assistance and there are so many other useful

and productive things we can do with the money.

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

Mr. PROXMIRE. Mr. President, I reserve the remainder of my time.

Mr. SPARKMAN. Mr. President, I shall speak for only a very few minutes. I know of nothing that I can say that has not already been well said by the Senator from Kentucky [Mr. COOPER], the Senator from Vermont [Mr. AIKEN], and the Senator from New York [Mr. JAVITS]. Again I point out, as I did yesterday, and as the Senators mentioned have pointed out, that Yugoslavia has shown independence. I agree with what has been said. I do not like everything that Tito has said. I do not like everything Tito has done. I am not defending Tito. I am not defending Yugoslavia. But I do say that any time we have an opportunity to drive one of the satellites away from the monolithic structure at which the Kremlin aims, we ought to take advantage of that opportunity. I think we have that opportunity in the case of Yugoslavia.

Sometimes I think we argue the bill as if there were hidden in it a specific provision that Yugoslavia is to receive aid. There is no such provision in the bill. In fact, as I stated yesterday, it is contemplated and anticipated that not to exceed \$10 million may be loaned to Yugoslavia, repayable in dollars with interest, on projects that our people would deem good projects to aid in the development of the country.

Not only is that true, but at the last session of the United Nations last fall, time after time Yugoslavia voted with the United States in opposition to the Soviet Union. That is the record.

As the able Senator from New Hampshire pointed out, another thing we must keep in mind is that a provision is in the law already in connection with aid to Yugoslavia. I read it into the Record, yesterday. Before any aid of any kind can be extended to Yugoslavia, the President must find three things:

First, the President must find that Yugoslavia continues to maintain independence. It is not what we think about independence. The President must be convinced that Yugoslavia continues to maintain independence.

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

Mr. SPARKMAN. I yield.

Mr. AIKEN. I mentioned the fact that Yugoslavia frequently opposed Russia in the United Nations. One principal example is the clash over problems in the Holy Land. Yugoslavia has consistently voted for measures to maintain order in the Middle East, or the Holy Land. In the fall of 1960, Yugoslavia offered the resolution in the United Nations to continue the police force that maintains order between Israel and the Arab States. Russia bitterly opposed the resolution. Yugoslavia has consistently paid every dollar of her assessments for that peace-keeping operation. Russia has never paid a single nickel, nor has any of the other eight members of the Communist bloc paid anything toward that peace-

keeping operation. I point out that there is a difference.

Mr. SPARKMAN. The Senator is correct. Yugoslavia has consistently supported U.N. programs related to the Congo operation, the Gaza Strip operation, and other resolutions in the past session of the U.N., and has done her part toward helping them, when Russia refused to go along.

The President must be convinced that Yugoslavia continues to maintain its independence. Second, the President must determine that Yugoslavia is not participating in any policy or program for the Communist conquest of the world. Third, the President must determine that the furnishing of such assistance is in the interest of the national security of the United States.

Under the Constitution of the United States the task is imposed upon the President to promulgate and put into effect our foreign policy. We have charged the President with the exercise of great caution in handling the program. I do not believe that we ought to limit him further.

Mr. President, how much time have I remaining?

The PRESIDING OFFICER. The Senator from Alabama has 8 minutes remaining.

Mr. SPARKMAN. Mr. President, I reserve the remainder of my time.

The PRESIDING OFFICER. Does the Senator from Wisconsin wish to yield time?

Mr. PROXMIRE. Mr. President, I request a minute for the purpose of asking for the yeas and nays on my amendment.

I ask for the yeas and nays.

The yeas and nays were ordered.

Mr. PROXMIRE. Mr. President, I yield 2 minutes to the Senator from New York [Mr. KEATING].

Mr. KEATING. Mr. President, I have the deepest respect for Senators who have spoken in opposition to the amendment. I know they are sincere. I know that their motivations are as pure as those of any Senator who may support the amendment. I find myself in a position in which I must support the amendment. As the distinguished Senator from Massachusetts has said, it is true that the amendment which I have submitted does not go as far as the pending amendment. It is more general in its terms. I believe it would probably have more adequately covered the situation. But it is not the amendment now before the Senate. Its adoption or nonadoption is still in doubt. In that situation I feel that the amendment deserves our support.

There may have been a time when U.S. aid to Tito was useful in helping the Communist leader to establish a position independent of Stalin. In my judgment, that time has passed. The events of the past few years show that despite our help and despite isolated instances of support for the United States in the U.N., Tito is looking more and more to the Communist bloc for guidance and support.

In the international arena, by and large and on balance, Tito is working

against the interests of the United States and the free world, against the interests of NATO, and in support of Soviet policies on Berlin and on other points of conflict. In the domestic sphere he is certainly tightening up on the free elements in the Yugoslavic economic system. The recent imprisonment of Djilas shows clearly, even to those who may wish to forget it, that Yugoslavia is a completely totalitarian state. Communists cannot tolerate free discussion. In Russia, in China, or Yugoslavia, Tito is working in a manner directly opposed to the interests of the United States at this time, and therefore the temporary suspension of aid seems to me to be justified.

Mr. PROXMIRE. Mr. President, how much time do I have left on my side?

The PRESIDING OFFICER. The Senator from Wisconsin has 9 minutes remaining.

Mr. PROXMIRE. Is the Senator from Alabama ready to yield back the remainder of his time? I merely wish to summarize my position.

Mr. SPARKMAN. I wish to yield to the majority leader.

Mr. PROXMIRE. I reserve the balance of my time.

Mr. MANSFIELD. Mr. President, how much time does the Senator from Wisconsin intend to use in bringing this matter to a conclusion?

Mr. PROXMIRE. I will not speak for more than 2 or 3 minutes.

Mr. SPARKMAN. I yield 3 minutes to the Senator from Montana.

Mr. MANSFIELD. Mr. President, I have listened with a great deal of interest to the debate on yesterday and today with respect to the amendment proposed by the distinguished Senator from Wisconsin [Mr. PROXMIRE]. I have listened to his arguments. There is a good deal of validity in what he has said. I have also listened to the arguments of the Senator from New Hampshire [Mr. COTTON]. He has pointed out what can and cannot be allowed under aid to Yugoslavia as it is contemplated in the pending bill.

I have listened with interest and approval to the distinguished Senator from Vermont [Mr. AIKEN], to the distinguished Senator from Kentucky [Mr. COOPER], and to the acting chairman of the Committee on Foreign Relations, the Senator from Alabama [Mr. SPARKMAN]. We have gone through this matter before. I point out to the Senate that this particular aspect of the aid program was, if my memory serves me correctly, first offered under a Republican administration and that it has been continued down to the present time.

As the distinguished Senator from New Hampshire has said, we must have confidence in the President. We had it when Mr. Eisenhower was in the White House. I see no reason why we cannot have it when Mr. Kennedy is our leader.

The Senator from Vermont said that the President has made mistakes. Of course he has made mistakes. Mistakes were also made by Eisenhower and Truman and Coolidge and Harding and Wilson and all the other Presidents make mistakes



and they made them because they were human, just like the rest of us. I hope we will never see the day when the President of the United States will not make mistakes. When we reach that day, there will be something wrong with the President, and something wrong with us for electing him.

I have contacted the White House on this proposal, and I have asked for a statement as to what the administration's position is. I have received a letter from Mr. McGeorge Bundy, one of the administrative assistants to the President. In response to my request, this is what he says:

DEAR SENATOR MANSFIELD: I wish to express the administration's views on the Proxmire amendment to the foreign aid bill.

The effect of this amendment would be to cut off the small amount of aid (mostly Public Law 480) we have given to Yugoslavia.

This is a moment of great delicacy in internal political balance within the Communist world.

All those who are opposed to the amendment have emphasized this feature:

All of our intelligence evidence, the reports of our Ambassadors, and our own appreciation of the relations we are conducting with the Soviets point to a struggle between those who believe in putting the Soviets into a more aggressive Chinese posture and those who assess American strength and determination for what they are and wish the Communist bloc to deal with us more realistically and peacefully. The proposed amendment would work in favor of the hardliners in the Kremlin and elsewhere in the Soviet bloc.

Our policy in giving small amounts of aid to Yugoslavia—

And, incidentally, to Poland—

has been one of assisting it to maintain some freedom of maneuver against the Kremlin.

That is what the Senators who oppose the Proxmire amendment have been emphasizing time and time again.

We have no question that this policy has paid off. Yugoslavia is, of course, still a Communist country, and we are against communism, but it is a plain fact that this country exercises a continuing and significant pressure in restraint of the more extreme and aggressive actions of world communism.

And, incidentally, so does Poland.

Nothing is more helpful to the position of the United States and the whole of the free world than the maintenance of some range of choice within the bloc. Nothing could be more dangerous than the achievement of monolithic unity under Soviet leadership, such as Stalin exercised in the immediate postwar period.

The proposed amendment deprives the President of that discretion which is necessary for the effective conduct of foreign policy. The President has not abused that discretion and would not do so in the future. The executive branch is always prepared to consult with responsible leaders of Congress about the use of aid for Yugoslavia and to explain the nature and justification of specific transactions. This has been our practice in the past, and it will continue to be so. As the attached statistics show, our aid to Yugoslavia has been limited in quantity and carefully restricted in content. I do not think the present facts in any way justify a departure from our past policy.

Obviously, the behavior and public statements of certain Yugoslav leaders, and the continuing police-state character of the Government stir natural resentment among all Americans. Our opposition to these aspects of Yugoslav policy is clear, and in the light of such behavior the President has closely limited the forms of assistance which he will allow. The law as it stands permits this kind of flexible and immediate response to favorable or unfavorable developments. The amendment would remove all opportunity for calculated responses and would freeze us out of any ability to affect affairs in these countries.

The truth of the matter is that this amendment would play into the hands of those who are most hostile to the United States. The intent of the amendment is

obviously to oppose communism—but if it is adopted the hard-line Communists will be delighted.

The letter is signed by Mr. McGeorge Bundy, because it was he whom I contacted at the White House.

I ask unanimous consent to insert in the RECORD at this point the amount of aid given Yugoslavia this year under title I, title II, title III, and title IV of Public Law 480, and also incidental small amounts which Yugoslavia is receiving this year.

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

#### *Economic aid to Yugoslavia*

(Millions of dollars)

	Public Law 480			Eximbank	Other	Total
	Title I	Titles II and III	Title IV			
Total since—						
1951	439.2	228.3	17.3	65.0	614.3	1,364.0
1961	27.4	14.1		50.0	50.4	147.9
1962	83.8	14.0	17.3		.7	115.8

Mr. PROXMIRE. In reply to the majority leader, I should like to say that if Mr. McGeorge Bundy said that my amendment would knock out Public Law 480 aid, he is wrong. It would not do so. Apparently he has not read my amendment.

Mr. MANSFIELD. I do not think I said that.

Mr. PROXMIRE. The Senator from Montana indicated that the amendment would knock out Public Law 480 aid.

Mr. MANSFIELD. Is the Senator referring to what I said at the beginning of my remarks?

Mr. PROXMIRE. I am referring to what the Senator from Montana said, I believe, at the beginning of the letter from which he read.

Mr. MANSFIELD. May I read it again? I quote from the letter:

The effect of this amendment would be to cut off the small amount of aid (mostly Public Law 480) we have given to Yugoslavia.

I apologize: the Senator is correct.

Mr. PROXMIRE. The amendment provides that assistance to Yugoslavia under this act shall be suspended. I admit that the amendment does not go far enough. I would like to have it go much further. I would like to have it cut out Public Law 480 aid to Yugoslavia. However, my amendment does not do that. I would also like to prevent the kind of bargain sale arrangement that we have made with Yugoslavia on planes, under which Yugoslavia has been paying about one thirty-fourth of the price of the planes it has been buying.

What I have said is exactly what the amendment provides. I have gone over it with members of the Committee on Foreign Relations. It provides that the \$10 million economic development program cannot be provided in fiscal 1963.

Mr. President, this is a very moderate amendment. It provides that for 1 year,

and 1 year only, aid to Yugoslavia will be suspended. The aid to Yugoslavia that is suspended is the economic development program. As I say, I believe we can fully justify going a lot further, but this amendment does not go any further than that.

I would merely like to summarize my argument on this amendment by calling to the attention of Senators the fact that the amendment is not aimed at Tito because he is a dictator. It is not aimed at Yugoslavia because it is a Communist country. It is aimed against Yugoslavia because Tito is now a close ally of Premier Khrushchev against the United States and because Yugoslavia is supporting the interests of the Soviet Union. There is no question about it.

The active coexistence which Yugoslavia has advocated under the program adopted in 1958, and which Tito has tried to advance in neutralist countries, consists of identifying his type of neutralism with the victory of communism over freedom.

This is what he is working to achieve, not only in Yugoslavia, but also in Asia and in Africa, and, in the future, in South American countries.

As I said before, and as I emphasize again, George Bailey writing in The Reporter has pointed out that:

The fitting of the Marxist formula into the natural anticolonial reaction is the greatest service the Yugoslav regime has made to the Communist cause.

The amendment merely provides that for 1 year, on the basis of Marshal Tito's recent actions and on the basis of his alignment with the Soviet Union, the United States will suspend this modest amount of aid. I do not believe the amendment goes far enough, but I believe the Senate should be willing to go at least this far.

Mr. President, I yield back the remainder of my time, with the under-

standing that the majority leader will yield back the remainder of his time.

Mr. SPARKMAN. Mr. President, I yield back the remainder of my time.

Mr. LAUSCHE. Mr. President, I offer an amendment in the nature of a substitute for the Proxmire amendment and ask that it be read.

The PRESIDING OFFICER. The amendment will be stated.

The CHIEF CLERK. It is proposed to add to section 620 of the Foreign Assistance Act of 1961 the following new subsection:

(e) No assistance shall be furnished under this Act and no commodities may be sold or given under the Agricultural Trade Development and Assistance Act of 1954, as amended, to any country having a Communist form of government. This restriction may not be waived pursuant to any authority contained in this Act.

The PRESIDING OFFICER. How much time does the Senator from Ohio yield himself?

Mr. LAUSCHE. I yield myself 10 minutes.

Mr. President, I begin with the proposition that aid granted to a Communist country can never be in the interest and security of the United States. Aid granted to a Communist country can only be in the interest of the promulgation of international communism.

Our statutes contain provisions which declare that whenever it is found to be in the interest and security of the United States to grant aid to a Communist country, such aid may be granted. I submit that on the basis of what has happened in the past 17 years, aid to communism is always inimical to our country. It is for that reason that I believe the most lofty purposes of the Senator from Wisconsin ought to be expanded so as not to cover Yugoslavia alone, but also to cover all Communist countries. That is all my amendment proposes to do. It contemplates declaring that our dollars and surplus commodities shall not be given to countries which have Communist forms of government.

Senators may ask: "Why is it always detrimental and inimical to the United States to grant aid to a Communist country?" When we grant aid to Tito's government in Yugoslavia, in effect we tell those 15 million or 17 million people that the United States looks with sympathy upon what Tito is doing. We deceive and delude the citizens within Yugoslavia into believing that our Government is in sympathy with the Communist government of Yugoslavia.

In my opinion, the people who live within the satellite nations want to rise in revolt against the yoke they have to carry, a yoke which has been imposed upon their necks by international communism. However, experience has demonstrated that in Communist countries the ability to revolt, when the people face the gun and the noose, can never become a reality. In Hungary, East Germany, Poland, and Czechoslovakia the students revolted. They revolted, I say with embarrassment, in anticipation of aid from the West. But

aid never came. Those revolts were all subdued.

In Communist China, the hungry and starving people are fleeing to Hong Kong. If there is ever to be any assertion, it must come from the people; and revolt and assertion will not come if we make it appear that the Communist governments in control are acceptable to the people of the United States.

I think I know the mental attitude of the Yugoslavs. I speak their language. If it had not been for our Government, communism in Yugoslavia would not be alive today; and if it were alive, it would be only under the compulsion of the gun. The Yugoslavs are not a godless people. They do not believe in the surrender of the spiritual aspects of life and the dignity of man. They want to pray, they want to speak, they want to think, and they want to own what they create. They want no dictator to do their thinking, their praying, their speaking, and their writing for them. They want freedom. Yet we tell them, "Accept your Communist government."

In effect, the United States has given \$2,500 million to Yugoslavia, although not all of it in the form of foreign aid; much of it has been given through the other worldwide agencies to which we contribute and which provide aid for that country.

As has been pointed out by the Senator from Alabama [Mr. SPARKMAN], the law today provides that if aid is to be granted to Yugoslavia, the President must find that Yugoslavia is maintaining its independence from communism. I cannot come to the conclusion that Yugoslavia is independent of communism. Nearly every time we have granted aid to Yugoslavia, on the day following Tito has taken the rostrum and proclaimed to the world that his fidelity to the philosophy of Marxism has not changed in the least degree. If Senators will examine the record, they will find that in practically every instance Tito has made declarations of the kind I have just described. When within the past 7 or 8 months the United States provided him with planes of war, immediately thereafter he reasserted his fidelity to communism.

Can anyone say that Gomulka, in Poland, is maintaining his independence of communism? It cannot be so declared on the basis of the facts.

Second, the law provides that aid shall not be given unless it is found that Yugoslavia is not participating in any program of conquest by the Communists.

Just how long will it take the people of the United States and those who hold important positions of public policy to learn that under the Marxian theory there will be no peace until the world is communized? Every one of the countries with Communist forms of government is participating in the program of conquest of the peoples of the world and their subjugation to communism.

Third, it is said that aid shall not be given—let us say to Yugoslavia—unless it is found that the national interest and the security of our country will thus be served. I have dealt with that aspect of this problem; and I repeat

that, in my judgment, aid granted to a Communist country, with its repeatedly avowed and redeclared principles, can never be in the interest and the security of our Nation.

In the letter something was said about creating a monolithic unity of Communist nations under which there would be no deviation. If there is to be deviation, it will not come from Communist governments; it will come from people who are seeking freedom.

It seems to me that by giving aid to Communist countries, we are "selling down the river" irredeemably and irretrievably the people who are living under the domination of those Communist governments. So, Mr. President, at the risk of repetition I say that we are telling them, "Be content with what you have. We will give you aid, and we are giving you aid."

The PRESIDING OFFICER. The time available to the Senator from Ohio has expired.

Mr. LAUSCHE. I ask unanimous consent that I may proceed for 3 more minutes.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

Mr. COTTON. Mr. President, will the Senator from Ohio yield for a question?

Mr. LAUSCHE. I yield.

Mr. COTTON. I am a little concerned about the part of the Senator's amendment—although, as he knows, I am thoroughly in sympathy with the purpose of his amendment—which refers to the giving of aid or assistance to a country with a Communist form of government. I wonder whether that would be a little confusing from the point of view of administration. Just what is a country with a Communist form of government?

Mr. LAUSCHE. The law now provides that aid shall not be given to a country that is dominated by international communism. If that language is susceptible of interpretation, I submit that the language "any country with a Communist form of government" is likewise susceptible of interpretation.

Mr. SPARKMAN. Mr. President, will the Senator from Ohio yield?

Mr. LAUSCHE. I yield.

Mr. SPARKMAN. Merely for the sake of clarity, I think it might be well to state these three points again. The President shall assure himself, first, that Yugoslavia—in this case—continues to maintain its independence. The words "its independence from communism" are not used. I think this provision means that the country is not dominated by some Communist bloc.

Second, that Yugoslavia is not participating in any policy or program for the Communist conquest of the world.

And, third, that the furnishing of such assistance is in the interest of the national security of the United States.

Mr. LAUSCHE. Yes. I think I have covered those points in substance.

Mr. SPARKMAN. I, myself, have wondered how it would be possible to define "a country having a Communist form of government."



Mr. LAUSCHE. Then let me ask, how can we define "a country that is dominated by international communism."

Mr. SPARKMAN. But I have read these three provisions in order to indicate that that language is not used in them.

Mr. LAUSCHE. At any rate, I think we must meet this problem head on. Let me say to the Senator from Alabama that in the face of that language, we are giving aid to Poland, which is headed by Gomulka, a Communist.

Mr. SPARKMAN. But not aid under Public Law 480.

Mr. LAUSCHE. That is true; but we are giving aid to Poland, even though admittedly Poland is dominated by international communism. Thus, having in mind that the present provisions of the law are meaningless, and that on the basis of one person's interpretation they allow the granting of our aid to Yugoslavia and to Poland, I believe we should write into the law this absolute prohibition, thus declaring that no form of aid shall be given to a Communist government.

Mr. President, on the question of agreeing to my substitute amendment, I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second?

The yeas and nays were ordered.

Mr. LAUSCHE. Mr. President, I am prepared to yield back the remainder of the time available to me.

Mr. SPARKMAN. Mr. President, I merely wish to say that I think the same arguments that were made against the Proxmire amendment apply to this amendment, except this amendment goes even further and is more restrictive than the Proxmire amendment.

I think the entire question is whether we shall completely abandon these countries, and thus shall leave them with no hope of every breaking loose from the great monolith the Kremlin seeks to create.

I have no sympathy with communism or with any Communist government; but I do have great faith and great confidence in the President of the United States. I have that faith and that confidence today, and I also had it during the 8 years of the Eisenhower administration, when this policy was initiated. I had confidence in President Eisenhower. I believed he would not extend our aid to one of these countries unless he was convinced that these three conditions were met. I believe he administered this measure sincerely and earnestly, with the best interests of our country at heart. I think the same is true of President Kennedy; and I do not believe we should tie his hands in this field of foreign policy—one of the greatest burdens any President has to carry.

Mr. President, I am prepared to yield back the remainder of the time available to me, if the other side will do likewise.

Mr. LAUSCHE. Mr. President, the Senator from New Hampshire [Mr. Cotton] asked me to yield 2 minutes to him; and I do so at this time.

The PRESIDING OFFICER. The Senator from New Hampshire is recognized for 2 minutes.

Mr. COTTON. Mr. President, I apologize to the Senator from Ohio for using some of his time, inasmuch as part of what I must say is that I believe I must vote against his amendment. I am constrained to say that the original amendment of the Senator from Wisconsin [Mr. Proxmire], of which I am a cosponsor, is the safer and the clearer amendment.

I am completely in accord with everything the Senator from Ohio has said and has said so well. I would willingly vote for an amendment that would provide that no aid under this act—I am not sure I approve of going into the matter of the disposal of agricultural surpluses—would go to any Communist country, if we can clearly define a Communist country.

If I may have a moment, I want to say, in view of the fact that the distinguished majority leader and the distinguished Senator from Alabama have said repeatedly that the President can be trusted; that, of course, the President makes mistakes, and all Presidents do, but that he can be trusted; I agree with that statement.

I believe, however, that the Congress of the United States has its own responsibilities. The President has his. I am not going to vote, if I can help it, to grant to the President of the United States authority to use the taxpayers' money to aid a Communist country. I will not do it for President Kennedy. I would not do it for President Eisenhower, and I voted against it when he was President.

It is not a question of who is President. It is not a question of confidence in the President. We are getting into the habit more and more of sidestepping our responsibilities in Congress and leaving it to the President, whether he asks for the authority or not. We have our own solemn responsibility, and I want to see come out of this Chamber today, if possible, a firm, clear-cut declaration against putting our hands into the pockets of the taxpayers of this country and using their resources to aid any Communist country.

I agree with the Senator from Ohio that it is never in the interest of the security of the United States to use our money to help a Communist country.

However, I am compelled to vote against the substitute, because I very much fear that when the time comes for some technical legal light downtown to determine what is a country with a Communist form of government, it is going to be a very loose definition, and also because I am not at all sure that I want to vote under this act to do something in restraint of or to control the handling of our food surpluses.

I am one of those who happens to think that now is the time to bomb China with American food, with the American flag, and with a message from the American people. I think that would be one of the best propaganda uses of our surpluses we could ever devise, and it would make the Communist dictatorship squirm.

However, that is beside the issue. On this question I agree with the Senator from Ohio, but I am constrained to vote

against his substitute because I still think the amendment offered by the Senator from Wisconsin is preferable. It is completely plain. It names Yugoslavia and does not leave any loopholes.

Mr. LAUSCHE. Mr. President, I yield myself 3 minutes for the purpose of discussing this question. How can one in principle distinguish Yugoslavia from Poland? If aid is denied to Yugoslavia, on what theory can it be granted to Poland? If there is a principle underlying the amendment of the Senators from Wisconsin and New Hampshire, will the Senator from New Hampshire explain to me how he can differentiate?

Mr. COTTON. I would not differentiate. I would vote for the Senator's amendment if it named Poland, and, one by one, the countries the amendment affects. But I am afraid of a definition which says "country having a Communist form of government." I do not know exactly what a Communist form of government is. I know what a Communist society is. We know it as a practical matter. But some countries that are communistic have legislative bodies. They may be mere fakes, and often are. Some countries have a semblance of a democratic form of government. Others do not.

I must say that I do not entirely trust the legal minds downtown when they go to work on some of the legislation that comes out of the Congress. I do not entirely trust them unless the legislation is very, very clear as to just what it means.

I agree with the Senator completely that we should not differentiate in favor of Poland as against Yugoslavia.

Mr. LAUSCHE. But we are, under the amendment of the Senator from New Hampshire; and if a Senator shall be asked, "On what theory did you deny aid to Tito and at the same time grant aid to Gomulka?" he will not be able to give a rational answer.

Mr. COTTON. If the Senator will change his amendment even to read "a country known to be dominated by communism or Marxism," I will vote for his amendment.

Mr. LAUSCHE. I will accept that modification.

The PRESIDING OFFICER. Does the Senator from Ohio accept the modification?

Mr. LAUSCHE. Yes.

The PRESIDING OFFICER. It will have to be done by unanimous consent, now that the yeas and nays have been ordered.

Mr. LAUSCHE. Will the Senator repeat his proposal?

Mr. COTTON. Instead of using the words "having a Communist form of government," substitute the words "known to be dominated by communism or Marxism."

Mr. LAUSCHE. I do not believe there is any difference, and, if there is no difference, I will accept it.

I ask unanimous consent that my amendment may be so modified.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and the amendment is so modified.

The amendment, as modified, is as follows:

On page 11, after line 24 insert:

"(g) No assistance shall be furnished under this Act and no commodities may be sold or given under the Agricultural Trade Development and Assistance Act of 1954, as amended, to any country known to be dominated by communism or Marxism. This restriction may not be waived pursuant to any authority contained in this Act."

Mr. LAUSCHE. I yield back the time at my disposal.

Mr. SPARKMAN. I am ready to yield back the remainder of my time, if the Senator from Ohio does likewise, and I suggest the absence of a quorum.

The PRESIDING OFFICER. All time on the amendment is yielded back.

The absence of a quorum has been suggested, and the clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. SPARKMAN. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered. All time has been yielded back. The question is on agreeing to the amendment offered by the Senator from Ohio [Mr. LAUSCHE], as modified. The yeas and nays have been ordered, and the clerk will call the roll.

The legislative clerk called the roll.

Mr. MANSFIELD. I announce that the Senator from Nevada [Mr. BIBLE], the Senator from North Dakota [Mr. BURDICK], the Senator from Minnesota [Mr. HUMPHREY], the Senator from Michigan [Mr. McNAMARA], the Senator from Oregon [Mrs. NEUBERGER], the Senator from Rhode Island [Mr. PASTORE], the Senator from Tennessee [Mr. KEFAUVER], and the Senator from Oregon [Mr. MORSE] are absent on official business.

I further announce that the Senator from Arkansas [Mr. FULBRIGHT], the Senator from South Carolina [Mr. JOHNSTON], the Senator from Pennsylvania [Mr. CLARK], and the Senator from West Virginia [Mr. RANDOLPH] are necessarily absent.

On this vote, the Senator from Nevada [Mr. BIBLE] is paired with the Senator from Tennessee [Mr. KEFAUVER]. If present and voting, the Senator from Nevada would vote "yea," and the Senator from Tennessee would vote "nay."

On this vote, the Senator from South Carolina [Mr. JOHNSTON] is paired with the Senator from West Virginia [Mr. RANDOLPH]. If present and voting, the Senator from South Carolina would vote "yea," and the Senator from West Virginia would vote "nay."

On this vote, the Senator from Pennsylvania [Mr. CLARK] is paired with the Senator from South Dakota [Mr. CASE]. If present and voting, the Senator from Pennsylvania would vote "nay," and the Senator from South Dakota would vote "yea."

I further announce that, if present and voting, the Senator from Rhode Island [Mr. PASTORE] and the Senator from Oregon [Mr. MORSE] would each vote "nay."

On this vote, the Senator from Oregon [Mrs. NEUBERGER] is paired with the Sen-

ator from Nebraska [Mr. CURTIS]. If present and voting, the Senator from Oregon would vote "nay," and the Senator from Nebraska would vote "yea."

Mr. KUCHEL. I announce that the Senator from Connecticut [Mr. BUSH], the Senator from Maryland [Mr. BUTLER], the Senator from South Dakota [Mr. CASE], the Senator from Arizona [Mr. GOLDWATER], the Senator from Iowa [Mr. MILLER], and the Senator from Kentucky [Mr. MORTON] are necessarily absent.

The Senator from Nebraska [Mr. CURTIS] is absent because of death in his family.

If present and voting, the Senator from Arizona [Mr. GOLDWATER] and the Senator from Iowa [Mr. MILLER] would each vote "yea."

On this vote, the Senator from South Dakota [Mr. CASE] is paired with the Senator from Pennsylvania [Mr. CLARK]. If present and voting, the Senator from South Dakota would vote "yea," and the Senator from Pennsylvania would vote "nay."

On this vote, the Senator from Nebraska [Mr. CURTIS] is paired with the Senator from Oregon [Mrs. NEUBERGER]. If present and voting, the Senator from Nebraska would vote "yea," and the Senator from Oregon would vote "nay."

The result was announced—yeas, 57, nays 24, as follows:

[No. 77 Leg.]

YEAS—57

Allott	Engle	Mundt
Anderson	Ervin	Murphy
Bartlett	Fong	Pearson
Beall	Gruening	Proxmire
Bennett	Hartke	Robertson
Boggs	Hayden	Russell
Byrd, Va.	Hickenlooper	Scott
Byrd, W. Va.	Hickey	Smathers
Cannon	Hill	Smith, Maine
Capehart	Holland	Stennis
Carlson	Hruska	Symington
Church	Jordan	Talmadge
Cotton	Keating	Thurmond
Dirksen	Kuchel	Tower
Dodd	Lausche	Wiley
Douglas	Long, Mo.	Williams, Del.
Dworshak	Long, La.	Yarborough
Eastland	Magnuson	Young, N. Dak.
Ellender	McClellan	Young, Ohio

NAYS—24

Aiken	Javits	Moss
Carroll	Kerr	Muskie
Case, N.J.	Long, Hawaii	Pell
Chavez	Mansfield	Prouty
Cooper	McCarthy	Saltonstall
Gore	McGee	Smith, Mass.
Hart	Metcalf	Sparkman
Jackson	Monroney	Williams, N.J.

NOT VOTING—19

Bible	Fulbright	Morse
Burdick	Goldwater	Morton
Bush	Humphrey	Neuberger
Butler	Johnston	Pastore
Case, S. Dak.	Kefauver	Randolph
Clark	McNamara	
Curtis	Miller	

So Mr. LAUSCHE's amendment, as modified, in the nature of a substitute for Mr. PROXMIRE's amendment, was agreed to.

Mr. DIRKSEN. Mr. President, I move that the vote by which the Lausche amendment, as modified, to the Proxmire amendment, was agreed to be reconsidered.

Mr. KUCHEL. Mr. President, I move that the motion to reconsider be laid 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.

Mr. PROXMIRE. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator from Wisconsin will state it.

Mr. PROXMIRE. I understand that the Lausche amendment is a substitute for my amendment. Therefore, I understand that the Lausche amendment, as modified, replaces my amendment. As a result, since the yeas and nays were ordered on the question of agreeing to my amendment, ordinarily we would now vote once again on the amendment of the Senator from Ohio, which is a substitute for mine. But since the opinion of the Senate has thus been expressed, I now ask unanimous consent that the previous order for the yeas and nays on the question of agreeing to my amendment be withdrawn, and that a voice vote be taken on the question of agreeing to my amendment, as now amended.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

The question now is on agreeing to the amendment of the Senator from Wisconsin, as amended. [Putting the question.]

The amendment, as amended, was agreed to.

The PRESIDING OFFICER. The bill is open to further amendment.

Mr. GRUENING. Mr. President, I call up my amendment and ask that it be stated.

The PRESIDING OFFICER. The amendment of the Senator from Alaska will be stated.

The LEGISLATIVE CLERK. On page 11, after line 24, it is proposed to add the following:

(F) After Section 620 add the following new section:

"SEC. 620A. PROHIBITION AGAINST USE OF FUNDS FOR CERTAIN HIGHWAY PURPOSES.—None of the funds authorized to be appropriated by this Act shall be used for making any grant or loan to any country for the reconstruction, rebuilding, or maintenance of any road or highway in such country in the construction of which United States funds, either in the form of loans or grants have been used."

Mr. GRUENING. Mr. President—The PRESIDING OFFICER. How much time does the Senator from Alaska yield to himself?

Mr. GRUENING. Five minutes.

The PRESIDING OFFICER. The Senator from Alaska is recognized for 5 minutes.

Mr. GRUENING. Mr. President, I was a member of the Roads Subcommittee of the Public Works Committee which visited six Central American countries where our Government is constructing the Inter-American Highway. Under the provisions of many statutes, there was written into the law the understanding that the United States would pay two-thirds of the cost of construction of the Inter-American Highway, and the six recipient countries would pay the remaining one-third. However, when we visited those countries we made



the interesting discovery that, with the single exception of El Salvador, those six recipient countries are paying their one-third with our foreign-aid money—a distinct violation of this provision of the act. The act also provides that before these countries may receive our funds, they shall guarantee the maintenance of the highway.

There is now a proposal that after we complete the construction of the highway—which now will cost an additional \$32 million—these countries shall be allowed to maintain it with our foreign-aid funds. But we do not allow our own States to maintain the Federal system of highways with Federal funds; instead, under the Federal highway program, no State is allowed to use Federal funds to maintain those highways. Therefore, I think it proper that we apply the same standard in the case of roads built in foreign countries with U.S. Government funds.

After a highway has been built in a foreign country with our funds, I think it entirely proper that the country in which the highway is built maintain it with its own funds. That is the purpose of my amendment, and I believe it should be adopted. Otherwise, this drain on our national treasury would continue indefinitely. I believe it is clear that following the construction in other countries of roads which are built with the use of our foreign-aid funds, those countries should maintain the roads.

Mr. President, on the question of agreeing to my amendment, I request the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second?

The yeas and nays were ordered.

Mr. HICKEY. Mr. President, will the Senator from Alaska yield?

Mr. GRUENING. I yield.

Mr. HICKEY. Is it not a fact that a year ago many of us who supported the administration's foreign aid proposal did so with the understanding that there would be a better administration of the funds?

Mr. GRUENING. Yes; and it was on that basis that I supported every vestige of this program after the Kennedy administration came into office. But I did not support the double standard which existed under the Eisenhower administration, which was that Federal funds should not be used for many needed projects in our own country, but that Federal funds would be used for construction of similar and even more elaborate projects in other countries, and that the funds contemplated for use abroad for that purpose were sacrosanct and should not be touched or reduced. That was one reason why I could not support the foreign aid program.

A second reason why I could not support it was that it was so badly administered and such shocking waste and misuse of funds characterized it. I made these reasons amply clear on the floor of the Senate, and I introduced amendments designed to rectify the situation, some of which have been adopted.

However, when the Kennedy administration came in, there were two impor-

tant changes. In the first place, the double standard which existed under the Eisenhower administration was largely abolished. Under the Kennedy administration we have resource development in the United States and support for important projects at home which we did not have under the preceding Republican administration; and we also have the specific declarations of this administration to the effect that it knew the program had been badly administered, that changes would be made, and that certain responsibilities and reforms would be required of the foreign countries receiving our funds. In these circumstances, last year I voted right down the line for the foreign aid program, both as to legislation and appropriations.

But now, unless the administration of this program is improved—and I see no sign of that as yet—it will be difficult for me to support it.

Mr. HICKEY. I thank the Senator from Alaska.

I have another question to ask: With regard to what the Senator from Alaska and I specifically know of the administration of the foreign-aid act, particularly its highway aspect, is it not a fact that we know of a particular instance in which a man who left the Wyoming Highway Department and went to Alaska, and who subsequently has left the Alaska Highway Department, now, without consultation with the Senators from Wyoming or the Senators from Alaska, is on his way to a highway post in the foreign-aid highway program?

Mr. GRUENING. That, I believe, is correct. That man was discharged from service in the highway department in Alaska, on the ground of incompetency; and I understand he had a similar experience in Wyoming. Whether he is an employee of the foreign aid administration I do not know. The newspapers reported that he was going to a South American country to build roads there.

Mr. HICKEY. I thank the Senator from Alaska.

The PRESIDING OFFICER (Mr. MUSKIE in the chair). The time of the Senator from Alaska has expired.

Mr. LAUSCHE. Mr. President, will the Senator from Alaska yield for a question?

Mr. GRUENING. I yield myself 5 additional minutes, Mr. President.

The PRESIDING OFFICER. The Senator from Alaska is recognized for 5 additional minutes.

Mr. GRUENING. Now I yield to the Senator from Ohio.

Mr. LAUSCHE. Does the amendment of the Senator from Alaska contemplate that Federal funds shall not be used for the maintenance of highways which have been constructed by means of either our loans or our grants?

Mr. GRUENING. That is correct. I believe that once we have paid for the construction of a highway in a foreign country, our funds should not be used indefinitely to maintain it.

Mr. LONG of Louisiana. Mr. President, will the Senator from Alaska yield to me for a question?

Mr. GRUENING. I yield with pleasure to the Senator from Louisiana.

Mr. LONG of Louisiana. Is it correct to say that under our law the Federal Government will not aid the States to maintain the Federal system of highways?

Mr. GRUENING. That is correct. Yet it is proposed or contemplated that Federal funds will be used for the maintenance of roads which, by means of the use of U.S. funds, have been constructed in various other countries. I believe that would amount to a double standard which would in my view be improper.

Mr. LONG of Louisiana. If the Federal Government is not going to help any of the States of the Union to maintain their highways, I take it the Senator believes the same situation should apply to foreign countries.

Mr. GRUENING. I have no objection to using foreign aid money for the maintenance of highways which they have built with their own funds if it is necessary. I refer only to highways which have not been built with our foreign-aid funds.

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

Mr. GRUENING. I yield.

Mr. CHAVEZ. I have participated in the building of the Inter-American Highway from the start. We were certainly for it, and we appropriated money for it. During the last few years of the preceding last administration we provided \$8 million to be divided over 4 years. The administration sent a letter to the Public Works Committee, which is on record, stating, "If you give us the money all at once, we will not ask you for any more." The committee now has a letter in which \$30 million more is requested.

I do not want the State Department to make decisions for Congress. I am not for this idea. It is unfair. We were told, "If you give us \$8 million at once, we will not ask for any more." Now the administration wants \$30 million more. I am not going to introduce a bill for it.

I want the Congress to have something to say about what should be done. The State Department wants \$30 million more. I am not going to introduce the bill.

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

Mr. CHAVEZ. I yield.

Mr. GRUENING. No man has done more to strengthen our Inter-American relations than has the distinguished senior Senator from New Mexico. The Inter-American Highway is a magnificent project. I have supported it right along. Some of the figures we have obtained in the Public Roads Administration, however, were completely misleading. Whereas the Department asked for \$25 million to complete the project some time ago, which the Congress voted, it now wants an additional \$32 million.

My amendment would apply after we have voted whatever Congress has seen fit to provide for constructive highways in foreign lands. Then the responsibility for the maintenance of the highways would be, if my amendment prevails, on the recipient countries, and not upon the United States.

Mr. CHAVEZ. But I do not trust them. That is the difference between the Senator from Alaska and me.

I am a part of the history of the Inter-American Highway. I walked all over it. I have seen it. I know it is good. But the Department sent a letter to my committee, stating, "Instead of giving us \$8 million in 4 years, if you give it to us now we will complete it." We did it for the previous administration. Notwithstanding, the Department has written the committee another letter. It now wants \$30 million more. I am against it.

Mr. KEATING. Mr. President, will the Senator from Alaska yield for a question?

Mr. GRUENING. I yield with the understanding that I do not lose the floor.

Mr. KEATING. Is the Senator's amendment limited to the Inter-American Highway, or does it apply to any country we might be assisting in the building of a highway, and prohibit use of the funds for maintenance?

Mr. GRUENING. That is what my amendment seeks.

Mr. KEATING. It is general in scope?

Mr. GRUENING. It is general in scope, because the principle applies everywhere.

Mr. KEATING. Can the Senator from Alaska or the chairman of the committee inform us whether or not at this time funds are being used under the program for the maintenance of highways apart from the Inter-American system?

Mr. GRUENING. I do not know, but I have been told that after we complete the Inter-American Highway with the addition of another \$32 million, proposals will be made in the foreign aid program for the use of this money to maintain the highway; and that is what I oppose.

Mr. KEATING. Will that be in the coming year?

Mr. GRUENING. A provision of the kind described should be written into the act so that countries now in the process of receiving the money can make preparations for the training of road maintenance personnel. Another 2 years will be required to complete the Inter-American Highway. In that period our public roads engineers should be able to help train personnel in the public works administrations of those countries to maintain the road. After all, that is a part of the educational purposes of the foreign aid bill. We are not giving these countries money alone; we are trying to give them training and education. It is the purpose of the foreign aid bill not only to grant or lend them money, but to train them to help themselves.

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

Mr. GRUENING. I yield.

Mr. CHAVEZ. I am for foreign aid, for roads, for schools, for water pollution control, for any public purpose. We have helped in connection with the Inter-American Highway.

The Inter-American Highway is that part of the Pan American Highway from the U.S. border to Colombia. I have

worked on it like a slave. But I do not like the fact that one administration asked my committee to give it \$8 million at once and it would be through. Now the Department writes me a letter asking me to "introduce a bill to give us \$32 million more."

Before I introduce any such proposed legislation, I want to know why; and I ask that question in all kindness. I know those people. I can say the "Hall Mary" in Spanish with the best of them. But Uncle Sam's rights should be secured. I will be switched if I will introduce a bill to give \$32 million to keep some local politicians in power, in spite of the committee that my good friend belongs to.

Mr. KEATING. I hope that during the debate the facts will be brought out with respect to what other aid is involved in addition to the aid in Latin American countries.

Mr. GRUENING. Does not the Senator from New York agree that our foreign aid program has a double objective? It provides economic aid; and it is also, concomitantly, is supposed to train people in the wise use of foreign aid.

Mr. KEATING. That is correct.

Mr. GRUENING. If we have in mind merely thrusting money upon these people, leaving them in a state of a lack of knowledge about the use of funds, the money would be more than wasted. Damage would be done. There would be a great disillusionment. We would open the way to communism and to Castroism.

Particularly in the case of the Inter-American Highway, if the funds to complete it are secured, it will take another 2 or 3 years to complete the work. Meanwhile, our public roads officials would be supervising the work, and they ought to be able to train the highway administration personnel of the six Republics how to maintain the highway which has been built. They are working on that highway now. Is it not reasonable that in such a length of time they should be able to train the people who will maintain the highway if the people in those countries do not have the knowledge now? They ought to have acquired the knowledge during the 20 years of building of the highway.

Otherwise, this would become a bottomless pit into which to pour money for maintenance of roads all over the world. It would stifle enterprise and initiative on the part of the countries involved.

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

Mr. GRUENING. I yield.

Mr. CHAVEZ. I make these remarks for the benefit of my friend from New York.

We have built the road. The bulk of the cost has been paid by the American taxpayers. Why should not the people of those countries do something to maintain the road? In the so-called diplomatic enterprises engaged in by the State Department, the American taxpayer is asked to maintain the roads and to keep them up.

I like the people south of the border so well that I want them to do their

share. I want to permit them to help keep up the roads.

The good thing we have done for those people is to build the roads. Roads bring enterprise. People are able to see their relatives. They can go to town to buy merchandise. The cars which travel on the roads come from Cleveland and from Detroit.

I know what this is all about. I say these things in all sincerity. Not more than one out of a hundred knows the Latin American people better than I do. But I know their philosophy and their understanding of life. These people either are quite poor or very rich.

I should like to apply a little of the American democracy to the poor fellow, the Mexican of Spanish extraction. That is my only interest. I should like to have them act as we do.

Mr. HOLLAND. Mr. President, will the Senator yield some time to me?

Mr. SPARKMAN. How much time would the Senator like?

Mr. HOLLAND. Five minutes.

Mr. SPARKMAN. I yield 5 minutes to the Senator from Florida.

The PRESIDING OFFICER. The Senator from Florida is recognized for 5 minutes.

Mr. HOLLAND. Mr. President, I strongly oppose the amendment, not at all because I am in favor of a taking over by our country of all maintenance costs of all highways, whether they be the Inter-American Highway and the Rama Road or numerous other highways in other countries which we have helped to build, but because I think this kind of an amendment is against our own interest and against the interests of many of our people who are carrying on work important to us and to the friendly neighboring countries along the highways we have helped to build.

Reference has been made to the Inter-American Highway. I have traveled over practically every foot of it, on two occasions. In my judgment, we went into that project not wholly because we wished to help our neighbors but also because it was of very material importance to us to have land access to the Panama Canal. I know that was one of our objectives.

It happened that I handled the hearings in the committee so ably headed by the distinguished Senator from New Mexico [Mr. CHAVEZ] some years ago when I had the honor of being a member of his committee. I well remember that the question of access for ourselves to the Panama Canal was a matter of real importance.

It would not make sense for us to put up two-thirds of the cost—not of the entire mileage, because Mexico built the 1,600-odd miles within Mexico itself—in the small countries, which have about half the mileage, and then sit back and say, "No matter how impassable the road should become, due to a want either of facilities or of know-how or of money on the part of our neighbors who are vitally affected, we will not take any part, either through loans or grants, in maintaining it and keeping it in operating shape as an important trunk highway." I do not think that would make sense.



Mr. President, in addition, there are many other highways in which we have made investments. In Guatemala, in El Salvador, in Costa Rica, and perhaps in every other Central American country, though I cannot speak for everyone, there are highways traversing the agricultural areas, the rich areas of those nations, upon which the United Fruit Co. and various other investing and producing companies are carrying on operations which are important to us and important to the economies of those countries. Shall we say that we have no interest in those highways because we have contributed a portion of the cost of construction? Shall we say that we are unwilling to make a loan, if a loan is required by reason of a landslide?

I went through a landslide area in the Selegua Canyon, where my distinguished friend also visited. We saw a disaster brought on by a cataclysm of nature, which caused damage into the hundreds of thousands of dollars, and perhaps millions of dollars.

Mr. CHAVEZ. Not only that, but 27 lives were lost.

Mr. HOLLAND. My distinguished friend reminds me that 27 lives were lost. Shall we say that such an unforeseen accident as that would not justify us in lending—the amendment covers both loans and grants—or granting to one of our friends in such a situation of disaster money to open up and to put in operating condition an important trunk highway?

Mr. President, that does not make sense to me.

Mr. CHAVEZ. Mr. President, will my friend permit an interruption?

Mr. HOLLAND. I yield gladly to my distinguished friend.

Mr. CHAVEZ. I agree completely with what the Senator is saying, but I do not want the amendment to go through and to have the Government make loans or grants to do unnecessary things, and then have people come to the Committee on Public Works to ask for \$32 million more. That is the only point.

Mr. HOLLAND. Mr. President, I gladly grant to the distinguished Senator both the jurisdiction and the good sense to deal with any such legislation before his committee as it should be dealt with. I am now talking about what is proposed in the amendment, under which it would be stated that we could not lend or grant any of our money for road maintenance regardless of the need, to a friendly nation we might have helped to build the road. In the case of the six weaker nations on the Inter-American Highway, we put up approximately two-thirds of the funds. It would be said that we could not make any grant or any loan which would allow our country to keep in an operating condition the highway which is important to us or important to industries financed by American money.

Mr. CHAVEZ. May I interrupt my friend again?

Mr. HOLLAND. I yield to the Senator from New Mexico.

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

Mr. HOLLAND. Mr. President, will the Senator yield me 5 additional minutes?

Mr. SPARKMAN. I yield 5 more minutes, Mr. President.

Mr. HOLLAND. I thank the Senator.

Mr. CHAVEZ. On the Mexican border there is a place called El Capon, 2,000 feet high. The road cannot be built there in 3 months. It cannot be built in 6 months.

I could take the Senator to places on the Costa Rican and Panamanian borders thousands of feet high. He has probably been there. We cannot build a road through there for \$100,000, I know it. The only point I am trying to make is that if we are to give them the money now, I do not want to see the money expended from the public works appropriation.

Mr. HOLLAND. Mr. President, I thank the Senator for his comment. I wish to make one other suggestion. I have been down along the mileage of the Rama Road. We agreed to build that road. We are now completing it. It is a defense road that extends from the Caribbean to the Pacific. No such road across Nicaragua previously existed.

By a provision such as the one proposed, shall we bind ourselves not to lend or to grant money if such loan or grant should become necessary to keep in operable condition a highway which is as important as that one? I have dealt only with the situation in Central America, but I am told by my distinguished friend, the Senator from Alabama [Mr. SPARKMAN], the Senator who is handling the bill, that in dozens of countries there are highways which we have helped to build, or built, or loaned money to enable them to be built, which are extremely important to the economy of friendly nations which we are trying to help and trying to get in a more independent situation. Shall we say that we are not willing to go an inch farther, regardless of what effect our failure to do so would have on our planning and our programs? I hope the Senate will reject the amendment.

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

Mr. HOLLAND. I yield to the Senator from New Mexico.

Mr. CHAVEZ. I personally love the ruling family of Nicaragua, though I do not agree with them politically or philosophically. Nevertheless, the best job ever done was the building of the Rama Road. The Rama Road will mean more to the economy of Nicaragua than the Inter-American Highway. I have been from the Pacific to the Atlantic. I have eaten American roast beef with the road-builder from North Carolina who is building that road. It will mean dollars and cents. It will mean a great deal to the families in that area. It is the best road of all the roads we are building. It is a road arranged between Roosevelt and Somoza. We promised to build that road for the Nicaraguans. That was the reason for the Rama Road. That road means more to Central America than even the Inter-American Highway.

Mr. HOLLAND. Mr. President, the Senator is doubtless correct. In fact, in the event of a blockage of the Panama Canal, either through enemy attack or natural disaster, that road would be the easiest and most traversable road across

the continent which would be available to us. Notwithstanding our recognition of that fact, and the fact we put up much of the money for the construction of the road, shall we say that we are not interested in continuing the maintenance of the road? I do not think we should take that position, and I do not believe that Congress will take that position.

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

Mr. HOLLAND. I yield.

Mr. GRUENING. Is the Senator aware that under the statutes enacted by the Congress the Central American countries are required to pay one-third of the construction cost, and that, with the exception of San Salvador, the one-third has been paid almost wholly out of our own foreign aid funds?

Mr. HOLLAND. I am aware of the fact that one-third of the cost was to be paid by the six Central American countries, and not a dime by us in Mexico. Mexico has constructed half of the whole mileage of the Inter-American Highway from her own funds. I am aware that some funds—

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

Mr. SPARKMAN. Mr. President, I yield 2 additional minutes to the Senator from Florida.

Mr. HOLLAND. I am aware of the fact that some funds of the type mentioned by the Senator have gone into the Central American part of the construction.

Mr. GRUENING. Not merely some, but practically all.

Mr. HOLLAND. I am also aware of the fact that the people of those countries, with their small populations and their small budgets, have undertaken a tremendous task to do the part that they have assumed. I thought we went into the project to try to help them and to help ourselves as well. I cannot conceive of our saying that once constructed, we are through with the project, regardless of whether the roads are maintained or not.

Mr. GRUENING. Mr. President, will the Senator yield for a further question?

Mr. HOLLAND. I yield.

Mr. GRUENING. Does not the Senator believe it would be of great help to those countries with whom we have been working for a decade or more in building roads, if they knew the responsibility to maintain the road would fall upon them when it is completed in 2 years? Would they not make an effort to learn how to maintain the highway, and to be self-sufficient in doing so? Does the Senator further know that title 23, section 212, specifically provides that we shall build no highways unless the governments of those countries have agreed to maintain them? The section reads as follows:

(5) will provide for the maintenance of said highway after its completion in condition adequately to serve the needs of present and future traffic.

Mr. HOLLAND. Mr. President, I know the provision of the law to which the Senator refers, since I handled that statute in the hearings and on the floor of the Senate.

Some of the countries to which the Senator has referred have not gone the limit in meeting their obligations. Others have. When they have gone the limit in meeting their obligations, I do not believe in tying our hands so that we cannot help them. I thank the Senator for yielding to me.

Mr. SPARKMAN. Mr. President, as I said earlier today when the distinguished Senator from Alaska proposed the amendment, I do not believe it should be offered. Certainly I do not believe it should be agreed to. I made the point, which I discussed somewhat with the Senator from Alaska, that he was using as a basis of his argument facts that he had ascertained with reference to the Inter-American Highway, overlooking the fact that his amendment would have a worldwide effect and would apply to programs all over the world. The Senator from Florida [Mr. HOLLAND] has made a very telling argument, even with reference to the Inter-American Highway, and particularly with reference to the Rama Road. That is an example of what we might run into. It is a road that we built or helped to build. It certainly served an interest of the United States. It is a defense project in every practical sense of the word.

Mr. KEATING. Mr. President, will the Senator yield for a question?

Mr. SPARKMAN. I yield.

Mr. KEATING. Have we not built roads in South Vietnam and in other areas in which we have a real interest, and would not those roads be covered by the amendment?

Mr. SPARKMAN. Yes. There is a road from Saigon running north, as I recall. I hope the Senator will not check me too closely on the distance, but I think it went in 450 kilometers to open up the country. It was a defense undertaking.

Mr. KEATING. The amendment would prevent any funds being used to maintain that road, even though we might feel that to maintain it would be very much in the interest of the free world.

Mr. SPARKMAN. Yes; the Senator is absolutely right. That is a good example. We built one road in Cambodia, to connect Phnom Penh with the sea-coast harbor which serves the country.

Not only that, Mr. President, but as we move into the underdeveloped countries in the world, one of the first things we do is to help people build roads. Most of these countries do not have roadbuilding know-how. They do not have roadbuilding technicians. They do not have the technicians that are necessary to help build the roads. In the exchange with the Senator from Alaska earlier today I believe he agreed with me in that connection, and said we ought to have some kind of program to train technicians. I believe he is right. We ought to have a program to train technicians. However, one does not train roadbuilding technicians overnight. Road maintenance is quite a problem. It is quite an undertaking. We ought not to build a road unless we will help maintain it until the people in the country are capable of maintaining it themselves. I mean from a technical sense,

that is. We must provide for it in some way. I do not believe there is any way to get around that problem if we are to carry on this program.

I suppose we could pick out many instances. It is true not only with respect to the new nations of the world, but also with respect to some of the Latin American countries. The Senator from Alaska has related the whole proposal to the one road, the Inter-American Highway. There are a great many South American countries and Central American countries which need roads. I have traveled over some very fine roads in South American countries. I have been in other countries which have virtually no roads at all, and which have no technicians who can build roads and help maintain them.

The Senator's amendment virtually says that we are going to withdraw from roadbuilding. That is about what it says. It says that in spite of the fact that it is usually recognized that roadbuilding is one of the most important early steps to be taken in an underdeveloped country. I may say to my friend from Alaska that I wish very much he would agree to withhold his amendment and let us in our conference report, which will be filed, take up this problem and, insofar as it is necessary, treat with it in connection with what the Senator and his subcommittee found to exist in Central America, and treat with this problem of technicians.

After all, this is an administrative matter so far as the whole program is concerned. I wish the Senator from Alaska would agree to that kind of procedure.

Mr. GRUENING. I would like to say to the distinguished Senator from Alabama that if the Senate were to adopt the amendment I have no doubt that officials of the State Department would rush up to the conference committee and tell them that the amendment would ruin the whole program. They have done that time and time again with respect to amendments that were good amendments. We are always told that it would ruin the whole program.

An amendment which I sponsored was passed by the Senate last year by a vote of 74 to 16. It tried to prevent some increases in the rate of the interest payment on loans that were made to Latin American countries. In conference the State Department said it would ruin the whole program if we did not allow the Latin American moneylenders to have their way in increasing the interest rates, to triple and quadruple the amount of interest on the money we loaned them.

I should like to see this amendment on highway maintenance voted up or down. Whatever the result, I hope these countries will be given to understand that once we build a road with our funds and have the opportunity to train the people in those countries to maintain it, after it is built, they will be expected thereafter to maintain it.

Mr. SPARKMAN. I wish the Senator from Alaska had brought the amendment before the Committee on Foreign Relations, where we would have had an

opportunity to get some information on it, and to find out to what extent we are engaged in roadbuilding all over the world in various countries.

We are faced with an amendment that is brought to us cold, so to speak. It has not even been printed. It is not lying on Senators' desks. We are asked to pass upon it. We are asked to pass on a program that is as complex as this one is, as the Senator from Florida has so well pointed out. It is not my conception of the way we ought to legislate.

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

Mr. SPARKMAN. I yield.

Mr. HOLLAND. The Senator has mentioned one matter upon which I should like to make further comment, and that is, that the building of these roads has a great deal to do with the development of better understanding and peaceful adjustments between neighboring countries. I had the honor, representing the Senate, to attend the opening of the Inter-American Highway where it crosses from Nicaragua into Costa Rica. The border between these two countries had been closed for months. There had been some pitched battles along the border. The customs-house on one side had been shot to pieces, and everyone in it killed. Yet on this occasion there were thousands of people gathered from both countries. Immediately after the dedication was completed, hundreds of automobiles drove from Costa Rica into Nicaragua and from Nicaragua into Costa Rica.

There simply is no way of estimating the value from the standpoint of our helping to build better understanding and more cordial relations, not just by the building of the road but also in keeping it open as a means of communication and exchange of ideas and of commerce.

I hope the Senator from Alabama will prevail in his objection to the amendment.

Mr. SPARKMAN. I appreciate the comments of the Senator from Florida. Let us take, for example, the case of an underdeveloped country which we try to help. Certain basic things are involved. One of them is roads. Then there are transportation, communication, utilities, sanitation, and education. Those are the basic things that we start with in trying to help a country. I just cannot see crippling a program like this.

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

Mr. SPARKMAN. I yield.

Mr. MAGNUSON. We have had constant criticism of roadbuilding under the foreign aid program, although not of the basic principle of building roads. The criticism has been directed to the building of roads in certain places instead of in other places; the building of them in one place in preference to another place.

The same situation was true in the beginning with respect to our own roadbuilding programs. We finally made the States submit plans. If the plan looked reasonable and feasible, we would go ahead. My question is, what control do we have over a country to whom we give road money to see that it uses it for the



best possible use? Of course there is always an argument as to where the road should be located.

Mr. SPARKMAN. The country must submit a plan.

Mr. MAGNUSON. Does it submit a plan?

Mr. SPARKMAN. Oh, yes. It must submit a plan.

Mr. MAGNUSON. Just as a State must submit a plan in this country?

Mr. SPARKMAN. Yes. In many countries the purpose of the road is to connect economic areas. In the case of the road in South Vietnam, to which reference has been made, it not only connects different parts of the country useful from an economic standpoint, but also from a defense standpoint. I do not know this for a fact, but I daresay that we are making splendid use of that road today as a defense highway.

Mr. MAGNUSON. I wish to add this personal note. The distinguished Senator from Alaska and I are not expert roadbuilders. However, at one time, about 23 years ago, we were members of the International Highway Commission. We found some problems connected with roadbuilding. We finally ended up with the Alaskan Highway to Alaska. It was not located where we wanted it to be located. We still are having trouble with the location.

I am sure that the Senator from Alaska is motivated to some extent by his experience when he speaks about the building of roads in other countries, when they are built at a certain location instead of what is considered a better location. I hope there will be some strict looking at the plans that the countries have for roadbuilding. I say that because when we go into some of these countries, the situation with respect to the location of roads is apparent. As we all know, in State legislatures it was difficult, at first, to get a road plan adopted if the plan did not include the putting of the road in the area served by a particular legislator. We got out of that habit. However, in some parliaments that is not true. I am glad to have the Senator from Alabama say that there is some strict surveillance of the plans.

Mr. SPARKMAN. There is. The plans have to be submitted. I think we can rest assured that very close attention is paid to this problem.

Mr. MAGNUSON. There is nothing that subjects itself to more logrolling, as it is called, in legislatures or administrative bodies than the building of roads, unless we watch it very carefully, as any Governor can testify.

Mr. GRUENING. I have much sympathy with and understanding of the point of view which was submitted by the junior Senator from Alabama. I think he has much in favor of his side of the question. Nevertheless, I think that when the United States builds a road in another country, it should be essentially a part of our program to train local people who are associated with us, so that when we leave the country, we will not be asked indefinitely to maintain the roads.

Mr. SPARKMAN. I agree. If the Senator would modify his amendment so as to provide that kind of requirement, I would go along with him; in fact, he suggested earlier in the day that he might do that.

Mr. GRUENING. The trouble is that no time limit would be provided. I believe that if we vote the amendment into the bill, the countries which receive our aid will thereafter be on notice that during the remaining years of the program, they must become knowledgeable and be able to assist us and themselves.

The United States has been building roads in Central America for 20 years. During those 20 years it was to be hoped that the road agencies of those countries would learn something about road construction and maintenance, so that when we left, after having put over \$100 million into new road construction, they would have the know-how to maintain the roads. Actually, such a provision is in the act. The act requires the countries to do that. The amendment merely provides that the foreign aid program shall not be used to nullify legislation passed by Congress. The act provides that before we build the inter-American highway in Central America, those countries shall agree to maintain it after we have concluded our work.

Mr. SPARKMAN. That is with respect to the States?

Mr. GRUENING. No; it is with respect to Central America. The act so provides; I read the provision earlier.

Mr. SPARKMAN. I thought the Senator from Alaska was speaking of the Federal-State relationship in the United States.

Mr. GRUENING. No.

Mr. SPARKMAN. Mr. President, I yield 2 minutes on the bill to the Senator from Louisiana [Mr. ELLENDER].

The PRESIDING OFFICER. The Senator from Louisiana is yielded 2 minutes on the bill.

Mr. ELLENDER. It was my privilege during 1958 to travel the entire length of the so-called Inter-American Highway, and in my report to the Congress, contained in document No. 13 of the 86th Congress, 1st session, I made some reference to the highway and the progress that had been made up to the time of my visit.

I was accompanied part of the way on this trip in visiting the highway by Mr. Prentice Julian, who was division engineer of the Bureau of Public Roads.

I was informed in 1958 that this road would be completed in 1961 and that we would appropriate enough funds then to complete the highway. I understand now they are 30-some-odd million dollars short.

I ask unanimous consent that my observations as they appear on page 185 through 199 of the document to which I have referred, document No. 13, be printed at this point in the RECORD.

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

#### INTER-AMERICAN HIGHWAY

During the course of my visit through Central and South America I had occasion to

closely inspect the work now being done, and that which has been completed, on the Inter-American Highway.

It is my judgment that the completion of this great highway is an absolute necessity.

Not only will completion of this highway bring economic benefits to all of the countries through which it passes, but many, many more advantages will come.

For one thing, this ribbon of rock, black-top, steel, and concrete will more closely link the United States with our neighbors to the south. Through this pathway, U.S. tourists will have an opportunity to more closely know our neighbors to the south and vice versa.

But what is more, it is my judgment that construction of the Inter-American Highway will assist in achieving political stability in all of the countries of Central America. Plans are now underway to erect joint customhouses at the border so that officials of adjoining countries can do their work under the same roof and thereby facilitate the movement of visitors.

In the past, distrust and ignorance of the ways and motives of other countries have erected visible barriers between ourselves and our friends to the south of us, and indeed, among themselves. However, with a free and equal exchange between these countries, made possible by a through highway, these barriers should soon fall.

It has long been one of my contentions that the shadows of fear which envelop one country and turn it against its neighbor are generally shadows of ignorance—of not knowing what neighbors are really like. So, I believe it is in Central and South America.

Of course there are serious economic and political problems which sometimes divide the nations in Latin America, and the building of this highway will by no means dispose of them overnight.

But I do believe that the Inter-American Highway, when completed, will bring about a better atmosphere in which those problems can carefully and freely be discussed. In short, it will aid in dispelling the fear that exists among the countries to the south of us.

I was gratified to see that so much work has already been completed on this highway.

On my entire trip along the highway, from Guatemala City to Panama City, I was accompanied by Mr. Prentice Julian, the division engineer of the Bureau of Public Roads, who is in charge of the overall supervision of the highway.

Headquarters for the Bureau of Public Roads personnel working on the Inter-American Highway is located in San Jose. Each country in Central America where portions of the Inter-American Highway are under construction has a district engineer who advises and supervises construction of the highway through the country to which he is attached.

I rode or flew over practically the entire 3,173 miles beginning on the Texas border, then on to Panama City. The road traverses many miles of mountainous country.

I understand that good material for building the road after it is graded is scarce and sometimes must be hauled from great distances. After the road is graded and a smooth surface made, a layer of large hard rocks is put over the surface. Then a layer of small rocks is added after which asphalt mixed with gravel is applied.

I would say that the two layers of rock, after being crushed and smoothed over, measure at least 18 inches in thickness. A good base is built before applying the asphalt.

I was informed that because of cave-ins on the roadbed due to excessive rains, which of course adds to the cost, it will be necessary to reduce the asphalt layer from 2 inches

to about 1½ inches in thickness in some stretches of the road so as to complete the road within the estimates recently made.

The Inter-American Highway is considered to begin at the United States-Mexico border at Nuevo Laredo and extends across the countries of Mexico, Guatemala, El Salvador, Honduras, Nicaragua, and Costa Rica into Panama, terminating at the Panama Canal near Panama City.

The entire 1,600 miles across Mexico has been improved to bituminous surfacing by the Government of Mexico without outside financial assistance. The highway system in Mexico has been developed to the point where three additional acceptable alternate routes from the U.S. border to Mexico City are now available.

In Guatemala, the grading and minor drainage structures are virtually completed on the first 176 miles from the Mexican border south. Work is underway, or soon to be begun, on some 20 bridges which will complete the major drainage structures.

Proposals for surfacing these 176 miles have been invited for a public bidding in late November. From 37 miles north of Guatemala City to 35 miles south, the road has a bituminous surfacing. About 25 percent of this surfacing, some 18 miles, has been built by Guatemala without U.S. participation.

The central 57 miles on the section between Guatemala City and El Salvador is under construction to grading and drainage structures. With the work about 65-percent complete the contractor has encountered financial difficulties and operations have been suspended pending arrangements with the bonding company for completion of the work. The 12 miles next to the El Salvador border have been surfaced.

The entire 195 miles across El Salvador have been improved to a bituminous surfacing. Most of the work in El Salvador has been performed and financed by the Government of El Salvador. U.S. participation has been limited to financial assistance in the construction of 16 bridges, 50 miles of grading and crushed stone base, and 20 miles of bituminous surfacing. On this cooperative work the Government of El Salvador contributed considerably more than the statutory one-third of the cost.

In Honduras, 68 miles are under construction to grading and drainage structure and 25 miles have been completed to an all-weather road. The entire section across Honduras will be ready for surfacing by the middle of 1959.

In Nicaragua the first 35 miles from the Honduras border have been graded and proposals are being readied for the surfacing of that section. The next 48 miles are under construction with the grading and drainage structures about 70 percent complete.

From 64 miles north of Managua to 68 miles south the road has a bituminous surfacing. The last 22 miles before the Costa Rica border are being graded by the department of highways as a cooperative project.

The first 148 miles in Costa Rica, from the Nicaragua border, are under construction to bituminous surfacing with the contract work 80 percent complete. From San Ramon through San Jose to Cartago, a distance of 60 miles, the route has been constructed to a bituminous surfacing without participation by the United States.

From Cartago to San Isidro del General 71 miles of grading and drainage structures have been virtually completed although certain sections are not to the desired standards.

The work in this area was the most difficult and expensive of any encountered on the Inter-American Highway. For that reason \$12 million in U.S. funds were appropriated to pay the entire cost of the work

and no financial cooperation by Costa Rica was required.

From San Isidro to the Panama border, 134 miles, the grading and minor drainage work is underway and about 65 percent complete. Some 39 bridges remain to be constructed before this section can be open to any through traffic.

In Panama the first 29 miles from the Costa Rica border are under construction to grading and drainage structures with the work about 75 percent complete.

In the vicinity of David, 19 miles of concrete pavement have been completed, while work on grading the next 37 miles is now well underway.

A relocation is proposed between Remedios and Santiago to avoid considerable indirection. The existing route in this section is of low-type terrain and construction in the 65-mile relocation will be less expensive than attempting to modernize the longer existing road. Work on this section was to begin in the 1958-59 dry season.

From Santiago eastward for 33 miles the grading has been completed and bids for concrete pavement have been received. A 28-mile section, where the grading is about 85 percent complete, brings the route to the end of a 92-mile section of concrete paving extending to Panama City.

#### USED OPERATIONS AS WAR ACTIVITY

During World War II a project was conceived to open up a truck route through Central America to the Panama Canal as a defense support measure. No definite figures are available locally but it is reputed that some \$50 million were spent in this activity.

In Guatemala the USED work was largely on the road from Tapachula, Mexico, to Quezaltenango and not on the Inter-American Highway. In Honduras, the route from the El Salvador border to San Lorenzo was graded and surfaced with selected material and some 12 bridges were constructed having stone masonry substructures and timber superstructures.

In Nicaragua the work was confined mainly to some bridge construction.

In Costa Rica the road from San Ramon to Barranca was opened up to give highway access to the port of Puntarenas. An access road from San Isidro de General to the coast at Dominical was constructed. Several temporary wooden bridges were built, in both northern and southern Costa Rica but the objective of opening up a truck route had not been achieved when the work was discontinued.

Work in Panama was mainly confined to the reconnaissance and location surveys.

#### TRAVEL CONDITIONS

From Laredo to the Mexico-Guatemala border the road is all dustless surfaced.

From the Mexico-Guatemala border to Patzicia travel is possible using an old road in sections where bridge construction activities block the new road. Caution through construction work and across temporary bridges is necessary. This section should be completed in 1960.

From Patzicia to 35 miles south of Guatemala City the road has a dustless surfacing. The next 57 miles is passable using the old road in some areas. The completion of the surfacing by 1961 is expected.

From Asuncion Mita, Guatemala, across El Salvador to the border of Honduras the road is dustless surfaced.

The entire distance across Honduras is passable with some eight of nine rivers crossed by fords. High water may close the road for short periods at these fords. All streams should be bridged by July 1959, and surfacing by 1960-61 is anticipated.

Across Nicaragua the road is all passable and all major drainage structures are in

place. Completion of a dustless surfacing on the 106 miles now unsurfaced is scheduled for 1960-61.

In Costa Rica the road is passable only as far as San Isidro de General. Opening of the 134 miles from San Isidro to the Panama border will be delayed for the construction of 39 bridges. Travel should be possible by the end of 1960 with the section surfaced by 1961.

Travel should be possible from the Costa Rica border to David, Panama, by the end of 1958. Completion of pavement in Panama may be achieved by 1961.

At the conclusion of my remarks on the Inter-American highway there is an exhibit, labeled "exhibit A," which shows the status of the Inter-American highway as of October 31, 1958.

I was told that the entire road would be completed by early or mid-1961. Every effort should be made to attain that goal.

Although I am very much in favor of the Inter-American highway and urge its successful completion in as short a time as possible, there are a number of points I would like to raise in criticism of the highway work as now conducted.

The actual building of the highway has been often preceded by too little preparatory work, although the engineering work has generally been good. Hence, the original cost estimates on the highway have been much higher than events have borne out.

This is a deplorable situation but it appears that at the present time nothing can be done about it. However, I would like to point out one serious problem which may face the Inter-American highway in the very near future.

It is my judgment that ways and means should be devised now to maintain the road after its construction. The actual building of the Inter-American highway will mean nothing at all to the economies of all of Central America and North America if it is not properly maintained.

The old saying that a chain is as strong as its weakest link can also be applied to the Inter-American Highway.

Should one country fail to properly maintain its one section of the highway then the value of the entire highway will be seriously affected.

In my judgment some type of authority, composed of representatives of all the countries through which the road passes, should be created and made responsible for keeping the entire highway in good repair. In order that the authority would have enough money to make sure that the highway is in proper condition at all times, each country should be assessed a proportionate share of the overall amount needed to provide proper maintenance for the road. Ambassador Willauer of Costa Rica is a strong advocate of such a plan. As far as I know he is the originator of such a plan.

The authority should be empowered to use these funds as it might see fit to insure that the road remains in proper condition for travel at all times.

As a talking point to the individual countries through which the road passes, they should be reminded that each will benefit greatly, particularly by such things as increased values alongside the highway.

With this in mind, the individual countries could assess commercial establishments which use the highway within their respective boundaries, with the proceeds turned over to the Inter-American Highway Authority. On the other hand, an equitable gas tax could be imposed by all countries and the proceeds set aside for maintenance.

However, this problem may eventually be handled, planning should begin now.



EXHIBIT A  
Status of Inter-American

Termini of sections	Approximate miles	Condition	Termini of sections	Approximate miles	Condition
Nuevo Laredo.....	1,600	Bituminous surfacing constructed by Mexican Government.	Nicaragua-Costa Rica border..	148	Bituminous surfacing underway and 80 percent complete.
Mexico-Guatemala border....	137	Grading and minor drainage structures completed, bridge construction underway. Surfacing advertised for November bidding.	San Ramon.....	60	Old bituminous surfacing constructed by Costa Rica.
	39	Grading 93 percent complete. Surfacing advertised.	Cartago.....	71	Grading work about 80 percent completed, open to traffic.
Patzicla.....	37	Bituminous surfacing completed.	San Isidro de General....	43	Grading, minor drainage, and base course 50 percent complete.
Guatemala City.....	35	Do.		59	Grading, minor drainage, base course, and 1 bridge 70 percent complete.
	7	Grading completed. Bridges under construction.		32	Grading, minor drainage, and base course 40 percent complete. The entire section from San Isidro to the border with Panama cannot be open to through traffic until 39 bridges, not yet under contract, are complete.
	42	Grading 60 percent complete. Work suspended because contractor in financial difficulty.	Costa Rica-Panama border...	14	Grading and drainage structures 55 percent complete.
	8	Grading 90 percent complete.	Concepción.....	15	Grading completed, bridge construction underway.
Asuncion Mita.....	12	Bituminous surfacing completed.	David.....	19	Panama City concrete pavement completed.
Guatemala-El Salvador border.	195	Bituminous surfacing completed, only minor U.S. participation.		37	Grading and bridge construction underway, 5 percent complete.
El Salvador-Honduras border..	94	26 miles in 3 sections have been graded and drained. 68 miles of grading and drainage and 16 bridges are under construction and 20 percent complete.	Remedios.....	65	New location plans being prepared for construction. Old road available for travel.
Honduras-Nicaragua border..	35	Graded and drained. Surfacing to be begun this year.	Santiago.....	33	Grading completed, bids received for Panama City concrete pavement.
Condega.....	48	Grading and drainage structures underway and 70 percent complete.	Penonome.....	22	Grading and drainage structures underway, 80 percent complete.
Sebaco.....	64	Bituminous surfacing completed.	Panama City.....	92	Panama City concrete pavement completed.
Managua.....	68	Do.			
La Virgen.....	22	Grading and drainage structures underway and 60 percent complete.			

Status of Inter-American Highway Oct. 31, 1958

[In thousands of U.S. dollars]

Country	Mileage			U.S. funds					
	Surfaced	Under construction	Total	Spent or under agreement		Total	Probable future allocation	Total U.S. funds	Minimum matching funds from other countries
				Prior to 1954	Subsequent to 1954				
Guatemala.....	84	233	317	\$7,606	\$23,513	\$31,179		\$31,179	\$15,590
El Salvador.....	195		195	1,800		1,800		1,800	930
Honduras.....		94	94	2,366	4,440	6,806	\$584	7,390	3,695
Nicaragua.....	132	106	238	5,785	5,234	11,019	676	11,695	5,798
Costa Rica.....	102	311	413	23,126	24,327	47,453	5,591	53,044	19,432
Panama.....	111	205	316	8,596	19,432	28,028	670	28,698	11,478
Total.....	624	949	1,573	49,399	76,946	126,345	7,421	133,766	56,923
U.S. administration and reserve				2,765	1,920	4,685	252	4,937	
Mexico.....	1,600		1,600						
Total.....	2,224	949	3,173	52,164	78,866	131,030	7,673	138,703	56,923

<sup>1</sup> Includes US\$14,180,000 not matched by cooperator.

<sup>2</sup> Includes 64.5 miles relocation now being designed for construction.

<sup>3</sup> Includes US\$5,073,000 not matched by cooperator.

Mr. GRUENING. Mr. President, I yield back the remainder of my time.

Mr. SPARKMAN. I yield back the remainder of my time.

The PRESIDING OFFICER. All time has been yielded back. The question is on agreeing to the amendment of the Senator from Alaska. The yeas and nays have been ordered, and the clerk will call the roll.

The legislative clerk called the roll.

Mr. MANSFIELD. I announce that the Senator from Nevada [Mr. BIBLE], the Senator from North Dakota [Mr. BURDICK], the Senator from Minnesota [Mr. HUMPHREY], the Senator from Michigan [Mr. McNAMARA], the Senator from Oregon [Mr. MORSE], the Senator from Oregon [Mrs. NEUBERGER], the Senator from Rhode Island [Mr. PASTORE], and the Senator from Virginia [Mr. ROBERTSON] are absent on official business.

I further announce that the Senator from Pennsylvania [Mr. CLARK], the Senator from Arkansas [Mr. FULBRIGHT], the Senator from South Carolina [Mr. JOHNSTON], and the Senator from West Virginia [Mr. RANDOLPH] are necessarily absent.

On this vote, the Senator from Rhode Island [Mr. PASTORE] is paired with the Senator from South Carolina [Mr. JOHNSTON]. If present and voting, the Senator from Rhode Island would vote "nay," and the Senator from South Carolina would vote "yea."

On this vote, the Senator from Arkansas [Mr. FULBRIGHT] is paired with the Senator from Virginia [Mr. ROBERTSON]. If present and voting, the Senator from Arkansas would vote "nay," and the Senator from Virginia would vote "yea."

On this vote, the Senator from Minnesota [Mr. HUMPHREY] is paired with the Senator from Nevada [Mr. BIBLE]. If

present and voting, the Senator from Minnesota would vote "nay," and the Senator from Nevada would vote "yea."

I further announce that, if present and voting, the Senator from North Dakota [Mr. BURDICK], the Senator from Oregon [Mr. MORSE], the Senator from Oregon [Mrs. NEUBERGER], the Senator from Pennsylvania [Mr. CLARK], and the Senator from West Virginia [Mr. RANDOLPH] would each vote "nay."

Mr. KUCHEL. I announce that the Senator from Connecticut [Mr. BUSH], the Senator from Maryland [Mr. BUTLER], the Senator from South Dakota [Mr. CASE], the Senator from Arizona [Mr. GOLDWATER], the Senator from Iowa [Mr. MILLER], and the Senator from Kentucky [Mr. MORTON] are necessarily absent.

The Senator from Nebraska [Mr. CURTIS] is absent because of death in his family.

On this vote, the Senator from Nebraska [Mr. CURTIS] is paired with the Senator from South Dakota [Mr. CASE]. If present and voting, the Senator from Nebraska would vote "yea," and the Senator from South Dakota would vote "nay."

On this vote, the Senator from Arizona [Mr. GOLDWATER] is paired with the Senator from Iowa [Mr. MILLER]. If present and voting, the Senator from Arizona would vote "yea," and the Senator from Iowa would vote "nay."

The result was announced—yeas 39, nays 42, as follows:

## [No. 78 Leg.]

## YEAS—39

Allott	Eastland	Magnuson
Bartlett	Ellender	Metcalf
Beall	Ervin	Moss
Bennett	Fong	Murphy
Boggs	Gruening	Pearson
Byrd, Va.	Hartke	Proxmire
Cannon	Hickey	Russell
Capehart	Hill	Stennis
Carlson	Hruska	Talmadge
Cotton	Jordan	Thurmond
Dirksen	Lausche	Tower
Dodd	Long, Hawaii	Williams, Del.
Dworshak	Long, La.	Young, Ohio

## NAYS—42

Aiken	Holland	Muskie
Anderson	Jackson	Pell
Byrd, W. Va.	Javits	Prouty
Carroll	Keating	Saltonstall
Case, N.J.	Kefauver	Scott
Chavez	Kerr	Smathers
Church	Kuchel	Smith, Mass.
Cooper	Long, Mo.	Smith, Maine
Douglas	Mansfield	Sparkman
Engle	McCarthy	Symington
Gore	McClellan	Wiley
Hart	McGee	Williams, N.J.
Hayden	Monroney	Yarborough
Hickenlooper	Mundt	Young, N. Dak.

## NOT VOTING—19

Bible	Fulbright	Morton
Burdick	Goldwater	Neuberger
Bush	Humphrey	Pastore
Butler	Johnston	Randolph
Case, S. Dak.	McNamara	Robertson
Clark	Miller	
Curtis	Morse	

So Mr. GRUENING's amendment was rejected.

Mr. SPARKMAN. Mr. President, I move that the vote by which the amendment was rejected be reconsidered.

Mr. MANSFIELD. Mr. President, I move to lay on the table the motion to reconsider.

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.

Mr. DIRKSEN. Mr. President, I should like to ask the distinguished majority leader about the plans for the remainder of the day, and perhaps those for tomorrow.

Mr. MANSFIELD. Mr. President, in reply, let me say I believe the Senate should remain in session until about 7 p.m. today. Then, if agreeable to the minority leader and to other Senators, I should like to have the Senate convene at 11 a.m. tomorrow.

I ask unanimous consent that when the Senate concludes its session tonight, it adjourn to meet at 11 a.m. tomorrow.

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

Mr. MANSFIELD. Mr. President, I also ask unanimous consent that the

Finance Committee be authorized to meet until noon tomorrow.

The PRESIDING OFFICER. Without objection—

Mr. CHAVEZ. Mr. President, I object until I know what the schedule for tomorrow will be.

Mr. MANSFIELD. There will be further amendments; and it is desired to have the session tomorrow convene at 11 a.m., so as to make it possible, we hope, to complete action on the bill tomorrow.

Mr. CHAVEZ. I thank the Senator from Montana.

Mr. DIRKSEN. I should like to suggest to the majority leader that there will be a minority conference tomorrow, and I assume it will continue until 11:30 or possibly 12 o'clock. Will there be a morning hour tomorrow?

Mr. MANSFIELD. Yes; there will be a morning hour, and we shall always try to protect the interests of the minority in this connection.

Mr. DIRKSEN. I assume that there will be no votes prior to 12 o'clock tomorrow.

Mr. MANSFIELD. Mr. President, in view of the statement which has been made, I wish to amend my request, if I may have the approval of the distinguished minority leader, and to ask consent that the session tomorrow begin at 12 o'clock noon, rather than 11 a.m.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

Mr. CHAVEZ. Mr. President, will the Senator from Montana yield?

Mr. MANSFIELD. I yield.

Mr. CHAVEZ. I should like to agree with the majority leader and with the minority leader—

Mr. DIRKSEN. We are in full agreement.

Mr. CHAVEZ. But I cannot agree, for I know more about Latin America than do the majority and the minority leaders, even though they are supposed to be thoroughly acquainted with conditions in that part of the world.

Therefore, Mr. President, I will not vote to authorize the appropriation of one cent of military aid to these countries, for such funds would be used by those in power to perpetuate themselves in office.

I am willing to vote for any authorizations of funds for proper purposes—for example, for the construction of roads.

Many times a military dictatorship wants to keep itself in power. We should be sure we do not help it to do so.

Mr. SPARKMAN. Mr. President, I yield 10 minutes to the Senator from Delaware [Mr. WILLIAMS].

## ADMINISTRATION TAX PROPOSALS

Mr. WILLIAMS of Delaware. Mr. President, yesterday the Secretary of the Treasury, Mr. Dillon, announced in a speech in New York that this administration was about to recommend a tax cut of \$7 to \$9 billion next year.

No Member of the Senate is more interested in tax reductions than I am. I recognize that both the corporate and individual tax rate levels are very high.

However, there is only one manner in which taxes can be properly cut; and that is, to reduce spending to the point where there is enough money in the Treasury to support the tax reduction.

For the past 15 months this administration has been spending beyond its income at the rate of \$600 million a month. There is no possible chance in the foreseeable future that this deficit will be reduced.

It is estimated by the joint committee that next year the deficit will run from \$6 to \$7 billion.

Next week the Secretary of the Treasury will appear before the Finance Committee asking Congress to increase the ceiling on the national debt by another \$8 billion. This is the third increase in the national debt ceiling requested by the Secretary during the past 12 months.

At the same time, I see no evidence on the part of either the executive branch or the Congress of any desire to cut down spending. On the contrary, increased spending programs are daily being authorized over and above preceding appropriations. It can be safely said that there is no chance that we are to have a balanced budget next year.

It is now recognized that our revenues will be lower than what the administration had optimistically estimated last January. Therefore, I think it should be made very clear to the American people that the proposed tax cut is, in reality, only a little more political propaganda being put out in an election year. There is no chance for getting a bona fide tax cut until spending has been curtailed.

To finance a tax cut with borrowed money at a time of a relatively high level of employment would be the height of fiscal irresponsibility.

As a member of the Finance Committee, I will vote against any proposed tax cut when it can be financed only by borrowing money and increasing the national debt. If we keep handing this debt burden down to our grandchildren we are going to touch off a further round of inflation and further devalue the American dollar.

If the administration wishes to give a bona fide tax cut to the American people, I shall be glad to cooperate with them to accomplish this by reducing spending to the point that the Government can live within its income and thereby make it possible to reduce the tax burden on the American people.

It is a political farce to talk of a tax reduction under any other circumstances. It might serve as an idea for a stimulant to our economy at the immediate time, but the end result would be disastrous. It is sheer hypocrisy to lead the people to believe that they will get a tax cut, only to have them learn later that this is only an idle promise in a political year.

If the administration wishes to reduce taxes for the American people it should be considered in the honest way. Let us recognize that no government, whether it be at the National or State level, can spend itself into prosperity on borrowed money any more than a drunkard can drink himself sober.



I make these remarks as one who looks forward to the day when we can reduce taxes for the American people. If the administration wants to reduce taxes I hope it will approach the problem realistically and join some of us in the effort to eliminate wasteful and unnecessary spending.

I conclude my remarks by emphasizing once again that the present administration's proposed tax cut should be recognized as the political propaganda for which it was intended and that the American people are not going to get any bona fide tax cut until such time as Government expenditures have been properly curtailed.

Let us not overlook the fact that for the past several months we have been losing gold at an alarming rate. Irresponsible tax cuts in the face of huge deficits will only further shake the confidence of foreign investors in the stability of our dollar. We cannot afford this gamble.

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

Mr. WILLIAMS of Delaware. I yield to the Senator from New York.

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

Mr. SPARKMAN. Mr. President, I yield the Senator 2 more minutes.

Mr. JAVITS. It is true, I believe that three kinds of tax cuts are possible, whatever one may think about the subject.

The first is the kind which the Senator has explained, the classic tax cut, by a reduction of expenditures.

Another tax cut would be a tax cut for incentives. If it were felt that management is not doing all it should do because of 90-percent tax rates, one might wish to cut the rate to 89 percent, to induce management to be more productive.

The third kind of possible tax cut is one which can be made when signs of a recession are apparent, in an effort to head off the recession. Perhaps the Senator would not favor that, but I would. One might find it necessary to head off a recession by taking action on a different type of tax cut.

Each of those types of tax cut is of a specialized economic character.

I agree with the Senator's point of view, whatever may be the diversity of our ideology, that we will get ourselves into a very bad position if, for strictly political purposes, we engage in a tax cut without any of the indicia which warrant it, which not only would complicate our budget structure, as the Senator has said, but also would add to our problems with respect to and complicate very materially our international balance of payments. One of the gravest problems we face is the problem that foreigners will draw down their balances if they think Americans are being improvident in a financial sense.

The Senator is to be complimented for his remarks and for bringing this subject out into the open. I shall seek reelection this year, also. I do not wish to do so at the cost of deceiving the people. I know the Senator has never lived in that way. It is necessary to tell the people what the proposals mean. If the

people want a tax cut notwithstanding the dangers and the difficulties, we can think about it again, but the people certainly should understand what it will mean.

I am glad the Senator has presented the problem.

Mr. WILLIAMS of Delaware. I thank the Senator from New York.

I have said many times that in a real recession we should perhaps accelerate programs which we might otherwise postpone. At the same time, in order to do that in a period of high employment the administration should slow down some of the programs which are not immediately necessary, carrying them over for a day when they would be needed more.

It seems to me that when the United States has the highest rate of employment ever experienced in the history of this country, with the highest wage scales ever, the Government should be able to live within its income. If the Government cannot live within its income now, we had better stop a while to ask ourselves when it will be able to do so.

The PRESIDING OFFICER. The time of the Senator from Delaware has again expired.

Mr. WILLIAMS of Delaware. Will the Senator yield me a couple of minutes more?

Mr. SPARKMAN. I yield the Senator 2 additional minutes.

Mr. WILLIAMS of Delaware. We must not lose sight of the fact that this proposal might destroy the confidence of many foreign investors and holders of American bonds. If those people ever decide that we in this country are not fiscally sound the result could be disastrous.

A strong American dollar is the bulwark of our free society.

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

Mr. WILLIAMS of Delaware. I yield to the Senator from Massachusetts.

Mr. SALTONSTALL. I join the Senator from New York in commending the Senator from Delaware for his remarks.

I have filed with the Committee on Finance two bills; one relating to the retirement of debt, if the opportunities occur, and the other relating to periodical accountings of all expenditures and receipts of the Government. It seems to me that if and when the Senate Committee on Finance considers the bill to increase the debt limit the committee ought to consider also some provisions which would give us a better opportunity to know the total overall receipts and expenditures of our Government. I hope the Senator will consider that idea. I commend him for what he has said.

Mr. WILLIAMS of Delaware. I certainly will do so. I am familiar with the Senator's proposal. I know the Senator has many constructive points in them, and he can be assured that our committee will give his suggestions every consideration.

The day is long overdue when we should make a careful study and analysis of the expenditures and fiscal position of this Government.

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

The PRESIDING OFFICER. The time of the Senator from Delaware has again expired.

Mr. WILLIAMS of Delaware. Mr. President, I should like to yield to the Senator from Kansas. Will the Senator from Alabama yield me 2 more minutes?

Mr. SPARKMAN. I yield 2 minutes to the Senator from Delaware from the time on the bill.

The PRESIDING OFFICER. The Senator from Delaware is recognized for 2 minutes.

Mr. WILLIAMS of Delaware. I yield to the Senator from Kansas.

Mr. CARLSON. Mr. President, I commend the Senator from Delaware, the ranking minority member of the Committee on Finance, who has spent years studying this problem, for bringing it to our attention. I think there is a problem confronting this country when we talk about a tax reduction. As I mentioned earlier, we should combine a reduction in Federal expenditures with any tax reduction.

I am sure the Senator from Delaware is familiar with the fact that the U.S. Government is expected to have a deficit on June 30 of this year. I do not visualize anything other than a deficit on June 30, 1963, regardless of what we attempt to do for the future.

I am sure, based upon what the Senator knows and what has been brought out in the hearings, that the Senator will agree with me.

Mr. WILLIAMS of Delaware. I agree with the Senator. As the Senator knows, we discussed this problem in the committee the other day. Even without a tax reduction, we shall have a sizable deficit next year I recognize that there are many long overdue revisions which could be made in the existing tax laws—corrections which would be helpful to individuals and to industry and which could be made without unnecessary loss in revenue. Certainly there are many inequities in our tax code which should be promptly corrected, but such corrections should not be presented to the American people as a tax cut.

On the eve of an election the promise of a tax reduction of from \$7 billion to \$9 billion should not be held out to the American people when we know in our hearts that they cannot get it until we can cut down Government spending.

Mr. JAVITS. Mr. President, I call up the amendment which is at the desk, offered on behalf of myself and Senators BUSH, CASE of New Jersey, CLARK, DOUGLAS, KEATING, KUCHEL, MORSE, SALTONSTALL, SCOTT, HUMPHREY, and ENGLE, and ask that it be stated.

The PRESIDING OFFICER. The amendment will be stated for the information of the Senate.

The LEGISLATIVE CLERK. At the proper place in the bill it is proposed to insert the following:

Section 634 of the Foreign Assistance Act of 1961 as amended, is amended by inserting the following at the end of the first paragraph thereof: "and on progress under the freedom of communication and nondiscrimination declaration contained in section 102."

Mr. JAVITS. Mr. President, I yield myself 5 minutes.

The PRESIDING OFFICER. The Senator from New York is recognized for 5 minutes.

Mr. JAVITS. Mr. President, the problem which has been before us since 1956, which my amendment is one of the steps toward meeting, is the problem of an interdiction of the freedom of communications and travel, and a problem of discrimination against Americans because of their faith.

This situation arises as a consequence of the activities of the Arab States and of the Arab League in maintaining what is called, euphemistically, a state of war with Israel on the part of the Arab States; with resultant restrictions upon Americans of the Jewish faith who land at an airport, for example, such as the one in Saudi Arabia, and with extensive blacklisting and boycotting activities carried on against any American company which might do business with or have an office in Israel, which has any element of Jewish ownership or Jewish management, even if it is American.

Mr. President, the problem extends into the absolutely illegal boycott under international law which continues to be maintained by the United Arab Republic on transit through the Suez Canal. For example, foreign nations receiving American commodities under the very law with which we are concerned, the Foreign Assistance law, are required to employ a minimum of 50 percent of American flag ships for the delivery of these products. All nations, including those associated with the Arab League, comply. But not only will the United Arab Republic bar from transit through the Suez Canal any such ships which intend to stop at any ports of Israel, but also the Arab States refuse passage through the canal of the 50 percent of American bottoms, including what they define as Jewish-owned carriers. So in effect they are discriminating against American shipping firms in which there is a material amount of Jewish ownership.

Also our motion picture stars and motion picture companies are special objects of boycott in the Arab States and by the Arab League. On many occasions my colleague from New York [Mr. KEATING] and other Senators have developed before the Senate definitive letters in which the Arab League is brazen enough to threaten American firms by mail that, if they do not desist from doing business in Israel or from some other practice that the Arab League puts in that category, or because they have some major Jewish ownership or Jewish management, they will be blacklisted by the Arab States. In many cases they have attempted to carry out—whether it is effective or ineffective—a boycott.

Mr. President, that practice is intolerable to us. In the younger days of our Republic we actually fought in order to prevent any foreign nation from treating American citizens and American companies in that fashion. None the less, for some reason, we in the Congress seem to be knocking our heads against

a stone wall in this instance as far as our own Government is concerned.

In 1956 the Mutual Security Appropriations Act contained the resolution offered by my distinguished predecessor in the Senate, Senator Lehman of New York, which cried out against the practice.

In 1959 and in 1960 a resolution to the same effect was included in the Mutual Security Appropriation Act by the Senator from Oregon [Mr. MORSE] and myself.

In 1960, in the very authorization which we are considering today, my colleague, from New York [Mr. KEATING], and the Senator from Illinois [Mr. DOUGLAS] joined in a very effective declaration of policy.

Then in the Foreign Aid Assistance Appropriation Act of 1961 we had similar language.

Finally in the Foreign Aid Authorization Act of 1961, the act to which we are making amendments by the bill, we had what those of us who feel strongly about the subject consider a watered-down declaration of policy; but nonetheless, at least something was said on the subject. The declaration is contained in the fifth paragraph of section 102 of the Foreign Assistance Act of 1961, and reads as follows:

In addition, the Congress declares that it is the policy of the United States to support the principles of increased economic cooperation and trade among countries, freedom of the press, information, and religion, freedom of navigation in international waterways, and recognition of the right of all private persons to travel and pursue their lawful activities without discrimination as to race or religion.

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

Mr. JAVITS. Mr. President, I yield myself an additional 5 minutes.

That is the situation as we find it. Nonetheless, as yet we have no real result. As recently as May 29, according to Radio Cairo itself, the Arab League boycott offices were warning airplane and shipping companies against serving Israel, and were placing severe restrictions on American merchant marine activity. For breaking "rules" made in pursuance of a boycott completely illegal under international law, penalties which would include depriving ships of the opportunity to load or discharge cargo or to take on water or other provisions were threatened. To this very moment, cargoes destined for Israel, in foreign bottoms and even in American bottoms, are still not permitted through the Suez Canal and are liable to confiscation.

A great many Senators feel very keenly on this subject. All who have joined in the amendment were happy to put their names on an amendment of a very strong character which would have firmed up very materially the declaration of policy now contained in section 102. The amendment which I submitted for the RECORD was actually put in the foreign assistance bill, the very bill before the Senate, by the Committee on Foreign Affairs of the House of Representatives. I ask that that amendment be printed in the RECORD at this point in my remarks.

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

The Congress further declares that any attempt by foreign nations to make distinctions between American citizens because of race, color, or religion in the granting of personal or commercial access or in the exercise of any other rights available to American citizens, or the use by any foreign nation of assistance made available by the United States to carry out any program or activity of such nation in the course of which discrimination is practiced against any citizen of the United States by reason of his race, color, or religion is repugnant to our principles; and in all negotiations with any foreign nation with respect to any funds appropriated under authority of this Act, these principles shall be applied. The Secretary of State shall report annually on the measures taken to apply the principles stated above.

Mr. JAVITS. That was the amendment as originally submitted. There seems to be a strong feeling on the part of a proponent of the Foreign Relations Committee that these declarations of policy which we have made time and again should nonetheless be held to a minimum and that we should leave much more than they would do to the discretion, wisdom, and good intentions of the President and the State Department. While we disagree with that idea, nonetheless we have respect for the views of our colleagues on the Committee on Foreign Relations. We would really like to see some progress made. Therefore we have come to the conclusion that a minimal, rather than a maximum, amendment would be in order. So the minimal amendment is the one which we have joined in submitting. The amendment would add to the declaration of policy now contained in section 102, the requirement of an annual report. So by the addition of a clause, which is the subject of the amendment now before the Senate, to that section of the Foreign Assistance Act which we are amending, which deals with reports, that is, section 634(a), we would require at least a report of progress. We will at least have an official way to see what is actually being done about the problem.

I cannot help but emphasize what a sad situation we are in with, for example, President Nasser, whose aid we have proposed to increase very materially. He has the brazenness to insist that he will not accept our aid unless we keep Israel out of association with the European Common Market, a Common Market which, incidentally, will mean life or death for Israel in terms of its own exports and imports. He gives no evidence whatever of recognizing what many thought was a military commitment as far as Israel, the United Kingdom and France were concerned, after the abortive attempt in 1956, that there would be free transit through the Suez Canal as a condition for the Israel forces moving out of the Sinai Peninsula. Nothing has happened. In short, it seems to me that we have to get our backs up somewhere. In the present situation we have not really taken the determined stand that we should. Certainly it is not very encouraging that an increase, rather



than a denial, of aid is being considered as far as the United Arab Republic is concerned.

So taking account of the realities—and we do face hard realities, as everyone knows—we feel that acting together, at least we would add something to the situation in requiring an official annual report.

In addition, the provisions of the amendment would result in showing some evidence of the Senate's view upon the subject. It would reveal our dissatisfaction with the existing situation. The Senate's views would also be before the conferees if the other body adopts the stronger provision which is before them through the report of their Committee on Foreign Affairs, and the issue goes to conference.

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

Mr. JAVITS. Mr. President, I yield myself 2 additional minutes.

I hope very much the amendment will be accepted by the Senator in charge of the bill. If the other body acts in a strong way on the amendment which has already been adopted by the House Committee on Foreign Affairs, we can go to conference on the question.

Mr. President, I yield 5 minutes to my colleague from New York.

Mr. KEATING. I regret that in order to get action in the Senate, it was apparently necessary to water down the amendment. I sincerely hope that the language of the amendment will be adopted in the other body and that it will prevail in conference. The adoption of the amendment, as outlined by my distinguished colleague from New York, would certainly be useful. It would not end the discrimination which now exists, but it certainly would be useful. Reports from our Government on how it is living up to and supporting the language now in the preamble would at least be an important step in the direction of assuring freedom of travel and freedom of commercial opportunities for American citizens. It would make our Government more alert to its responsibilities and would, I hope, result in a more vigorous and affirmative effort to stop this kind of discrimination overseas.

Mr. President, it is shocking that American citizens who travel in parts of the world and in countries which receive assistance from the United States are subjected to discriminatory treatment and other restrictions. There are a number of governments, particularly Arab nations in the Middle East, which discriminate against Americans of the Jewish faith who seek to enter their countries or to do business therein. Arbitrary restrictions, wholly inconsistent with the basic principles which Americans believe in, are placed on American travelers, businessmen, and virtually any other people whom for some reason or another Arab leaders desire to injure or insult.

Mr. President, certainly American taxpayers, who are taxed regardless of race, religion, color, or any such distinction, should have equal treatment in countries which receive American foreign aid. Our aid is taken from all taxpayers. No country that enjoys this aid

should be permitted to discriminate against some of these American taxpayers for any reason whatsoever.

Mr. President, I have spoken in the past about the Middle Eastern situation, about the Arab economic warfare against Israel, and about the tide of Arab hatred toward Israel which flows in the Middle East and in Africa. This is a very serious and very critical situation. Today we are not directly concerned with the problem of Arab-Israel relations but it is a peripheral problem as related to what we are considering today.

We are concerned with the rights of every American citizen to fair treatment on a basis of equality with other American citizens throughout the world. We have stood up for this principle in the past when our country was weaker and not as well able to protect itself as we are today. Now that we are strong and a great power on the world scene, the Government is tending to desert the basic principles which have helped to make us strong and to resort to arguments which it might be difficult or embarrassing to stand up to on principle.

Mr. President, our attitude in this matter is not worthy of a great nation. It is a despicable yielding to policies which we deplore. To support nations which practice this religious discrimination by continuing foreign aid funds without making a serious and determined effort to put an end to restrictions on some American citizens is unworthy of our Nation. As the leader of the free world, the United States should mean what it says and should not permit its citizens to be the victim of religious discrimination in countries which receive American dollars through the foreign aid program.

Mr. President, the adoption of this amendment will certainly not end the discrimination that now exists but it will be useful. Reports from our Government as to how it is living up to supporting the language now in the preamble will at least be an important step in the direction of freedom of travel and freedom of commercial opportunities for American citizens. It will make our Government more alert to its responsibilities and will also, I hope, result in more vigorous and affirmative efforts to stop this kind of discrimination overseas.

Mr. SPARKMAN. Mr. President, I have discussed the amendment with the Senator from New York [Mr. JAVITS]. In the act we passed last year we arrived at what I believe was generally considered to be a very good statement of policy. I believe there was a misunderstanding to the effect that this year's bill would repeal or at least not reenact the policy established last year. The bill this year is merely an amendment of last year's act, and therefore the statement of policy remains in effect.

I had hoped that we might not reopen the statement of policy and get into the kind of argument that we have had for some time.

I believe that the proposal of the Senator from New York, upon which he has spoken, as has also his colleague from New York [Mr. KEATING], has merit to it. I understand that the House of

Representatives has language in its bill which is quite acceptable, and that the language the Senator from New York proposes appears in a somewhat different place from the place where the language in the House bill appears. Therefore, if the House accepts the proposal of the House committee as set out in that bill, and the Senate accepts the Javits proposal, we certainly will have sufficient latitude in which to reach a satisfactory statement.

Therefore, I have suggested to the Senator from New York that, so far as I am concerned, I am willing to accept the amendment and take it to conference.

Mr. JAVITS. I thank the Senator from Alabama. I am very grateful to him. I believe this is as effective a way as we could devise under all the circumstances. I thank him for his customary courtesy and understanding.

I ask unanimous consent that Senators who may desire to do so, may introduce statements in the Record in the debate on this amendment.

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

Mr. DOUGLAS subsequently said:

Mr. President, I am happy to be a cosponsor of the amendment in question. It is needed to serve notice upon some of the Arab countries that we do not approve of their policies of racial discrimination against American citizens of Jewish descent who either travel or do business in the Near East. It is improper for them to take American aid with one hand while discriminating against American citizens with the other.

Mr. JAVITS. Mr. President, I yield back the remainder of my time.

Mr. SPARKMAN. I yield back the remainder of my time.

The PRESIDING OFFICER. All time for debate on the amendment has been yielded back. The question is on agreeing to the amendment offered by the Senator from New York [Mr. JAVITS].

The amendment was agreed to.

Mr. JAVITS. Mr. President, I move that the vote by which the amendment was agreed to be reconsidered.

Mr. KEATING. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. CHURCH. Mr. President, I send to the desk an amendment identified as "6-5-62-E" and ask that it be read.

The PRESIDING OFFICER. The clerk will state the amendment.

The LEGISLATIVE CLERK. At the proper place it is proposed to insert the following:

Section 506 of chapter 2, part II, of the Foreign Assistance Act of 1961, as amended, which relates to military assistance, is amended by adding a new subsection (c) as follows:

"(c) The President shall regularly reduce, and, with such deliberate speed as orderly procedure and other relevant considerations, including prior commitments, will permit, shall terminate, all further grants of military equipment and supplies to any country having sufficient wealth to enable it, in the judgment of the President, to maintain and equip its own military forces at adequate strength, without undue burden to its economy."

Mr. CHURCH. Mr. President, yesterday I placed in the CONGRESSIONAL RECORD a summary of the arguments and also some statistical data in support of this amendment. There is no need at this time to restate these arguments. Suffice it to say that the purpose of the amendment is to require an orderly reduction, and ultimate termination, of further grants by the United States of military equipment and supplies to countries which, in the judgment of the President, are able to maintain and equip their own military forces at adequate levels of strength without need for external help.

The purpose of my amendment is clear to the distinguished Senator in charge of the bill. I believe the case made for it is very plain.

Our military assistance program has been intended from the outset to give help to countries having insufficient means to enable them to maintain their armed forces at adequate levels to meet the Communist menace. For a number of years, owing to the remarkable recovery that has occurred in Western Europe, a number of our allies have become fully self-supporting and are in no need of a continuing American subsidy to support or equip their own armed forces.

The amendment would establish a policy to be followed by the President with such deliberate speed as orderly procedure and other considerations, including prior commitments, would permit, looking toward the regular reduction and ultimate termination of further grants of military equipment and supplies to countries which are fully capable of maintaining their own armed forces without any more American aid.

I think it is clearly in the enlightened self-interest of the United States that the amendment be adopted; and I hope the distinguished Senator from Alabama will see fit to accept it.

Mr. THURMOND. Mr. President, I should like to ask the distinguished Senator from Idaho a question.

Mr. CHURCH. I yield to the Senator from South Carolina for a question.

Mr. THURMOND. Would the amendment preclude the United States from giving to a nation such as West Germany or France the weapons which it can afford, from an economic standpoint, but which for reasons of technology it cannot itself produce?

Mr. CHURCH. The language of the amendment is meant to give the President sufficient latitude to continue grants under special circumstances which, in his judgment, would justify the grants. I should think that the language "other relevant considerations, including prior commitments," would be broad enough to give the President the necessary discretion in situations of the kind mentioned by the Senator from South Carolina.

Mr. THURMOND. The Senator from South Carolina would like to see foreign aid reduced where possible, but he does not wish to have the President hampered in his discretion to provide weapons to our allies who may be able to produce them from an economic stand-

point but who are unable, for reasons of technology, to produce them. I merely wish to be certain that the amendment does not preclude the President from providing such weapons to such countries.

Mr. CHURCH. As I have suggested to the Senator, I believe sufficient latitude is provided to permit the President to exercise discretion, but that a general policy is established directing the President to reduce, and ultimately to terminate, subject to such exceptions as are permitted by this language, further subsidies to countries which have become fully self-supporting and each maintain their armed forces without more U.S. aid.

Mr. THURMOND. To be more specific, the amendment would not preclude the President from giving nuclear weapons to West Germany or France.

Mr. CHURCH. That is a matter of policy which is not reached by the amendment, in that Congress has enacted specific laws governing that subject, as the Senator from South Carolina well knows.

Mr. THURMOND. Then, the amendment would not preclude the giving of such weapons to those countries, unless to do so is otherwise precluded by law? Is that correct?

Mr. CHURCH. I think that is correct.

Mr. THURMOND. I merely wished to make the record clear. I thank the distinguished Senator from Idaho.

Mr. SPARKMAN. Mr. President, I am glad the Senator from South Carolina has asked these questions, because I believe they serve to clear the record.

I have discussed the amendment at considerable length with the Senator from Idaho. The Senator proposed it in a different form to the Committee on Foreign Relations. As I understand, the amendment would give the President considerable leeway. It would leave the question to his judgment, so far as he believes such action can be taken safely. It would be our policy to reduce our military outlays to countries which are able to pay for their armaments themselves.

Actually, most of the military assistance which is given to Western European countries is assistance of a peculiar type. It would not be affected by the amendment, because much of the assistance is related to the maintenance of missile bases. Such assistance was established by agreement at the time we were given permission to establish missile bases in those particular countries. A certain amount is necessary for maintenance and parts, which must be supplied by the United States. That is done under our agreements and commitments, which would not be affected by the amendment.

Mr. CHURCH. The Senator from Alabama is correct, in that the amendment makes its direction subject to prior commitments which have been made. The amendment is not intended to interfere with prior commitments, but deals with future ones.

Mr. SPARKMAN. The Senator is correct. I believe the amendment provides the President with sufficient elbow-room in which to maintain a good mili-

tary alliance with our allies. This would apply particularly to countries which are members of NATO, and primarily to Western European countries.

Mr. President, on behalf of the committee I am willing to take the amendment to conference.

Mr. CHURCH. I appreciate the action of the Senator from Alabama.

Mr. SPARKMAN. Mr. President, I yield back the remainder of my time.

Mr. CHURCH. Mr. President, I yield back the remainder of my time.

The PRESIDING OFFICER. All time on the amendment has been yielded back. Without objection, the amendment is agreed to.

The bill is open to further amendment.

Mr. SPARKMAN. Mr. President, for myself and on behalf of the distinguished junior Senator from Florida [Mr. SMATHERS], I offer an amendment and ask that it be read.

The PRESIDING OFFICER. The amendment will be stated.

The LEGISLATIVE CLERK. On page 3, between lines 4 and 5, it is proposed to insert the following:

(2) In paragraph (2) strike out the words preceding the first proviso and insert in lieu thereof the following: "where the President determines such action to be important to the furtherance of the purposes of this title, assuring against loss of any loan investment for housing projects with appropriate participation by the private investor in the loan risk and in accordance with the foreign and financial policies of the United States, or assuring against loss of not to exceed 75 per centum of any other investment due to such risks as the President may determine, upon such terms and conditions as the President may determine."

On page 3, line 5, strike out "(2) In" and insert in lieu thereof "(3) In".

Mr. SPARKMAN. Mr. President, I yield myself 5 minutes.

I have spoken to the distinguished Senator from Kansas [Mr. CARLSON] about the amendment. He was in the Chamber a little while ago. It may be that he will return, when he can see the amendment in its final form. The Senator from Kansas is a member of the Committee on Foreign Relations. I make this statement so that it may be known that the amendment is not being taken up as a matter of surprise.

The substance of the amendment, in one form or another, was considered in committee from time to time, but the committee was never able to arrive at a completely satisfactory proposal.

It was not until today that I received a letter from the Agency for International Development approving of this particular language. The Senator from Florida [Mr. SMATHERS] had a proposal which was not identical with this. I had made a different proposal, and had carried on extensive correspondence with the Agency for International Development in order to try to reach a satisfactory amendment. As I said, it was not until today that we received the final clearance from the administration.

Mr. President, I ask unanimous consent to have printed at this point in the RECORD a letter dated June 6, 1962, from Mr. Frank M. Coffin, Deputy Administrator for the AID program.



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

DEPARTMENT OF STATE, AGENCY FOR  
INTERNATIONAL DEVELOPMENT,

Washington, D.C., June 6, 1962.

The Honorable JOHN J. SPARKMAN,  
U.S. Senate,  
Washington, D.C.

DEAR SENATOR SPARKMAN: I regret that I have been unable to send to you a letter at an earlier date. This letter will serve as an interim reply pending a subsequent letter containing administration comments on the proposed housing guaranty amendment.

The administration's suggestion as a revision to the amendment approved by the Foreign Affairs Committee of the House of Representatives would encompass the deletion of the phrase "in whole or in part" and substitute after the word "projects" the phrases "with appropriate participation by the private investor in the loan risk and in accordance with the foreign and financial policies of the United States."

Sincerely yours,

FRANK M. COFFIN,  
Deputy Administrator, AID Program.

SUGGESTED AMENDMENT TO SECTION 221(b) (2)  
OF THE FOREIGN ASSISTANCE ACT OF 1961

Section 221(b) (2). \* \* \* "where the President determines such action to be important to the furtherance of the purposes of this title, assuring against loss of any loan investment for housing projects with appropriate participation by the private investor in the loan risk and in accordance with the foreign and financial policies of the United States or assuring against loss of not to exceed 75 per centum of any other investment, due to such risks as the President may determine, upon such terms and conditions as the President may determine: *Provided*" \* \* \* etc.

Mr. SPARKMAN. Mr. President the purpose of the amendment is to authorize the President to issue an all-risk guarantee to U.S. citizens or corporations for investments to be made in housing projects in less developed friendly countries of which the President has agreed to institute the guarantee program.

Under existing law, as provided by the Act for International Development of 1961, the U.S. Government all-risk guarantee for such projects could not exceed 75 percent of the investment. Despite considerable interest in the provision by U.S. builders, no guarantees resulted, primarily because U.S. investors were not willing to invest funds in housing projects in the underdeveloped countries with only a 75-percent guarantee on return of the investment. Institutional investors in domestic housing insist on 100 percent guarantee, and they are not likely to invest capital on a long-term basis in a foreign housing project unless the risk of capital loss is at a very minimum.

Under the amendment, the U.S. Government could guarantee the private investor against loss, provided there is an appropriate participation in the loan risk by the investor.

That is the key language of the proposal. It is the language which the Treasury Department insisted upon having included.

Instead of the figure now provided, I believe the Senator from Florida proposed that it be 95 percent.

Mr. SMATHERS. That is correct.

Mr. SPARKMAN. The Treasury Department did not recommend a specific percentage, but it agreed on the provision that the investor must have an appropriate participation in the loan risk. It is understood that this amendment would not preclude the investor from obtaining additional security for the part of the investment not guaranteed by the U.S. Government.

Mr. President, I wish to say just a word in regard to housing generally. The amendment proposed by the Senator from Florida pertained primarily to Latin America; I believe it was limited to Latin America. But the pending amendment is applicable to the program as a whole.

I think one of the most promising parts of the aid program is that with reference to the various facets of housing in these underdeveloped countries, particularly those in Latin America which need good housing. But there has been difficulty in their obtaining it, for several reasons. One is the high rate of interest. Another is the lack of anything like the mortgage market which exists in the United States; these countries simply are not geared to that type of activity.

One of the finest things the aid program has been able to do has been in connection with putting seed money into certain programs and projects to encourage investors in those countries to participate in the construction of houses. Considerable work has been done in organizing savings and loan associations there.

One of the constituents of the distinguished Senator from Florida was one of the first to become active in that field in those areas; and I believe that a man from that particular institution has been very active in the savings and loan field. I talked to him when I was in Chile, and he told me about the organization. It was organized on a national basis, and I believe that approximately 15 savings and loan associations had already been organized and were already making housing loans.

I asked him what the rate of interest was, and he stated that it was 7 percent. Of course, in the United States 7 percent would be a rather high rate of interest; but in those countries a 7-percent rate of interest for that purpose is so low that it is almost without precedent, inasmuch as they are used to having such loans made at interest rates of 20 percent, 25 percent, or even 30 percent.

I saw housing projects and housing programs being carried on in Peru and in other parts of South America.

Our Foreign Relations Committee has received some very fine reports about the conduct of such projects in South America—some of them using government loans, some of them taking advantage of this seed money process, some of them conducted by savings and loan associations, and some carried on by private industry.

A company in Kansas has done a very fine job in building homes in South America; and a group organized by the Rockefellers is doing some very fine housing work there.

One of the greatest stimuli which can be given to the economy and to raising the standard of living of the people of such a country is by means of an arrangement whereby they can obtain adequate housing. I believe this program may help provide it; and I am glad to offer the amendment on behalf of the Senator from Florida [Mr. SMATHERS] and myself.

Mr. SMATHERS. Mr. President, will the Senator from Alabama yield?

Mr. SPARKMAN. I am very glad to yield to the Senator from Florida, who has been, let me say, a pioneer in this work. I believe that the first amendment offered to the foreign aid bill was offered by him, and related to housing programs in Latin America.

Mr. SMATHERS. I thank the able Senator from Alabama very much for the generous manner in which he has treated me in the course of his remarks in regard to the housing programs in Latin America.

As he has indicated, I am very much in favor of a program of this kind; and I am highly honored to be a cosponsor, with him, of this amendment.

I have long believed, as have many others, that the best way in which we can fight against communism or against any other kind of "ism" in these underdeveloped countries is by making it possible for the people of these countries to obtain homes of their own. Nothing helps build self-pride quite so much as the fact that a person owns property and has his own house. In fact, I believe that in connection with our interest in seeing worthwhile programs of aid developed in the underdeveloped areas of the world, there is no better way for us to bring about progress and conditions of improvement and stability than by helping the people of these countries obtain homes.

The Senator from Alabama has been a great leader in connection with housing programs; and he knows more than anyone else does, I believe, the importance of housing to the stability of our own country.

It developed that because of the high interest rates and because of the natural hazards in these underdeveloped countries, it was impossible to get much private money used in connection with housing programs there until in some way the guarantee was increased. I know of a number of labor unions which are perfectly willing and, in fact, are anxious to invest their funds in such housing programs, if they are guaranteed against the losses which do occur in these areas. However, if there were a guarantee against such losses, they would make those investments.

So I believe this amendment will do much to encourage many groups, including the mutual-aid associations, and so forth, to invest their funds in housing programs in these areas, and I believe it will do a great deal of good.

I remember that Teodoro Moscoso, who heads the Alliance for Progress, said only the other day that there was not enough money in the U.S. Treasury or, in fact, in the treasuries of all the free nations of the world to build

all the houses that even the people of the countries in Latin America want.

The point is that there is a definite need for a guarantee program such as the one envisioned by the Senator from Alabama, in order to encourage private capital to develop in these areas the necessary housing programs, because the governments of these countries simply cannot do that work all by themselves.

I think this amendment provides the best means of accomplishing that result; and I believe it will bring about great good.

So I congratulate the distinguished Senator from Alabama [Mr. SPARKMAN] for his leadership in this field; and I am delighted that he is willing to permit me to be a cosponsor, with him, of the amendment.

Mr. SPARKMAN. Mr. President, I do not know of any other Senator who wishes to speak on the subject.

The PRESIDING OFFICER (Mr. PELL in the chair). Do Senators yield back their time?

Mr. SPARKMAN. Perhaps the Senator from New York has something to say.

Mr. KEATING. Mr. President, it is my desire to call up my amendment at some time.

Mr. SPARKMAN. I wonder whether we may dispose of the pending amendment.

I yield back the remainder of my time.

The PRESIDING OFFICER. All remaining time has been yielded back.

The question is on agreeing to the amendment of the Senator from Alabama [Mr. SPARKMAN], for himself and the Senator from Florida [Mr. SMATHERS].

The amendment was agreed to.

The PRESIDING OFFICER. The bill is open to further amendment.

#### ADJOURNMENT

Mr. SMATHERS. Mr. President, on behalf of the majority leader, I move that the Senate adjourn.

The motion was agreed to; and (at 6 o'clock and 10 minutes p.m.), the Senate adjourned until tomorrow, Thursday, June 7, 1962, at 12 o'clock meridian.

#### CONFIRMATIONS

Executive nominations confirmed by the Senate June 6, 1962:

##### COLLECTOR OF CUSTOMS

Edward J. Gosler, of New York, to be collector of customs for customs collection district No. 7, with headquarters at Ogdensburg, N.Y.

John W. Crimmins, of Kentucky, to be collector of customs for customs collection district No. 42, with headquarters at Louisville, Ky.

Mrs. Marion F. Baker, of Georgia, to be collector of customs for customs collection district No. 17, with headquarters at Savannah, Ga.

Paul E. McNamara, of New York, to be collector of customs for customs collection district No. 8, with headquarters at Rochester, N.Y.

## EXTENSIONS OF REMARKS

### Antimerger Provisions of the Clayton Act Should Be Facilitated

#### EXTENSION OF REMARKS

OF

### HON. EMANUEL CELLER

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 6, 1962

Mr. CELLER. Mr. Speaker, I am today introducing a bill to amend section 15 of the Clayton Act to facilitate the granting of temporary restraining orders or preliminary injunctions to prevent violations of section 7 of the Clayton Act as amended by the Celler-Kefauver Act.

Under section 15 of the Clayton Act the district courts of the United States are authorized to prevent and restrain violations of section 7, among other sections of the Clayton Act.

The need for legislation arises out of the difficulties encountered by the Department of Justice in obtaining preliminary injunctive relief in merger proceedings. In a goodly number of important cases, effective enforcement of the Celler-Kefauver Act has been frustrated by denial of the Government's applications for preliminary injunctions or temporary restraining orders to prevent the consummation of mergers pending litigation. An example is the merger of the Continental-Illinois Bank—CCH Federal Trade Regulation Reporter, 1961 Trade Cases, par. 70, 110, D.C.N.D., Ill. 1961.

In my view, the courts have regarded their authority under section 7 far too narrowly. Merger cases are notoriously protracted. Once a merger has been consummated, years before the court can decide whether it is legal, the Government faces a long drawn-out lawsuit which may only serve to lock the barn door after the horse has been stolen.

For even if the Government prevails, the court may find it difficult or impossible to "unscramble the eggs." If the merger were restrained or held in abeyance until its legality is determined, however, these difficulties would be avoided.

As the Supreme Court recently noted, the problem of unscrambling a merger once it has been consummated is enormously complex. In California against FPC — U.S. — April 30, 1962, the Court said:

These unscrambling processes often raise complicated and perplexing problems of tax matters and otherwise. \* \* \* The very prospect of undoing what was done raises a powerful influence in the antitrust litigation.

Thus, the inability of the Department of Justice to obtain temporary relief in merger cases often may hamper enforcement of section 7 of the Clayton Act, as amended by the Celler-Kefauver Act, as well as making a dead letter of section 15 which provides for equitable relief in such cases. The Department of Justice has so indicated.

The bill I am proposing would encourage the courts to exercise their existing authority under section 15 to grant preliminary injunctions and restraining orders in merger cases in a manner more in keeping with the public interest in effective antitrust enforcement. At the same time, the bill contains a number of important safeguards designed to prevent the improvident granting of such orders.

My bill would amend section 15 so as to provide that an application for a temporary restraining order or preliminary injunction under this section, to prevent a violation of section 7, shall be granted if the Court finds that there is reasonable cause to believe that, first, the proposed acquisition will take place unless enjoined; second, divestiture or other appropriate relief will be difficult to effect if the proposed acquisition is later found to be unlawful; third, in any line

of commerce in any section of the country the effect of such proposed acquisition may be substantially to lessen competition or to tend to create a monopoly; and, fourth, exceptional circumstances do not exist for the denial of the application.

In addition, the bill provides that a court, in lieu of granting an application for a preliminary injunction or temporary restraining order, may make such order as it deems necessary to insure adequate relief in the event a violation of section 7 is ultimately found. This provision reflects the action taken in the Brown Shoe Co. case where the Court permitted a merger to proceed despite the pendency of section 7 proceedings, but required that the merged companies be operated separately until a final decision could be reached. (*United States v. Brown Shoe Company*, 179 F. Supp. 721 (E.D. Mo. 1959).)

The bill I am proposing is thus designed to promote the fair, effective enforcement of section 7, as amended by the Celler-Kefauver Act, while preserving the power of the courts to fashion flexible remedies to meet the particular needs of each case.

### Public Law 480 Program: An Important Partner in Our Foreign Aid Program

#### EXTENSION OF REMARKS

OF

### HON. EDNA F. KELLY

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 6, 1962

Mrs. KELLY. Mr. Speaker, we frequently hear that Members representing rural districts are opposed to the foreign aid program. I do not believe that such statements accurately reflect the feelings



of the rural American population or of their representatives in Congress. The people on the farms, just like those in the cities, have an important stake in foreign aid. The sole purpose of the foreign aid program is to promote the security and national interest of the United States. Our national security and interest is not confined to the urban population. It affects all of our people, whether they live in the city or on farms.

There is, however, one special feature in our foreign aid program which relates directly to the prosperity of our rural areas. Our foreign aid program promotes expanding markets abroad for our surplus farm commodities. To the extent that we can increase the sale of our surplus farm commodities abroad, our farmers benefit directly from this program.

As we all know, the food-for-peace programs, authorized by Public Law 480, as amended, are closely coordinated within the broader program of foreign aid. Through food-for-peace programs tremendous quantities of American agricultural commodities—such as wheat, rice, cotton, tobacco and others—are sold

and distributed abroad. Between July 1, 1954, and December 31, 1961, the Public Law 480 program has resulted in the movement, out of the Commodity Credit Corporation's stocks, of \$13.7 billion worth of surplus farm commodities. Sales under this program have generated the equivalent of \$7.6 billion in foreign currencies. These foreign currencies are being used by our country for several purposes, including loans to private U.S. firms doing business abroad; payment of the expenses of U.S. embassies in those countries; research programs involving potential expansion of markets for U.S. agricultural products; economic development; and others.

At this point, I would like to summarize briefly the main provisions of Public Law 480 and the extent of the food-for-peace programs.

#### TITLE I PROGRAM: SALES OF AGRICULTURAL SURPLUSES FOR FOREIGN CURRENCIES

Title I of Public Law 480 authorizes sales of U.S. surplus agricultural commodities to friendly countries for their own currency. Under long-term authority provided in 1961, programs of up to \$4.5 billion may be undertaken during

the 3-year period ending December 31, 1964—with not more than \$2.5 billion in any single year. These dollar amounts refer to the cost of commodities to the Commodity Credit Corporation. They reflect domestic support prices, processing, storage, handling and transportation costs. The prices at which commodities are sold abroad for dollars or foreign currencies reflect generally lower world market prices.

Between July 1, 1954, and December 31, 1961, we have entered into sales agreements and commitments with friendly foreign countries providing for the sale of \$7.6 billion worth of our surplus agricultural commodities under title I of Public Law 480. Through September 30, 1961, collections from these sales, in foreign currencies, amounted to the equivalent of \$5 billion. Approximately one-half of this amount—the equivalent of \$2.4 billion—has been disbursed to further the objectives of Public Law 480 and our overall foreign aid policy.

At this point I would like to place in the RECORD a country-by-country breakdown of sales for foreign currencies under title I of Public Law 480:

TABLE VI.—Status of foreign currencies under title I, Public Law 480

[In million-dollar equivalents]

Country	Agreement amounts through Sept. 30, 1961	Allocations by Budget Bureau through Sept. 30, 1961 <sup>1,2</sup>	Collections through Sept. 30, 1961 <sup>3</sup>	Disbursements by agencies through Sept. 30, 1961 <sup>4</sup>	Country	Agreement amounts through Sept. 30, 1961	Allocations by Budget Bureau through Sept. 30, 1961 <sup>1,2</sup>	Collections through Sept. 30, 1961 <sup>3</sup>	Disbursements by agencies through Sept. 30, 1961 <sup>4</sup>
Argentina.....	64.1	33.5	30.5	17.3	Korea.....	217.0	197.3	186.3	169.8
Austria.....	42.9	40.1	40.1	36.0	Mexico.....	28.2	25.2	25.2	20.9
Bolivia.....	3.3				Netherlands.....	3	3	3	4.8
Brazil.....	284.4	200.2	202.8	135.6	Pakistan.....	444.4	323.7	394.8	229.3
Burma.....	40.7	37.4	37.3	11.5	Paraguay.....	9.9	2.9	2.9	2.5
Ceylon.....	26.1	21.2	21.3	9.2	Peru.....	37.3	27.3	27.1	21.8
Chile.....	71.9	48.3	52.3	35.2	Philippines.....	14.4	14.1	13.8	12.2
China (Taiwan).....	84.0	61.4	60.3	34.8	Poland.....	365.3	35.2	352.7	1.6
Colombia.....	70.9	60.0	54.6	32.3	Portugal.....	7.1	7.1	7.1	6.6
Ecuador.....	13.2	8.8	10.0	7.3	Spain.....	505.6	442.4	444.8	239.4
Finland.....	46.5	51.4	41.7	27.7	Thailand.....	4.6	4.3	4.3	4.3
France.....	60.4	33.1	34.2	23.1	Tunisia.....	15.3			
Germany.....	1.2	1.2	1.2	1.6	Turkey.....	308.0	222.8	247.6	140.4
Greece.....	87.9	82.9	85.0	69.5	United Arab Republic (Egypt).....	284.5	180.0	204.3	93.6
Iceland.....	12.1	9.5	9.9	8.3	United Arab Republic (Syria).....	28.2	22.6	24.0	3.0
India.....	2,337.3	1,767.2	1,182.1	361.4	United Kingdom.....	48.2	43.8	48.5	28.5
Indonesia.....	173.4	175.5	160.4	47.7	Uruguay.....	46.4	34.6	34.7	14.8
Iran.....	84.3	22.5	19.8	19.4	Vietnam.....	34.0	16.6	19.7	5.9
Israel.....	194.4	162.1	171.9	113.3	Yugoslavia.....	472.5	370.8	442.9	255.2
Italy.....	152.9	145.2	144.2	114.8					
Japan.....	150.8	143.1	146.3	137.5	Total.....	\$ 6,823.9	5,066.6	4,986.9	\$ 2,434.1

<sup>1</sup> Includes amounts specified in the agreements, to be used for grants and loans under secs. 104 (c) and (g), not subject to allocation.

<sup>2</sup> Calculated using the collection rates of exchange.

<sup>3</sup> Prior to July 1, 1961, disbursements under secs. 104 (c), (d), and (e) grants are calculated at collection rates; sec. 104(f) sales at current Treasury selling rates; sec. 104(g) loans at loan agreement rates; secs. 104 (a), (b), (e) loans (h) through (r) at the weighted average rates at the end of the months in which transfers are made to agency accounts

for the balances remaining in such accounts. Subsequent to June 30, 1961, disbursements under secs. 104 (a) through (r) are calculated at the end of the preceding quarter Treasury selling rates.

<sup>4</sup> Disbursements exceed collection because of conversions from other currencies.

<sup>5</sup> Differs from table V which reflects purchase authorization transactions.

<sup>6</sup> Differs from appendix table No. 21 because of rounding and the exclusion of about \$8,500,000 equivalent disbursed in nontitle I countries through convertibility.

#### TITLE II PROGRAM: GRANTS OF SURPLUS COMMODITIES FOR FAMINE RELIEF

Title II of the act authorizes grants of commodities held in stock by the Commodity Credit Corporation for famine relief and certain other assistance programs. Programs of up to \$300 million (CCC cost) plus carryover from previous years may be undertaken annually during each of the calendar years 1962 through 1964.

Between July 1, 1954, and December 31, 1961, we have used \$983 million worth of surplus commodities held in stock by the CCC for famine relief and certain other assistance programs abroad. This dollar figure represents the cost of commodities to the CCC and reflects domestic

support prices, processing, storage, handling and transportation costs.

#### TITLE III PROGRAM: DONATIONS TO U.S. VOLUNTARY AGENCIES FOR DISTRIBUTION TO THE NEEDY

Title III of the act authorized donations of surplus foods from stocks held by the CCC to the U.S. voluntary organizations and intergovernmental organizations for distribution to the needy overseas. Donations of food to the needy in the United States and barter transactions are also authorized under this title.

Between July 1, 1954, and December 31, 1961, we have distributed \$1.9 billion worth of surplus farm commodities

to the needy overseas and in the United States. Again, the dollar amount refers to the cost of commodities to the CCC.

#### TITLE IV PROGRAM: LONG-TERM SUPPLY CONTRACTS FOR REPAYMENT IN DOLLARS

Title IV of the act authorizes long-term supply contracts for repayment in dollars over a maximum period of 20 years.

Between July 1, 1954, and December 31, 1961, these contracts involved \$40.3 million worth of surplus agricultural commodities held by the CCC. The dollar figure in this instance represents contract figures and is somewhat smaller than the CCC cost of the commodities involved.

## CONCLUSION

Mr. Speaker, in conclusion I would like to again stress the fact that the food-for-peace programs are an important supplement to our foreign-aid program. They help less developed countries achieve balanced economic development, meet emergencies, and care for the needy. They also promote more effective and efficient utilization of other types of assistance furnished by the United States. In the long run, all of these programs enhance the security of our own country and promote the development of wider overseas markets for American goods—both agricultural commodities and manufactured products.

I insert in chart form that which is explained in the above statement.

Total cumulative sales under title I and title IV, and grants under title II and title III (Public Law 480), July 1, 1954, to Dec. 31, 1961<sup>1</sup>

[In millions of dollars]

Sales	C.C.C. cost	Export market value
Title I.....	10,872.7	7,592.3
Title IV.....	88.7	40.3
Total.....	10,961.4	7,632.6
Donations:		
Title II.....	892.8	( <sup>2</sup> )
Title III.....	1,850.6	( <sup>2</sup> )
Total.....	2,743.4	
Grand total.....	13,704.8	

<sup>1</sup> These figures represent sales agreements and commitments for donations—not shipments.

<sup>2</sup> Not available.

Uses of local currencies generated by title I programs, July 1, 1954, to Sept. 30, 1961

	Millions
Total collections.....	\$4,986.9
Disbursements.....	2,442.6
Total.....	2,544.3
Exchange rate adjustments.....	362.0
Balance on hand.....	2,182.3
Represented by—	
Treasury account.....	837.0
Agencies' accounts.....	1,345.3
Total.....	2,182.3

Reimbursements to CCC for costs attributable to Public Law 480 shipments

[In millions of dollars]

Fiscal year	Congressional appropriations				Credit to CCC of dollars received from sale of foreign currencies
	Title I	Title II	Title III	Title IV	
1963 <sup>1</sup> .....	1,081	300	472	90	152
1962 <sup>1</sup> .....	2,816	246	384	13	146
1961.....	881	107	200		98
1960.....	968	105	152		72
1959.....	1,034	119	206		90
1958.....	1,928	220	275		72
1957.....	67	88	264		58
1956.....					10
Total.....	8,775	1,399	1,953	103	698

<sup>1</sup> Estimated.

<sup>2</sup> Includes reimbursement for 2 years' operations.

Total congressional reimbursement, \$12,230,000,000.

Total credits to CCC from sales of foreign currencies, \$698,000,000.

## Public Law 480 sales agreements, fiscal year 1962

LATIN AMERICA  
[In millions of dollars]

	U.S. uses	Country uses	Total
Bolivia.....	1.3	3.8	5.1
Brazil.....	10.5	59.5	70.0
Chile.....	1.9	7.6	9.5
Colombia.....	2.0	6.0	8.0
Uruguay.....	1.7	5.1	6.8

## EUROPE

	U.S. uses	Country uses	Total
Finland.....	1.4	1.8	3.2
Iceland.....	.5	1.5	2.0
Poland.....	130.0		130.0
Spain.....	40.5	40.5	81.0
Yugoslavia.....	3.9	34.6	38.5
Total, fiscal year 1962.....	176.3	78.4	254.7
Total, fiscal year 1961.....	162.8	63.0	225.8

## The Rostow Revolution

## EXTENSION OF REMARKS

OF

## HON. PAUL B. DAGUE

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 6, 1962

Mr. DAGUE. Mr. Speaker, despite the decisive manner in which this House has repeatedly rejected the idea of admitting Red China to the U.N. and extending recognition to that Communist regime, and in complete indifference to the vote of 47 to 37 against seating the Reds by the United Nations itself, the one worlders are at it again.

Before me is a column datelined May 14, 1962, by Robert S. Allen and Paul J. Scott reporting on a new two-China policy attributed to Dr. Walt W. Rostow, chairman of the Policy Planning Council of the State Department. This plan proposes that we offer the Chinese Reds a seat in the U.N. (as China), and then permit Chiang Kai-shek to retain his seat with Formosa as a separate and independent state. Also large in these unrealistic and illogical plans is the proposal to withdraw from Quemoy and Matsu, an objective long sought by those who would have us abandon our friends and embrace our enemies.

The current issue of the news magazine World also explores this latest insidious program to sell us short by pointing out that a part of the Rostow plan also centers in the de facto recognition of East Germany with the added stipulation that armed opposition to Communist aggression be pulled back around the perimeter of the Soviet empire. And that is not all. As World reports it, there will be a broad educational program to sell the American people on a general acceptance of this sellout of our friends and our connivance with those who are pledged to destroy us.

The effrontery of those brazen proposals must leave every patriotic citizen gasping with amazement. But why should anyone be surprised? A cursory examination of the credentials of two-thirds of the President's advisers and

sycophants reveals their ultraliberality and their dedication to the insane philosophy that we can win over the Communists by simply being nice to them.

There is not a single person of my acquaintance who wants to go to war and we are convinced that the extension of the policies inherited by Mr. Kennedy from the Eisenhower administration will keep us strong and obviate the necessity of surrendering in principle and in fact to a group of international brigands that are pledged to destroy us.

Apparently the Joint Chiefs of Staff are opposed to this surrender dictated by someone's crack-brained whim. It is to be hoped that the American people will also rise up in their wrath and repudiate all those who would accommodate a godless aggressor already pretty well occupied by economic disaster resulting from his own insane policies. As for me, if this trend toward capitulation to our enemies persists I intend to withhold my support from everything that may be identified with a foreign policy that is predicated on defeatism and a complete disregard for our own self-interests.

## National Little League Baseball Week

## EXTENSION OF REMARKS

OF

## HON. HERMAN T. SCHNEEBELI

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 6, 1962

Mr. SCHNEEBELI. Mr. Speaker, Little League baseball will observe its annual Foundation Week beginning June 11, as designated by proclamation of the President of the United States and the Congress. Against a rising tide of juvenile delinquency, Little League has proved an effective counteragent, instilling healthy values of fitness, discipline, respect, and fairplay.

Little League had its early beginnings in Williamsport, Pa., in my congressional district, and now maintains its national headquarters there. Today over a million and a quarter boys are enrolled annually. In positive ways, Little League builds morale, sets intelligent goals of leadership, and effective training. It strengthens families and benefits thousands of communities. It is a youth program which offers a proven formula of service to Little Leagues throughout the world that meet its standards. Today there are Little Leagues in more than 25 foreign countries, and each year the program spreads farther around the world. It is an effective medium to build good will with our foreign friends.

Monday, June 11, marks the beginning of the 1962 National Little League Baseball Week, in accordance with the following Presidential proclamation:

NATIONAL LITTLE LEAGUE BASEBALL WEEK—  
A PROCLAMATION BY THE PRESIDENT OF THE UNITED STATES OF AMERICA

Whereas active participation by youth in appropriate physical activities contributes to their fitness and to the maintenance of our national vigor and vitality; and



Whereas little leagues in communities throughout the Nation have made it possible for thousands of young boys to take an active part in our national game of baseball; and

Whereas Little League baseball not only promotes the physical well-being of the players, but also instills into them the qualities of fairness, cooperation, and discipline—qualities which contribute to the development of good citizenship; and

Whereas the Congress, by House Concurrent Resolution 17, agreed to June 1, 1959, has requested the President to designate the week beginning the second Monday in June of each year as "National Little League Baseball Week," in recognition of the national and community benefits resulting from Little League activity: Now, therefore,

I, John F. Kennedy, President of the United States of America, do hereby designate the week beginning the second Monday in June of 1961 and the week beginning the second Monday in June of each succeeding year as "National Little League Baseball Week."

And I invite the people of the United States to observe that week in schools, parks, athletic fields, and other suitable places with appropriate ceremonies and activities designed to emphasize the importance of the physical development of our Nation's youth.

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 18th day of April, in the year of our Lord 1961, and of the independence of the United States of America the 185th.

[SEAL] JOHN F. KENNEDY.

By the President:

DEAN RUSK.  
Secretary of State.

## Gross Waste in Military Procurement

### EXTENSION OF REMARKS

OF

**HON. EARL WILSON**

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 6, 1962

Mr. WILSON of Indiana. Mr. Speaker, for the past 15 months I have been making a detailed study into the procurement methods of the Defense Department. I have looked into scores of cases and have studied the pattern of procurement procedures in various branches of the service.

The discoveries I have made and the information I have uncovered are shocking to say the least. If an unprejudiced committee can be authorized to make a full-scale investigation, it will find a scandal in military procurement that will make Teapot Dome look like a ladies tea party.

I want to thank the Comptroller General, Joseph Campbell, and his fine staff in the General Accounting Office for their cooperation in my study. There are others whom I would like to thank for assisting me in documenting various case histories. Their assistance has been invaluable, and now, although all the facts are not in, the conclusions are, for the most part, formed.

Mr. Speaker, I am informed that approximately 80 percent of our defense equipment is procured through "sole source or negotiated" methods. This means simply that someone in a branch of, say, the Navy Department, determines that for some reason or another only one company is to be allowed to make needed equipment. In many cases no other company is allowed to bid. The favored company submits its bid, negotiates with the civil servant responsible for the contract, and gets the award.

The effect of this sole source or negotiated award is as simple as it is disastrous for the American taxpayer. My investigation has disclosed that due to this tactic, approximately 30 percent of our defense procurement funds are being squandered and wasted.

If this is allowed to happen during the next fiscal year, approximately \$12 to \$15 billion of taxpayers' money will go down the drain. This is a disastrous and unnecessary waste of funds, but it has been going on for years and is getting worse instead of better. I have documentation in my files, built up during my study, that proves the inefficiency, impropriety, and lack of foresight of this sole source method.

Almost every one of these sole source and negotiated procurements is justified for reasons of emergency or urgency. The excuse that is given is, "we must have it, and we must have it now." Using reasons of national defense urgency, the department involved shuts out all competition, awards the contract as it sees fit, and inevitably wastes millions of taxpayers' dollars.

The procurement mechanism of the various departments is such that officials involved can weed out all competition except desired sole source manufacturers.

In conducting my 15-month study, I concentrated on one area of the Defense Department—the Navy Department. I asked specific questions of the General Accounting Office on various Navy procurement transactions. I was given specific answers. When woven into a full story, they paint for me as they would paint for you a picture of gross waste of taxpayers' money, almost unbelievable mismanagement, and possible duplicity on the part of Government appointees.

My purpose here today is not to confuse you with a recital of all the cases I have documented. My files speak for themselves. The questions are written; the answers are written. The conclusions, therefore, are as easily reached as they are damning.

To illustrate my point, I have prepared a statement about one particular case. I have stated exactly what I expected to happen in this case. It has happened in just that way, and I want to call the case to the attention of the Congress. There are more. Some are even more serious. This is just one.

The case I wish to describe is that of the AN/PRC 41 radio set—a portable UHF radio that is to be used, I am told, by the Marine Corps. The Navy Department proposed to buy this equip-

ment under a "sole source" agreement with a firm I shall call, Company A. To do this it was necessary to issue a justification for what is known as a determination and finding of a sole-source requirement. This order was signed on March 22, 1962, by Under Secretary of the Navy Kenneth M. BeLieu, who certified that the property was needed so urgently that "procurement by advertising and competitive bid will unduly delay procurement." For that reason it was decided by the Navy Department that only Company A would be allowed to bid on the AN/PRC 41.

In making that decision, however, the Navy Department was also bound by a Navy policy stated in a letter to the Comptroller General on April 14, 1959. That policy provides that even though the determination and findings specifically state that only certain companies are believed to be able to meet requirements, other companies shall not be precluded from bidding. Consequently, we now give a request for proposal to any company in the industry.

In other words, American industry is allowed to compete even if there is a determination and finding of sole source. That is what the Navy Department policy says, is it not?

As you are going to learn, what the Navy Department says and what the Navy Department does are two different things, because on April 5, 1962, a reputable manufacturer—one of the finest electronics firms in the world—was denied a request for proposal. D. E. Weatherly, Acting Director, Contract Division, Bureau of Ships, denied the company a chance to bid. His reason was that drawings of the equipment were not available. Why were they not available? Because, as my evidence shows, the Navy Department paid almost \$1 million to Company A to develop this radio and then told the developer not to send the plans for it. This action was justified by a Navy Department individual identified as H. Mullally and another named S. D. Keim.

Acting on the assumption that Navy policy means what it says, I asked this same highly regarded firm that was denied a chance to bid to prepare a proposal on this radio set. Company B, as I shall call this firm, is a solid electronics manufacturer with a \$100 million backlog of business and an extremely high degree of performance in past contracts, military and domestic. I secured technical information for Company B that was available to any other companies interested in the radio set. In doing this, I might interject, I found that the Navy Department paid \$1 million for the development of the AN/PRC 41, which was already 40 percent developed under another expensive Research and Development for a radio identified as the AN/ARC 51.

At the same time, I requested the Navy Department to delay any award of contract for this radio until I could complete my study, and it did so.

On May 21, 1962, I made a written presentation to Secretary of the Navy Fred Korth, in which I reviewed in gen-

eral terms the findings of my 15-month study. I also reviewed with particular detail the AN/PRC 41 procurement, pointing out how stated Navy policy had been subverted and how it appeared to me that the American taxpayer was paying dearly in these sole-source actions.

I also included in my presentation to Secretary Korth the proposal of Company B, the reputable firm I had prevailed upon to make a bid for the manufacture of this radio set. It was complete down to the price of every bolt and nut and was a perfect presentation in every manner. It stood on its own merits.

On May 11, 1962, I requested that the Comptroller General take cognizance of the Company A bid and determine the cost to the taxpayer for this sole-source action. I stated at that time that I did not wish to know the amount of the Company A bid, but wanted a third party to have full particulars. This was done to prevent any shenanigans by anyone in the Navy Department with the original Company A bid. It may sound like I distrust some Navy personnel, but my 15-month study has convinced me to leave no stone unturned in trying to get a fair treatment of any case.

When my presentation was given to an aide of Secretary Korth, I requested that the General Accounting Office have two representatives there to observe the action. At the same time, I also requested to then be allowed to look at the proposal of Company A to see just how the cost of producing these radios differed from the proposal of Company B.

Upon receipt of the Company A bid, I checked it with the Company B bid, which I had had prepared, and found that the Company B bid, the firm in my district, was 34 percent lower than the Company A bid, the sole source firm. Company B's bid saved the Government \$1,300,000 in one stroke of the pen.

Prior to the delivery of my presentation, prior to the time the bids for Company A and Company B were both known, Secretary of the Navy Korth had informed me of the urgent need for this material. He assured me he was going to personally see to it that it was delivered.

After studying both bids, however, the inexcusable predicament the Navy was in was apparently realized. Secretary Korth then said the award of contract was to be delayed pending an investigation. The urgent nature of this procurement had already started slipping away.

I told Mr. Korth then as I tell you now, Mr. Speaker, there is no correlation between any investigation and the award of this contract to either Company A or Company B. Certainly there should be a full investigation of this and many other Navy procurement matters I now have in my files.

Why was this contract justified as a sole source award? Why was \$1,300,000 of the taxpayers' money about to be wasted? The answers to these and other questions may embarrass certain Members of Congress responsible for appoint-

ing those in authority as well as the Navy Department, once the facts are made public.

But, I repeat, there is no correlation between the award of contract and an investigation. If the Marines need this equipment, it should be contracted for, built, and delivered as fast as possible, with the best equipment purchased for the least expenditure of the taxpayers' dollar. After the contract has been awarded, the investigation can, should, and will proceed, and my documentation will be available for those who wish answers to specific questions.

At this point, I wish to tell you that the Navy Department does not apparently agree with my feelings. I am informed that those who are in charge of this procurement have stated there are only two avenues now open to the Navy Department. One is to give the contract to the sole source company—"Company A"—at a price 34 percent in excess of "Company B's" bid, costing the taxpayers \$1,300,000 more than necessary. The other is to cancel the present procurement and readvertise it as an open and competitive action.

If the first course is followed, the taxpayers' pockets will be picked to the tune of \$1,300,000. If the second is followed, the Navy Department will be admitting that its certification of urgency of March 22, 1962, was fraudulent on its face and was arrived at simply to give a favored company—"Company A"—Government business at highly inflated prices. The Navy Department will also delay award of contract for this radio for several months, and this will hold back delivery of the radios to the Marines.

Mr. Speaker, every electronics firm in the United States had the same identical opportunity to bid on this radio set as the company which I have the privilege to represent as a part of my district. All they had to do was follow the same procedures. They did not do so, and because of that, there can be no excuse or justification for reopening of any bidding for the manufacture of this radio. There can be no excuse, that is, unless, as the history of previous contracts dictates, it is intended that eventually the same sole source firm get the contract and the taxpayers will have to shell out \$1,300,000, or 34 percent more than necessary.

Mr. Speaker, there is one and only one honorable way to handle this situation in view of the repeated statements of urgency of requirement by procurement officers. That way is to issue this contract to this reputable electronics firm—"Company B"—and then get on with the job, save the taxpayers \$1.3 million, get this equipment to the Marines, and, in due time, let the red faces in the Navy procurement section cool off.

The only thing now holding up this project is the embarrassment to incompetent, inefficient, people who have gotten themselves into this mess and who are now looking for a way to save their own skins.

It should be held up no longer. The contract should be awarded to "Company

B" and a full-scale investigation of Navy procurement should be ordered by the proper agency of the House to begin at once. My files are open for just such a public investigation. The taxpayers have a right to know how their money is being squandered and wasted, and they have a right to insist that the practices be stopped and those who are guilty of promoting them punished by the law.

In conclusion, Mr. Speaker, I wish to state that I shall have more to say on this matter at another time in the near future. It is not all over with this first presentation. There are more details on this first case. And there are many more cases much more serious in nature. We have but scratched the surface here today. The festering sore underneath that costs the taxpayers billions each year is still untouched. Let me assure you that before I am through, it is going to be lanced and the core removed. Let me promise you that you will be as appalled as I at the waste in our military procurement sections when all the facts have been revealed.

### Promises and Performances

#### EXTENSION OF REMARKS

OF

### HON. BRUCE ALGER

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 6, 1962

Mr. ALGER. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following article entitled "Promises and Performances" from my newsletter to my constituents:

#### PROMISES AND PERFORMANCES

National policy and goals at home and abroad are so inconsistent and fluctuating that it is difficult to assess our position in the world today. We have no fiscal policy or basic program either in spending or taxing. We have no recognizable foreign policy. These statements are incontestable. Let's look at some promises and performances and round up some of this week's legislative events. In promising to "get America moving again" President Kennedy promised less unemployment; unemployment is higher, averaging over 6 percent, and business failures are up 11 percent. He promised stabilized cost of living; it is climbing, and at the highest level in history. He promised to cut the Republican farm program cost by \$2 billion; the farm program has been increased already \$1.1 billion in the last year. He promised lower interest rates; there is no change. He promised sound fiscal policy and a balanced budget; the 1961 deficit was \$3.8 billion, the 1962 will be \$7 billion (or more) and 1963 estimate is out of sight. He promised more new reclamation starts; not one start in a full year. He promised aid to depressed timber industry; nothing. He endorsed the B-70 program; he killed it. These are but a few of the promises. Granted that some or many of these areas should not be the responsibility of the Federal Government, as in the case of employment, yet the President, having injected the Federal Government, in promising changes, to take credit for the better, must accept the blame. Remembering promises and performances and the role



of Federal Government let's look at current events in legislation.

The School Lunch Act passed 370-11. Others have joined me in my earlier lone opposition. Once again the Government will expand its welfare work into fields of nutritional standards with greater Federal control over our youth and local school systems. With justifiable pride I reported to the House the rejection of the school lunch program by the Richardson school board. I hold this feeding of our people is unconstitutional and the imposing of nutritional standards by Federal mandate doubly so. As a side issue, this would be a possible means for any subversive to impair our children's health. Who's to say in a showdown, what food is nutritional for your child, you or the Federal bureaucrat?

The Tax Extension Act of 1962 continuing the temporary Korean wartime taxes passed handily. These taxes include corporate rate up from 47 to 52 percent and excise taxes on spirits, beer, wine, tobacco, autos and auto parts, telephone, and transportation. I opposed the bill for these reasons: (1) Taxes should be less, not more; (2) taxes should be removed in reverse order as put on, starting with most recent increases; (3) wartime emergency taxes of a punitive or deterrent nature are not proper now; (4) business and consumers need incentives and stimulus; (5) more spending money resulting from lower taxes is the answer for business to reinvest and people to save or spend; (6) lower taxes will provide greater revenue to Government ultimately, since business can reinvest, hire more, produce more, make more profit, and taxes come out of profit; (7) the entire package includes lower taxes, less Federal spending, reduced debt, and balanced budget; (8) as a Member dedicated to sound fiscal policy I will not pick up the tab for the big spenders, but will force them to reduce spending by lowering taxes and preventing debt ceiling increases; (9) these taxes are wrong as a part of the "carrot and stick" tax policy to effect social reform, instead of solely to raise revenue for Government cost; (10) these taxes are borne by those of modest income, and I'm for increasing take-home pay in the envelope. Union members and laboring people everywhere, all of us, should remember the words of the "father" of the labor union movement in America, Samuel Gompers, "Doing for people what they can and ought to do for themselves is a dangerous experiment. In the last analysis, the welfare of the workers depends upon their own initiative. Whatever is done under the guise of philanthropy or social morality which in any way lessens initiative is the greatest crime that can be committed against the toiler. Let social busybodies and professional 'public morals experts' in their fads reflect the perils they rashly invite under this pretense of social welfare." President Kennedy and the overwhelming Democratic majority prevailed in extending these taxes. (See earlier newsletters.)

P.S. to union members: A modern-day development is no credit to the unions—jurisdictional warfare between unions, which has held up construction of a Titan missile base in Wichita, Kans., more than 2 months, over "who's to dig and set the power poles—the Operating Engineers Union or the International Brotherhood of Electrical Workers?"

Medical care for the aged under social security is generating heavy mail with 90 percent or more of the people against such a proposal. Obviously, the American people are not going to be "snowed under" on this issue by the President. Interestingly enough Postmaster General Day in 1960 said the United States couldn't afford such a program pointing out that it would increase costs 26 percent more under social security on a

long-term basis, and would only be a first step on still more expensive Federal health care. Even more generally he pointed out what I've been saying on the House floor for years "already we are postponing the evil day of paying for the present social security benefit structure."

"Trade, not aid" is a forgotten slogan. The Senate voted a \$4.7 billion gift to other nations, including aid to Communists at a time when they are in trouble (and we should not bail them out) and we are in trouble (only \$16½ billion gold left, \$11.7 billion needed to undergird our currency). This week's modern tragedy includes the Senate reversing itself on aid to Communist governments. I predict the people will force the President and Congress to act responsibly and deny aid to our dedicated enemies. This is not charity, this is our suicide. Fortunately, the actual appropriation is still to be considered. Meanwhile, the trade bill is being readied for floor debate—while the Common Market countries are raising their trade barriers against our industries, we are busily engaged in preparing to lower further our already low tariffs. How some of our businesses will fare is becoming increasingly and painfully clear. Still not reckoned by Congressmen is the cost to our industry (in its world competition) of our Government laws superimposed on other costs of doing business. Federal regulation and taxes hamstringing in competing in world markets.

The State Department sickness is best exemplified by Under Secretary Ball's "no win" official policy—as he said "The word 'victory' has a militaristic and aggressive ring. . . ."

"It also implies an 'all or nothing' approach leaving no room for accommodation." (Accommodate, as explained in Webster's New Collegiate Dictionary: (1) to render fit or correspondent; to adapt; to accommodate ourselves to circumstances; (2) to bring into agreement or harmony; to adapt oneself; to make adjustment; accommodation: the act of accommodating.) As DON BRUCE, Congressman from Indiana said, "Give me liberty or give me death" would today be blue-penciled by the State Department to read "Give me accommodation with the enemy and minimize the risk involved in protecting liberty." What would the State Department have done in editing General MacArthur's speech (last week's newsletter)? Perhaps this policy now explains our policy and the men behind it in our refusal to win in Korea; our refusal to win in Cuba; and our present attempt to neutralize Laos into the hands of the Communists.

The New York Herald Tribune has been boycotted by the President and now, interestingly enough, has been removed from the Speaker's lobby, where the Congressmen receive daily the newspapers of the Nation. Can it be the President and his advisers really think they can prescribe or limit Congressmen's reading material?

This week all Republican Members of Congress of both Houses joined in a single expression of principle, uniting them despite differences in an overall concept of government which the Democratic Party as a whole or in groups could not possibly support. Since this statement is basic American constitutional interpretation of the role of Federal Government in our lives, it is a blueprint which expresses, I feel sure, the beliefs of a great majority of all Americans everywhere and supports the claim now made that the Republican Party alone is truly a national party representing all the people (in or out of pressure groups) as a unified whole for the betterment of our people and the preservation of personal freedom from Government regimentation.

On the contrary, the Democratic Party stands for big spending and heavy taxation. Who foots this bill? (The wealthy? Yes,

up to 91 percent, we can't get much more there. Taking all the money over \$25,000 as President Roosevelt proposed wouldn't pay the cost of Government except for several days.) The burden of taxation as it always must be, is borne by those of modest income. So every time the big spenders add another Federal program or spend more in an existing one it means more out of John and Jane Doe's paychecks. When will our people wake up?

### Children's Art Exchange

#### EXTENSION OF REMARKS OF

**HON. CHARLES McC. MATHIAS, JR.**

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 6, 1962

Mr. MATHIAS. Mr. Speaker, during the past year an organization has come into existence in Montgomery County, Md., which has been enlisting the help of our Nation's junior diplomats throughout our country. The Children's Art Exchange was conceived and developed by Mrs. Paul A. Allee, director, in Rockville, Md., for the purpose of developing good will exchanges of artwork between our young people and those of other countries. I think it is worthy of nationwide recognition.

The work of the Children's Art Exchange on all fronts is serving us all locally, nationally, and internationally by striving for improved understanding and friendship in the world community.

Working largely through our schools, pictures and other artwork have been collected and sent to numerous countries at the request of government and embassy officials. Art from 18 countries has also been collected for display in small exhibits within the Montgomery County school system.

Through the School Arts magazine, interest has spread throughout the Nation, and requests for participation are currently being met by the Children's Art Exchange in the form of direct two-way exchanges of artwork between our schools and those of other countries.

Two categories of artwork are being developed. A social study group puts the program within reach of every classroom. Small packets of artwork are developed by the students, giving consideration to content, particularly with respect to sharing cultural and geographical information. The work is executed on personal terms making this a valuable educational tool in the hands of competent teachers. The children are personally involved in the problem of telling children of other countries about life as we live it in the United States, specifically in terms of their own real experience. This phase of the program proceeds quietly and without fanfare, often accompanied by photos and "Dear Friend" letters.

The second category is the art-oriented group, where special emphasis is on visual impact. Artwork varies in size and media. Here, too, emphasis is placed on conveying our way of life

to children in foreign countries. Artistic expression is given a wider range, however, and the artwork which results is a visual delight to young and old alike. The individual differences and similarities prove again that art is a truly universal language which in its sharing produces an immediate feeling of kinship with the junior artists of the world.

We in Maryland are justly proud of the work being done by our young people through the program of the Children's Art Exchange. During the month of May the Rockville Art Gallery held a showing of a fine collection of artwork sent by the children of Athens, Greece. In return, a large collection is being sent to Athens from the students of Rockville schools.

An additional collection is also being assembled for UNESCO to be exhibited in Seoul, Korea, and exhibitions are being formed which will be sent to Australia, New Zealand, South Africa, and Brazil, in response to requests.

The Montgomery County Arts Center sponsored the Children's International Art Exhibit from May 25 to May 31 at the National 4-H Club at 7100 Connecticut Avenue in Chevy Chase, Md. This exhibit included art work collected by the Children's Art Exchange from 18 countries, and is the first international exhibit of its kind in the Washington Metropolitan area.

These were made available to our children and to the general public without charge, which means a considerable amount of financial responsibility is thus placed on the functional, skeleton organization of the Children's Art Exchange. Financial support for the exchange in the form of patron donations and contributions is urgently needed.

May marked the beginning of a fund-raising sale of stationery bearing the imprint of block prints executed by the students of Punahou School in Hawaii. This is a charming "History of Hawaii" series, and the art work of our newest and 50th State has been chosen for this important event. Support of the Children's Art Exchange is possible through the purchase of this stationery as well as through direct contributions to the Children's Art Exchange, Box 48, Rockville, Md.

The Children's Art Exchange is an important feature of international cultural exchanges, and I am proud that this worthwhile endeavor is taking place close to our Nation's Capitol, in the Sixth Congressional District of Maryland.

### Catholic War Veterans Alert Parents to Narcotics Addiction

EXTENSION OF REMARKS  
OF

HON. JOSEPH P. ADDABBO

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 6, 1962

Mr. ADDABBO. Mr. Speaker, on May 28, 1962, St. Teresa of Avila Post

No. 738, Catholic War Veterans and Ladies Auxiliary, sponsored a program in my congressional district to alert the parents to the ever-present danger to their children of narcotics addiction. It was my privilege to appear on the program together with Assistant District Attorney, Queens County, N.Y., John Santucci.

I take this opportunity to compliment Thomas Carbett, commander; Leonard J. Demchak, chairman; and Jack Kelly, cochairman, for their foresight in bringing to the attention of the community this serious problem of addiction. I am convinced that only through proper attention and education can this disease be wiped out. The New York Journal-American is also to be congratulated for its sponsorship of the film "Assignment Teenage Junkies," which it makes available, free of charge, for programs of this kind. This film graphically illustrates the dreaded results of the use of narcotics.

It is my hope that foresighted organizations throughout the United States will follow the lead of St. Teresa of Avila Post No. 738 and forcefully bring to the attention of parents everywhere the problem of narcotics addiction. We must not be complacent, thinking it cannot happen here. Statistics prove that narcotics addiction is on the rise, especially in the teenage population.

### A Call for United Rail Action

EXTENSION OF REMARKS

OF

HON. JAMES E. VAN ZANDT

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 6, 1962

Mr. VAN ZANDT. Mr. Speaker, under leave granted to me, I am inserting in the CONGRESSIONAL RECORD an article entitled "A Call for United Rail Action," written by me for the May-June 1962 issue of Progressive Railroad, published in Chicago for railway executives throughout the Nation.

This article, I believe, underscores the need for both management and labor in the railroad industry, plus their suppliers and loyal customers, to unite now to push through Congress the salient reforms needed to make it possible for railroads to compete, on an equitable basis, with other forms of transportation moving men and materials.

The railroads still are the backbone of our great industrial economy. I earnestly hope that my colleagues will read this article and will be moved to work for the enactment of legislation desperately needed by the railroad industry today.

The article is as follows:

A CALL FOR UNITED RAIL ACTION

(By Hon. James E. Van Zandt)

The railroad industry long has been the "underdog" in the Nation's vital transportation industry. And in no part of the Nation

has this been more true than in Washington, D.C., the seat of our Federal Government, and in the 1-square-mile area known as Capitol Hill.

No lengthy studies are needed to document the facts about the railroads, in contrast to other transport industries.

Every person who has kept in the least informed knows that the airlines have been subsidized for decades—built up from a few regional airline companies into great international and national carriers. They crisscross the country, hauling hundreds of thousands of passengers who once used trains exclusively for their pleasure and business travel.

Inland waterways and ocean shipping have been favored in special ways also for decades, as the facts of history show clearly. Hundreds of millions in open or hidden subsidies may be traced to these phases of the transport industry.

Trucks and buses also have been favored like the first two branches of our transport system mentioned. Trucks always have enjoyed the privilege of using the public highways for private profit in carrying goods.

Another competitor, quite obvious but sometimes overlooked, has been the motor car. In virtually every phase of the development of the use of the automobile, and particularly through the multibillion-dollar superhighways now stretching across the country, the private manufacturers of cars have had the willing assistance of public authorities. In ways so numerous they cannot be detailed for lack of space, the automobile has been the darling of our governmental leaders through decades, locally and nationally, just as its auxiliaries—the bus and truck—have been.

Yet, the railroad industry and its devoted employees have continued to give good and vital service to the people. The railroads through our various wars have performed mighty services to the Nation. There is every reason to believe that now, as always, in case of a limited war on or in a full-scale conflagration, the Nation would be severely handicapped, if not prostrate, if the railroads could not deliver the vital goods—the hardware that is more precious than gold in battles anywhere these days.

In short, although sorely pressed by competitors, the railroad industry still is the transportation backbone of an industrial economy—and the United States is far and away the greatest industrial power the world has ever seen.

In recent weeks, the President has sent to Congress a 6,000-word message on transportation, bristling with old and new ideas. Generally, it is considered to be highly favorable to the railroad industry. There have been some bills introduced to implement parts of the President's proposals and others undoubtedly will be introduced, but the odds seem to be great that neither the House of Representatives nor the Senate will get around to considering the most vital of these proposals this year.

NOW IS THE TIME FOR UNITED ACTION BY THE RAILROAD INDUSTRY

That is why I feel that this is a time for united action by all segments of the rail industry, and all of those companies which supply the railroads and help not only themselves but the general economy.

I believe that a concerted campaign should be started by the railroads to let the voice of rail management and labor be heard more loudly and clearly in the halls of the people. If it were begun, and maintained in intensity, such a campaign would make it possible for Congressmen, pressed with other matters and other interests, to concentrate once more on the most vital of our transport industries, and its problems, and to pass



legislation that will implement the President's pertinent recommendations.

This is not a call for a new congressional investigation, or any other kind of investigation. As my senatorial colleague, JOHN MARSHALL BUTLER, Republican, of Maryland, has pointed out, there is little need for further studies. He declares that the Archives of the United States already are "bulging with 36,000 cubic feet of studies on transportation."

As most of those familiar with transport problems know, a lengthy study of rail problems, in relation to its competition, was made under the direction of my senatorial colleague, GEORGE SMATHERS, Democrat, of Florida, only a couple of years ago, and the facts have not changed so greatly since then as to require new studies, new investigations, or new ways of wasting the taxpayer's money.

It seems to me that a united effort, coming at this time, not only would do much to alert the Congress to the pressing needs of the railroad industry but also once more would focus the public's gaze on the railroad industry and its many problems. There would be subsidiary benefits—millions of younger Americans—having been brainwashed, so to speak, to believe only in cars, buses, and trucks—would be able to get acquainted with facts about fast-moving freight by train and the vitality of the railroad industry today.

Something must be done—and it ought to be done now—to impress upon the people the staggering growth in population ahead, and the problems to be posed by this growth, in terms of moving both manpower and materials from one place to another. There is no reason to tear up rails to build bigger highways, when traffic jams get longer and more frequent. There is every reason to believe that railroads can play a bigger part in moving both men and materials in the future than they are playing now and that they will represent the most economical way, from the overall standpoint of all our people.

#### PRESIDENT'S MESSAGE ONLY A MESSAGE

The President's commendable message was just that—a message. As they say in the book field—"words on paper are only words on paper." In Government, words on paper are stacked away in archives or libraries and become somewhat meaningless without action. The time for talk is not over, but a time for talk and action certainly has arrived, in regard to rail problems, as these relate to local, State, and National Governments.

There is a real danger, in this session of Congress, that the Senate may take action on ill-conceived proposals to halt mergers and to delay needed consolidations in the rail field. If the railroad industry, by failing to take unified action on the President's program—and on other legislation designed to be of positive benefit to rail management and workers alike—allows those who would put the Interstate Commerce Commission in a straitjacket to gain the limelight, it would be tragic for the railroad industry and for the country.

The White House has furnished Congress a wonderful document in the President's message, and railroad leaders, in my view, were correct in hailing it as a partial answer to many of their current and upcoming problems.

Yet, my call for action is not limited merely to the generally fine recommendations made by President John F. Kennedy.

I believe that local and State governments, through various tax changes and reforms, can make life a bit easier for the railroads and certainly can make the competitive race between railroads and trucking companies more equitable. As events have worked in

recent years, there has not been real competition between the railroads and their competitors, because the railroads, like Gulliver among the Lilliputians, have been bound down by a myriad of small regulations, taxes and conditions that did not apply to their competitors. Gulliver, you remember, could have snapped one or several of the strings, with ease, but when there were thousands of threads around his huge arms and legs, he was relatively powerless.

Likewise, the railroads have been hamstrung, debilitated, and rendered almost powerless, too, by a myriad of strings. My thought is that, unitedly and with vigor, the giant should begin to work to remove many of the threads that add to his impotence, or sap his strength.

#### TAXES

Tax-wise, railroads have been considered fair game by every little municipality and every State. There is no reason to repeat the figures—for one railroad or for all of them—for they are a matter of public record in every case. Yet, if the railroads could just get a 10-percent reduction in local real estate or other taxes, it would go far toward restoring their vigor and competitiveness and the equity of the competitive race among the forms of transport.

Likewise, in the Federal Establishment much more could be done to give the railroads a tax break. Some railroad interests supported the new tax revision act (which provided for a 7-percent tax credit in the form passed by the House of Representatives), although they knew that this approach was not the best. Faster depreciation, in my view, is the correct approach to helping industry tax-wise, from the standpoint of Uncle Sam's enormous tax-hands, but I couldn't blame those in the railroad industry who favored the tax credit idea. The railroads need every form of tax help they can get, and anyone familiar with the facts knows that in desperation an industry will accept a "half a loaf," rather than no help whatever.

Local, State, and Federal authorities can do much to remove some of the strings which bind down the rail industry, too, by tightening both laws and inspection forces on "illegal cargo," which has moved around the Nation in increasing quantities in recent years. There's really no telling—according to men who have studied this subject—how much freight is moved by unregulated carriers who have no business carrying the freight.

They escape taxation, in most ways, and whatever they carry obviously is subtracted from the freight that would be available to the legitimate carriers in the transportation industry.

One of the great problems in Government—considering the multiplicity of problems which face the legislators and the administrators all the time—is that of focusing attention on the plight of one industry and getting prompt and effective remedial legislation. The rail industry has gone along for literally decades, seeking to get its story before the Congress in such a way as to rectify age-old damages and troubles, and still there are delays and much hedging all over the lot. I believe that with a unified effort now, in view of the report on "featherbedding" of the Presidential Railroad Commission and of the President's emphasis on new legislation and procedures, it may be possible for the railroad industry to make more progress this year, and in the upcoming 88th Congress, than it has made in many, many years of desultory "business as usual" effort.

The truth is that the railroad industry has many friends in Congress, on both sides of the aisle, who recognize the realities of the situation and earnestly want to do some-

thing about the many problems facing the industry. A concerted effort at this time might serve to unify these many friends and supporters into a cohesive, working bloc, regardless of party, to put over the President's recommendations and to initiate and to pass other specific, concrete proposals to give our railroad industry some equity with its competitors.

### Cannot Trust TVA Public Power Boys

#### EXTENSION OF REMARKS OF

HON. GORDON H. SCHERER

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 6, 1962

Mr. SCHERER. Mr. Speaker, the other day I received a letter from Mr. F. I. Fairman, president of Kentucky Utilities, in which he tells of the activities of TVA officials encouraging city officials to pressure the Congress to permit TVA to expand its territory. He brings up a matter that should be of utmost concern to every Member of this House.

It might be said that this particular problem had its beginning in 1959, because as I see it, we in the Congress made two mistakes. The first mistake was in permitting TVA to get out from under the direct control of Congress by financing its future construction through the sale of revenue bonds. In working out the amendment to the TVA Act which would permit revenue bond financing, the Congress established—at least it thought it was establishing—an area limitation within which TVA was to confine its operations.

Then we made our second serious mistake by allowing six cities to be excepted from the area limitation simply because it was said those cities had contemplated getting TVA power at sometime in the future.

It may be recalled that several of our colleagues thought at the time this was a bad move and so expressed themselves on the floor of the House. On May 6, 1959, I said:

Is anyone so naive as to believe that, as time goes on, TVA will not find additional excuses or reasons why other communities should be included as exceptions to the Vinson amendment? In fact, I just learned that amendments are to be offered which will exempt additional communities from the operations of the Vinson amendment. Does anyone believe that, after TVA has been given its bond-issuing authority, assaults will not be made to repeal the Vinson amendment?

I said at the time that the ink would not be dry on the bill before the propaganda campaign for decimation of the Vinson amendment would begin. Well, Mr. Speaker, the record of the past couple of years clearly shows it did begin and has been going on ever since.

After the revenue bond act was passed one of TVA's first moves was to start construction of a gigantic steam electric generating plant in Kentucky at the extreme northern edge of its territory.

One would think that economy and good engineering would dictate that a power-plant would be located as close as possible to the population centers where the power would actually be consumed. But in locating the Paradise steamplant TVA seems to have had motives other than sound engineering and economics in mind—like perhaps wanting a steam-plant at the edge of its territory so it could start agitation for extension of its boundaries.

As soon as possible after the act was passed, some of the exempted cities in Kentucky authorized elections to determine whether they would kick a good taxpayer, Kentucky Utilities, out and take subsidized TVA power. One would think that this was a decision that should be made solely by the citizens of the community involved but that did not deter TVA. During the campaign preceding the election, TVA officials were in these cities advising, and I am sure campaigning for TVA power. Local officials of rural electric cooperatives also joined in the campaigns even to the extent of running advertisements in the local newspapers.

Mr. Speaker this is quite a picture to paint in your mind's eye—there was subsidized TVA and nontaxpaying rural electric cooperatives, financed by 2-percent Treasury funds, spending money for a campaign in a local municipal election on an issue that was none of their business. Since Kentucky Utilities is a heavy taxpayer, it might be said that this company was being forced to put up some of the money—at least indirectly—that TVA and the electric cooperatives were using against it.

If this was not bad enough, now we have an even more serious situation. We have TVA board members, headed by the chairman actively urging officials of cities outside the TVA area to pressure Congress to amend the act and permit expansion of the TVA territory. I for one have enough problems that come up naturally without having some bureaucrats out trying to stir up more people to put pressure on us.

How did this come about? It seems that Kentucky Utilities, an investor-financed electric utility company, through its subsidiary, Old Dominion Power Co., was attempting to renew its franchises with some electric customers in Wise and Lee Counties and the city of Norton in southwestern Virginia. At this same time, according to the July 27, 1961, issue of Coalfield Progress, a newspaper of Norton, Va., officials of Wise and Lee Counties and the city of Norton met with Chairman Herbert Vogel and other officials of TVA. The following account of this meeting is quoted from the Coalfield Progress:

Tennessee Valley Authority officials in Knoxville, Monday morning, told representatives from Wise and Lee Counties, and the city of Norton, that their only "loophole" in getting TVA power into the area is by an act of Congress.

They tempered these cold, hard facts, however, by stating that such an act is not out of the realm of possibility. They told the group that for the amount of money they

would save in power rates, the venture is worth working for.

In discussing the possibility of changing the law, by an act of Congress, General Vogel said: "We're using your water (southwest Virginia is in the TV watershed) to help produce power, and you are not getting any of the benefits. That's a strong moral point."

When one of the TVA officials was pinned down, when his advice was asked on the controversial ODP franchise proposals, he answered, "If you sign the franchise you'll lock the door."

I do not know how many more meetings TVA representatives have had with officials of cities outside the TVA area in promoting dissatisfaction with electric service they are now getting and trying to drum up agitation for TVA power, but I am sure they must have been quite active.

I have here, for example, an excerpt from Tri-City News of Cumberland, Ky., dated January 25, 1962, with a headline that reads:

"TV power for Cumberland is possible," says General Vogel.

This article refers to a meeting that Cumberland officials held with the TVA board. I want to quote a news statement from the Tri-City News:

Gen. Herbert D. Vogel, Chairman of the Tennessee Valley Authority, told city officials at a meeting in Knoxville last Thursday that TVA power for Cumberland is possible, and that the TVA powerlines are located only 10 miles from the city. Vogel also stated that the nearest TVA substation was located only 31 miles from Cumberland. He said that his board would be glad to work with Cumberland officials in any way possible in their quest for low-cost power.

Director Wagner said, "Never let up in your drive for low-cost power. Getting lower power rates would mean better living conditions and great savings for all the citizens. It would also be an inducement to industry."

Mayor Isaac requested General Vogel to outline the proper steps for the city to follow in getting TVA power. Vogel said, "The main hurdle to overcome is to get congressional action to amend the TVA Act passed in 1959 which limited the area TVA can serve."

Vogel continued, "It is possible for the people of Cumberland to have low cost TVA power if they are willing to work for it."

Mr. Speaker, I want every Member of this House to listen carefully to what General Vogel told these city officials to do to put pressure on the Members of Congress. I am still quoting from the Tri-City News.

He then enumerated the steps the city officials should take.

1. Start work at once on the Kentucky delegation in Congress to get a commitment from them to extend the limits of the TVA service area to include Cumberland.

2. Get neighboring cities in Virginia to work on their delegation to also support the extension.

3. With these two congressional delegations behind your efforts, let them work for your cause with their fellow Senators and Representatives until enough are favorable to it.

4. Get other nearby cities in Virginia and Kentucky who want TVA power to join Cumberland in their efforts.

General Vogel said, "Feel free to contact our general counsel, Mr. McCarthy. He will

be glad to work with Cumberland on any legal problems encountered."

It was explained that Cumberland would be closing the door on eventually getting TVA power if another 20-year franchise were given.

Mr. Speaker, are we appropriating Federal funds to pay the salaries of General Vogel, Mr. McCarthy and other officials of TVA so that they can go around the countryside trying to get people worked up against the intentions of Congress?

Some of my colleagues were no doubt sincere in their belief that if we gave TVA authority to finance with revenue bonds and limited the area in which it could operate that we would relieve ourselves of a continuing worrisome problem. Obviously, we have not. That should be clear to all who follow the machinations of that outfit. All we did was to relieve TVA of close congressional scrutiny. It had always been a sacred cow; but, so long as it was dependent upon appropriations, the Congress could exert some semblance of control over it. We turned it loose; now I want to ask you what control do we have over it? The bureaucrats running it apparently have no more respect for the wishes and intentions of the Congress than the Communists have.

When we created TVA the majority apparently thought we were entering upon a great natural resources development venture that would bring prosperity to a weak and downtrodden area of the country. We were to develop the rivers providing flood control and navigation and, as an incidental byproduct, some cheap electric power that could be distributed through existing facilities for the benefit of the homes in the area. We were to conserve the soil, reforest tillable lands and develop methods of producing different types of fertilizer. In fact, we were to develop a virtual paradise.

The dream did not last very long; a nightmare took its place. The socialized power boys got control. They kicked out old Dr. Morgan, the original chairman, because he still believed that electric power should be an incidental byproduct subordinated to the legitimate functions of the agency. They then set forth with interest-free money and exemption from Federal taxation to develop a giant Federal power monopoly and that is what we have today. This insatiable Federal octopus has its tentacles pounding at the boundaries established by the Congress and if we ever weaken and let one of these tentacles break through they will break through in all directions. It would only be a matter of time before TVA would occupy the entire Southeast.

When we were considering a boundary, TVA proponents, including its officials, vigorously opposed such restrictions while at the same time disclaiming any desire to expand. A review of the newspaper articles I quoted disclose the hypocrisy of their denials. Oh, they will deny promoting expansion and say they were only fulfilling their official duties by advising citizens as to why TVA could



not serve them. But, Mr. Speaker, the actions of TVA agents far exceeded any official duties.

They encouraged citizens to pressure the Congress to extend the TVA boundaries to serve them.

They told them they were entitled to the power because their water helped generate it. Of course, they did not tell them that if they got TVA power, three-fourths of it would be generated in steam plants.

They said that the question of their getting power was a "strong moral point." Were they insinuating that Congress was immoral in denying them the power?

They instructed citizens in the procedure to follow in pressuring the Congress to extend TVA boundaries.

They volunteered the services of the TVA general counsel in working out the legal problems.

They volunteered the help of the TVA board in promoting expansion of TVA's operating area.

They cautioned the cities against renewing franchises with existing suppliers lest they close the door against TVA service.

Then they threw out the ever-enticing bait of bringing new industries into the cities with cheap TVA power. I suppose the hunting ground for such industries would be your and my districts as it has been in the past.

Mr. Speaker, do these activities of TVA officials strike you as being legitimate duties of Federal employees? They strike me as bordering on the verge of

contempt of the Congress. I suppose it would be expecting too much to think the administration would call them on the carpet for such things because our Federal agencies that handle electric power matters have been loaded with Government power advocates who would probably encourage these activities.

But I do think Members of Congress on both sides of the aisle should be incensed at these public officials who so utterly disregard the wishes of Congress and encourage others to bring pressure to bear on its Members.

No, Mr. Speaker, we did not get rid of the TVA problem—it is just beginning. And we will never be rid of it until we deprive it of its socialistic status and put it on the same basis as investor-financed proprietary businesses.

## SENATE

THURSDAY, JUNE 7, 1962

The Senate met at 12 o'clock noon, and was called to order by Hon. LEE METCALF, a Senator from the State of Montana.

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

Eternal God, our Father, Thou hast ordained that not in cushioned seats of safety, but in danger and stern conflict shall we find our strength and our triumph.

In our hearts, O Lord, we cherish the golden heritage that has been bequeathed us through the virtue and valor of those whose records within these legislative halls have helped to make the greatness of our free land.

Inspire us, we pray, so to follow their shining example that we, the children of their faith, may not only hold our inheritance as a precious trust, but by our loyalty, love, and labor may leave it with increased luster to those who, after us, shall inherit the land still bright with freedom's holy light. Amen.

### DESIGNATION OF ACTING PRESIDENT PRO TEMPORE

The legislative clerk read the following letter:

U.S. SENATE,  
PRESIDENT PRO TEMPORE,  
Washington, D.C., June 7, 1962.

To the Senate:

Being temporarily absent from the Senate, I appoint Hon. LEE METCALF, a Senator from the State of Montana, to perform the duties of the Chair during my absence.

CARL HAYDEN,  
President pro tempore.

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

### THE JOURNAL

On request of Mr. MANSFIELD, and by unanimous consent, the reading of the Journal of the proceedings of Wednesday, June 6, 1962, was dispensed with.

### MESSAGE FROM THE PRESIDENT

A message in writing from the President of the United States submitting a nomination was communicated to the Senate by Mr. Miller, one of his secretaries.

### MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Maurer, one of its reading clerks, announced that the House had passed the following bills, in which it requested the concurrence of the Senate:

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; and

H.R. 11879. An act to provide a 1-year extension of the existing corporate normal-tax rate and of certain excise-tax rates, and for other purposes.

### HOUSE BILLS REFERRED

The following bills were each read twice by their titles and referred as indicated:

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; to the Committee on Agriculture and Forestry.

H.R. 11879. An act to provide a 1-year extension of the existing corporate normal-tax rate and of certain excise-tax rates, and for other purposes; to the Committee on Finance.

### 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.

### EXECUTIVE COMMUNICATIONS, ETC.

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

PROPOSED AMENDMENT TO THE BUDGET, 1963, FOR LIBRARY OF CONGRESS (S. Doc. No. 99)

A communication from the President of the United States, transmitting an amend-

ment to the budget for the fiscal year 1963, in the amount of \$955,500, for the Library of Congress (with an accompanying paper); to the Committee on Appropriations, and ordered to be printed.

### APPOINTMENT OF ADDITIONAL ASSISTANT SECRETARY OF STATE

A letter from the Assistant Secretary of State, transmitting a draft of proposed legislation to authorize the appointment of one additional Assistant Secretary of State (with an accompanying paper); to the Committee on Foreign Relations.

### AUDIT REPORT ON PANAMA CANAL COMPANY AND CANAL ZONE GOVERNMENT

A letter from the Comptroller General of the United States, transmitting, pursuant to law, an audit report on the Panama Canal Company and Canal Zone Government, fiscal year 1961 (with an accompanying report); to the Committee on Government Operations.

### REPORT ON REVIEW OF ADMINISTRATION OF PUBLIC ASSISTANCE PROGRAMS AND SURPLUS FOOD DISTRIBUTION PROGRAM, DISTRICT OF COLUMBIA GOVERNMENT

A letter from the Comptroller General of the United States, transmitting, pursuant to law, a report on the review of administration of public assistance programs and surplus food distribution program, Department of Public Welfare, District of Columbia government, dated June 1962 (with an accompanying report); to the Committee on Government Operations.

### REPORT ON REVIEW OF WAGE RATE DETERMINATIONS FOR CONSTRUCTION OF CAPEHART HOUSING AT MARINE CORPS SCHOOLS, QUANTICO, VA.

A letter from the Comptroller General of the United States, transmitting, pursuant to law, a report on the review of wage rate determinations for construction of Capehart housing at the Marine Corps Schools, Quantico, Va., Department of Labor, dated June 1962 (with an accompanying report); to the Committee on Government Operations.

### REPORT ON REVIEW OF AUTOMATIC DATA PROCESSING SYSTEM USED IN SUPPLY MANAGEMENT BY DEPARTMENT OF THE NAVY AVIATION SUPPLY OFFICE, PHILADELPHIA, PA.

A letter from the Comptroller General of the United States, transmitting, pursuant to law, a report on the review of automatic data processing system used in supply management by the Department of the Navy Aviation Supply Office, Philadelphia, Pa., dated May 1962 (with an accompanying report); to the Committee on Government Operations.