

forthrightly argue for his new theory of deficit financing, if he really believes that it is for the benefit of our country. Then let us who disagree with him present our arguments as to why we believe that balanced budgets and lower expenditures and lower taxes are in the best interests of our country, as well as in line with our noble traditions. I believe our country became great through following the Puritan ethic, which is no more than saying that we should spend less than we take in so we can pass on greater assets to our children than we received from our forebears. Let us debate the issue and out of this debate can come firm policy. But there can be no debate when the President shies away from supporting his theories.

We all want a tax cut. We badly need it. But, my fellow citizens, we must earn it. The process of expenditure control is not just cutting out wasteful programs, as the President said. This is really the easiest part of expenditure control. The tough part is when you get into the business of assigning priorities to good programs. It is tough for a person, particularly one in politics, to say "no" to a desirable program because we can't afford it and all the other desirable programs this year. We must have the courage and integrity to say: "Let's keep it on the list of desirable projects for the day when we have earned the right to have it, by paying for it ourselves." Perhaps if we start this business of self-discipline with our tax moneys, just as we all must exercise this discipline in running our families, we can be certain that the Government our children will be paying for will be their own Government, not part of ours.

Mr. Speaker, during the television broadcast, Congressman CURTIS referred to a memorandum from the U.S. Depart-

ment of Commerce, Business and Defense Services, addressed to assistant administrators, office directors, division directors, and staff officials. I think it would be helpful if this were included in the RECORD and under unanimous consent, I include it in the RECORD:

U. S. DEPARTMENT OF COMMERCE,
BUSINESS AND DEFENSE SERVICES
ADMINISTRATION,
Washington, D.C., September 6, 1963.

To: Assistant Administrators, Office Directors, Division Directors, Staff Officials.

From: Paul W. McCann, Assistant Administrator, Industrial Analysis.

Subject: The Tax Reduction and Reform in 1963.

It is essential for sustaining an adequate economic growth in the United States that there be a reduction in personal income tax rates and corporate income tax rates this year. The House Ways and Means Committee has completed many months of careful review of the administration's proposal for tax reduction and tax reform. Customarily the House as a whole does not analyze and debate in detail such a conclusion of the committee. The most that the House does is accept, reject, or send back for further study. To send this bill back for further study would simply be a subterfuge for rejection. It is essential that this bill not be rejected either directly or surreptitiously. The reasons for acceptance of the bill were spelled out in several pages of the President's report to the Congress (January 1963), and may be summarized as being essential for the maintenance of a growth rate sufficient to permit positive growth of profits and to reduce U.S. unemployment.

A major reduction of Federal expenditures would almost eliminate the stimulus effects of the bill. Nothing would be gained except a significant reduction of defense and space

expenditures; that is, at best, consumer expenditures would be substituted for most of our reduction of defense posture. Other major Government expenditures are either tied and provide very little scope for reduction, such as interest expenditure, or cannot be effectively separated from individual Congressman support, such as public works. It is evident that Congress will not reduce expenditures materially, and proposals to reconsider on these grounds means that such supporters do not want the economy stimulated.

The need to stimulate the U.S. economy is a lesson which can be learned now while there is still time to extend the present recovery or the Nation can go through one more unnecessary recession which will hurt business more than any other sector of the economy. If the gross national product does not grow rapidly, profits do not grow at all. This has been the unfortunate experience of the U.S. economy (in constant dollar terms) since 1958. It would be remarkable if the business community would want this condition continued indefinitely with the share of profits steadily falling. There is great urgency that the tax reduction be achieved now because the recovery is already 30 months long and very few recoveries have gone beyond 30 months under their own power. If Congress passes the tax reduction bill, the results will be to extend greatly the length of the recovery and to place the economy on a more rapid growth rate for some years to come. The personal income tax has a tendency to become increasingly progressive as real incomes per capita increase and as price levels increase. That is why this tax reduction is necessary at this time to correct the accumulated stagnating effect of the structure of U.S. taxes. Every business has a keen personal interest in maintaining a high rate of growth. The only way to be assured of sustained growth at this time is to have a reduction in tax rates now.

SENATE

TUESDAY, SEPTEMBER 24, 1963

The Senate met in executive session at 10 o'clock a.m., and was called to order by the Vice President.

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

Father of all, whose righteous laws condemn and will at last break whatsoever bars Thy children from abundant life: In these days freighted with destiny, for whose decisions the future will judge us, by Thine enabling might may Thy servants here in the ministry of public affairs maintain their integrity unswayed by personal animosities, prejudices, or selfish ambitions.

And now as there looms the hour when for men and nations comes the moment to decide, to whatever decision come those who here speak for this free land, this day in a choice between frowning risks on either side, may those who give their consent and those who withhold it alike be sustained by the supreme satisfaction that, in a grave crisis, they have done their full duty, and that in the face of trembling and fearful humanity their vote represents their patriotic judgment deserving well of the Republic.

We ask it in the Redeemer's name. Amen.

TRANSACTION OF ROUTINE LEGISLATIVE BUSINESS

Mr. MANSFIELD. Mr. President, I ask unanimous consent that, as in legislative session, there be a morning hour for 5 minutes, at the end of which time I should like to suggest the absence of a quorum.

The VICE PRESIDENT. Without objection, it is so ordered.

THE JOURNAL

On the request of Mr. MANSFIELD, and by unanimous consent, the reading of the Journal of the proceedings of Friday, September 20, 1963, and Monday, September 23, 1963, was dispensed with.

DEATH OF TILLMAN B. HUSKEY, CHIEF CABINETMAKER IN THE SENATE

Mr. DIRKSEN. Mr. President, on August 24, just 1 day before his birthday, Tillman B. Huskey, Sr., who was the chief cabinetmaker on the Senate side, passed away.

Mr. Huskey served this body for nearly 30 years. I wish to take note of his passing, because he was among those whom the public never sees, but who so faithfully serve the Senate.

QUESTIONS AND ANSWERS ON THE TEST BAN TREATY

Mr. SYMINGTON. Mr. President, last week, after the completion of my remarks on the test ban treaty, the distinguished Senator from South Carolina [Mr. THURMOND] placed in the RECORD 36 questions he would have asked me with respect to this treaty if he had been on the floor when I concluded.

Inasmuch as it was necessary for me to leave, to go back to Missouri for the remainder of the week, in order to fulfill several longstanding engagements, I was not in a position to answer.

Upon my return to town yesterday, however, I worked on answers to these questions; and I ask unanimous consent that they be printed, together with the questions, at this point in the RECORD.

I take this opportunity to commend the Senator from South Carolina for the many long hours he has spent in studying this matter. We agree on many points; on others, we do not. I wish we could agree on all, especially inasmuch as I know of the complete sincerity of his position.

Mr. President, the distinguished Senator from South Carolina also put in the RECORD the transcript of a television program of April 28 in which I participated. That program was conducted at a time when the Preparedness Subcommittee was giving consideration to the so-called

comprehensive treaty—one far different from the treaty that is under consideration today, in that it involved an onsite inspection agreement to supervise underground testing.

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

1. Question. The Senator is in a unique position, since he is a member of both the Foreign Relations Committee and the Preparedness Subcommittee, and signed the reports of both committees. I believe the Senator from Missouri has attested that the factual data in the Preparedness Subcommittee's report is accurate. Is that correct?

Answer. As I stated in my additional views that are included in the Preparedness Investigating Subcommittee report, "To the best of my knowledge the factual data contained in the report of the Preparedness Investigating Subcommittee is correct. But I believe the findings and conclusions are overly pessimistic as to the effect of the treaty on our national security."

2. Question. Does the Senator subscribe to the opinion of the Foreign Relations Committee, stated in its report, that, and I quote: "But exclusive, or excessive, reliance on military considerations could undermine national security by encouraging comparable military efforts by others, thereby strengthening the destabilizing forces afloat in the world, possibly creating new ones."

Answer. Everyone agrees that military considerations are very important. However, no one believes that military factors are the sole considerations. For example, I have expressed concern particularly because of the likely proliferation of nuclear weapons capabilities in the world. While I do not believe that this treaty by itself will stop such proliferation, I do believe that the treaty could be a small step in that direction.

3. Question. I notice that the Senator states that "unless there can be some understanding among the growing number of nations that will have the weapon, a nuclear holocaust is only a question of time." Does the Senator mean to imply that armaments, rather than human weaknesses, cause wars?

Answer. Both armaments and human weakness are required for war. It is unfortunately true also that armaments and human strength are both required to maintain a just peace. It is the kind and proliferation of armaments, not the existence of armaments, that are now in issue.

4. Question. The United States has maintained a level of armaments over recent years unequalled in all history. Would the Senator not agree that these armaments have been the very factor that has prevented nuclear war?

Answer. They have been a mighty important factor. I believe that these armaments have been important in causing the Soviet withdrawal of missiles from Cuba and in preventing many other Communist adventures, especially in Europe and perhaps the Far East. The existence of U.S. military power, known to the Soviets, has in my opinion prevented Soviet conduct which might well have led to war.

5. Question. Would the Senator not agree that the only way in which one can be sure of preventing nuclear war, so long as the Communists maintain their goal of world domination, is to keep an overwhelming superiority in strategic military power?

Answer. It is vital that the United States maintain its capability to destroy the Soviet Union if a retaliatory strike is required.

6. Question. The Senator from Missouri has correctly pointed out that the military disadvantages of the treaty to the Soviet Union must also be considered, along with the military disadvantages to the United States. Would not the Senator from Missouri agree that in assessing the relative

military disadvantages of the treaty, that the starting point, in terms of technology, of both the United States and the Soviet Union, is largely determinative of the degree of disadvantage from prohibition of testing in a particular environment?

Answer. As I understand the question, I agree that the degree of disadvantage imposed on a nation by the treaty is determined, to some extent, by where that nation is now as compared with the other in terms of nuclear technology. There is a tendency for progress to come harder to the nation ahead—breaking new ground. For example, advancements in yield-to-weight ratios become more difficult as one approaches the theoretical limits. Thus, the Soviets—behind in medium- and low-yield weapons—could, if unlimited testing were allowed, be expected to make relatively rapid progress in those areas. Under the treaty, however, Soviet progress in these areas can be expected to be slower.

7. Question. The Senator has pointed out that the Soviets will be unable to test for blackout phenomena after the treaty goes into effect, just as will the United States. Isn't it a fact, however, that the Soviets specifically tested for blackout phenomena, and particularly as it applies to ABM systems, in the 1961-62 series, but that the United States has made no comparable test?

Answer. The Joint Chiefs of Staff said that the Soviets may possess some information not available to the United States. Dr. Brown, in his testimony added: "Yes, and we have some data that they may not have." Dr. Brown has stated that our tests were comparable to theirs—particularly in that they provided a much broader range of data from which extrapolation can be made with more confidence; that each side has had about the same number of tests, over yield ranges and altitude ranges which are comparable though not identical; that enough has been learned in the United States to verify the existence, nature, and rough dependence of blackout characteristics on yield and altitude, although important details still have not been explored; that the same is probably true in the Soviet Union; that enough is now known in the United States to determine for example how blackout enters, with other factors in the anti-ICBM problem, in determining the optimum radar frequency; and that both sides have done several tests with very extensive instrumentation. Both Dr. Brown and Dr. Bradbury testified that blackout tests were conducted by the United States in 1958 and 1962 and that we have learned enough about the problem to be able to take measures to design around it. Senator SPARKMAN on September 16 dealt with the matter. He referred also to the testimony in executive hearings of Mr. John McCone. I refer the Senate to the same source.

8. Question. Another factor which bears heavily on the relative military disadvantages of the treaty, as I am sure the Senator will agree, is the different strategies of the United States and the Soviets. Since the United States must rely on second strike capabilities, it must test to determine every possible vulnerability in its weapons systems, for to leave one that is unknown could spell disaster in the event of any enemy first strike. Since the Soviets rely on the strategy of a first, or preemptive strike, they do not have to test for the purpose of insuring the invulnerability of their own weapons systems, but can concentrate on ferreting out one or two vulnerabilities of our weapons systems and the proper weapons design to exploit our weapons systems vulnerabilities that they have found. Does this factor not require, in effect, far more comprehensive nuclear testing for weapons effects and proof tests by the United States to maintain its second strike force than is necessary for the Soviets to advance their first strike force?

Answer. Without regard to what the Soviet strategy actually is, prudence requires the United States to maintain strategic forces capable of surviving any Soviet surprise attack and delivering a devastating counter-blow. In this connection, it is important to understand, with as little uncertainty as possible, the phenomena which may bear on the survivability of our systems. As I said on September 17, "While I regret * * * that the United States did not, before now, find the answer to more of the gnawing vulnerability questions, I am convinced that the Soviets, limited as they are by the terms of this treaty, will not be able to change the elemental facts of the strategic nuclear power balance." Our systems are many in number and involve great redundancy in command and control. This being the case, it is most unlikely that any one or two vulnerabilities will be critical. And, it should be noted that, hampered by the test ban, the Soviets will have difficulty estimating the nature of any weaknesses in U.S. systems which may exist.

9. Question. The Senator states that the Joint Chiefs of Staff have seen no need for a 100-megaton bomb. Is the Senator not aware that the Joint Chiefs of Staff have, in fact, recommended that we go ahead with the development of the big bomb?

Answer. The Secretary of Defense, in his testimony before the Senate Foreign Relations Committee, assured that "the United States, without any future testing, can develop a warhead with a yield of 50 to 60 megatons for B-52 delivery." This size and type weapon, I understand, falls within the range of interest expressed by the Joint Chiefs of Staff in the recommendation referred to. The Joint Chiefs of Staff in their statement of position on the limited test ban treaty said that "The Joint Chiefs of Staff have not regarded as important the attainment of weapons in the 100-megaton range from which the United States will be debarred by the treaty. They feel that the types and numbers of megaton yield weapons available to us now or in the future could give us an adequate capability in the high-yield weapon range." As the report of the Foreign Relations Committee points out: "Even Dr. Edward Teller, a critic of the treaty, recently commented: 'It is not clear to me that these very big yields will result in a substantial advantage for the Russians. * * * In evaluating the consequences of the test ban, I do not place very great importance on the lead which the Russians enjoy in this particular field.'" He has also agreed that we do not need atmospheric testing in order to construct larger bombs.

10. Question. Isn't it also a fact that General LeMay recommended the development of a big bomb as early as 1954, but that he was refused?

Answer. General LeMay testified: "I asked for, the Air Force asked for, a big yield bomb as early as 1954." Testimony also brought out this was a bomb of over 50 megatons.

11. Question. Isn't it a fact that one of the reasons that the recommendation of the military for development of a big bomb has never been approved lies in the fact that the defense policy of the Nation is based on a shift in reliance from manned aircraft, which could deliver a very high yield weapon, to ballistic missiles, in which we do not now have a capability of delivering the necessary weight to achieve the very high yield?

Answer. I am told that the reasons for no decision to develop a very big bomb are many. The principal one is the absence of a military role in which such a weapon was superior to smaller weapons. It must be borne in mind that, as weapons to use against military targets in a retaliation role, larger numbers of smaller weapons are to be preferred on a cost-effectiveness basis, and also because the smaller delivery systems are easier to harden or make mobile. With respect to the shift in emphasis to missile de-

livery, it should be remembered both that manned aircraft will have an important role in the foreseeable future and that, without atmospheric testing, larger warheads could be developed and stockpiled for our bombers as well as our future missile systems.

12. Question. The Preparedness Subcommittee report, in which the Senator from Missouri attests as to the accuracy of the facts reports as a fact that, and I quote: "The United States will be unable to acquire necessary data on the effects of very high yield atmospheric explosions. Without such knowledge it is unlikely that a realistic assessment can be made of the military value of such weapons." Would the Senator not agree that the Soviets have a distinct lead over the United States in this area, and that we do not now have the necessary information from which to assess the military potential of the 100-megaton bomb when used against us.

Answer. This part of the subcommittee report was a conclusion, and by the testimony a disputed fact. Dr. Harold Brown, Director of Defense Research and Engineering, stated that "although they have done more high yield tests, those were not effects tests. Their geography, and the associated activity does not indicate to me that they are effects tests." Here again, I refer the Senate to the testimony in executive hearings by Mr. John McCone, Director of the Central Intelligence Agency. With respect to the adequacy of information at our disposal, I repeat my regrets, stated to the Senate on September 17, that we did not, before now, take more steps to reduce our uncertainties relating to the survivability of our missile force. But I am advised that we do have a great deal of information from which to assess the military potential of a 100-megaton bomb used against us; and that the Soviets know no more than we do about any vulnerabilities that may exist.

13. Question. Would the Senator not agree, that regardless of whether the United States would decide, after acquisition of sufficient information on which to make a realistic evaluation, to build a 100-megaton bomb for its own arsenal or not, that it is a major disadvantage for the enemy to have a major weapon of which he knows the military potential, and for the United States to know existence of the weapon, but to be precluded from ascertaining with some degree of certainty its military potential?"

Answer. There is no reason to believe that the Soviets know more than we do about the military potential of a 100-megaton bomb. Neither side has tested one. The 60-megaton test by the Soviets was a weapons, not effects, test. As for the implication of a Soviet technological lead in the very high yield range, the Joint Chiefs of Staff have testified that technological superiority is only one aspect of the net security which must take into account the number of weapons, variety of delivery systems and the magnitude of nuclear plant and stockpile: "As to net superiority in ability to inflict damage on the enemy, the Joint Chiefs of Staff consider that the United States at present is clearly ahead of the U.S.S.R. in the ability to wage strategic nuclear war." We have data from which we can estimate the effects of very large weapons.

14. Question. The Senator is quite pessimistic about the ability of either the United States or the Soviet Union to develop an effective ABM system. According to the information we now have, the Soviets have deployed an ABM system in one location to which we attribute significant effectiveness in defending against IRBM's, including the Polaris, which incidentally are not missiles which can be salvaged, but we attribute very little effectiveness to this system against ICBM's. In view of the fact that it is possible that the vulnerabilities of our missiles in silos could possibly be exploited by some

weapons effects of which we are not now fully knowledgeable, to say the least, would the Senator not agree that under some circumstances the present Soviet technological capabilities in the ABM field are of large significance?

Answer. The problems which face us, and presumably the Soviets, in any attempt to develop an ABM system are concentrated, primarily, in nonnuclear areas—in areas unaffected by the treaty (reaction speed, missile performance, traffic handling capacity, and capacity for decoy discrimination). So the question asked is one largely unrelated to the test ban. Nevertheless, with respect to the Soviet ABM position, the Preparedness Investigating Subcommittee's report did not find that the Soviets have deployed an ABM system which has significant effectiveness in defending against IRBM's. Dr. Brown stated that he does not believe that the Soviets have deployed any installation as good as, certainly not better than, Nike-Zeus. Moreover, with respect to the Polaris missile, it would be mistaken to conclude from the fact that a missile is not salvaged that it has no penetration capability against an ABM system. As the Foreign Relations Committee report points out, penetration capability includes such techniques as multiple warheads, varied trajectories, the use of heavy and light decoys, and so forth. With respect to relative positions in ABM technology, the testimony of Dr. Seaborg, Dr. Brown, and Dr. York is that the relative strength of the United States and the U.S.S.R. in the ABM field is comparable and that the United States may be ahead. Further, it must be remembered that even the most ardent ABM supporters did not testify that an ABM system could be counted on to save a nation from lethal harm.

15. Question. As the Senator correctly stated, the Soviets could not, if they abide by the treaty, obtain any more information from ABM testing than could the United States while the treaty was in effect. Is it not true, however, that the Soviets have already performed tests dictated by ABM considerations specifically on the blackout problem, to which the United States had made nothing comparable?

Answer. See my answer to question 7.

16. Question. The Senator stated that "specifically, apprehensions in the ABM field were not borne out, at least to me, in the highly classified intelligence briefings we received." Is it not true that the briefings to which the Senator refers included a specific description of Soviet ABM tests, to which we have performed nothing comparable?

Answer. Dr. Brown compared the United States and U.S.S.R. ABM tests as follows: "The Soviets have said that they have intercepted a missile with a missile. We have intercepted a missile with a missile on numerous occasions. The Soviets have not said—and on my examination of all the available evidence I believe that they have not intercepted a missile with a missile at ICBM ranges, that is at ranges of many thousands, several thousand miles, 4,000 or more. It is not a firm conclusion but it is what I believe. We have intercepted a missile at ICBM ranges, at our test site at Kwajalein. Second, the Soviets have not said that they have intercepted a missile with an interceptor carrying an exploding nuclear warhead. Again, on investigation of the relevant facts, I conclude that they have not. We have not, either, and I conclude from that that neither we nor they feel that is the most vital part of an antimissile development."

17. Question. Is it not true that the highly complex ABM tests performed by the Soviets could have, and probably did provide valuable information on the ability of an ABM system to operate in a nuclear environment, including radar and communications blackout, and that we do not know the pre-

cise results, or the thrust of the knowledge that the Soviets gained thereby?

Answer. The Soviets obviously obtained important blackout information from their tests, as did we from ours. We do not know the precise results of their tests, nor do they know the precise results of ours. It is likely that both sides understand the thrust of the knowledge gained by the other. In this connection, see my answers to questions 7 and 14.

18. Question. Will the Senator from Missouri tell us whether the Joint Chiefs of Staff, when they made their assessment of the treaty, had all of the details of the Soviet ABM tests in their possession, or whether certain significant facts about the tests had never been disclosed to them?

Answer. After reading this question, I checked with the Department of Defense, and am advised by the Department of Defense that the Joint Chiefs of Staff had full access to all the information available on Soviet testing.

19. Question. In discussing the question of vulnerabilities of our missile sites, the Senator points out that the Soviets will not be able to make tests to determine vulnerabilities any more than will the United States under the treaty. Once again, we must go back and examine the point from which each side starts if we are to reach an objective evaluation. The U.S. reliance on a second strike strategy, together with the Soviet reliance on a first strike strategy, makes it incumbent on the United States to have a broader spectrum of knowledge on the vulnerabilities of missile sites than the Soviets. Is it not a fact that the Soviets have demonstrated in their tests that they know more about exotic radiation effects than does the United States?

Answer. See my answer to questions 8 and 12.

20. Question. Is it not true that the magnitude and residuality of some electromagnetic phenomena varies substantially according to the time when the nuclear explosion takes place?

Answer. If the phenomena referred to is blackout, I am advised that it probably does vary substantially according to the time of day and magnetic latitude.

21. Question. Is it not true that the United States has generally tested for weapons effects in the atmosphere only at periods when such effects were at a minimum, while the Soviets have tested for the maximum of such effects?

Answer. I am advised that most weapons effects are not sensitive to the time when the explosion takes place. With respect to blackout, it is true that U.S. tests have been conducted at a time of day when the effect would probably be lesser and that the Soviet tests have been conducted at that time of day when the effect would probably be greater. I am also advised, however, because of the physical manifestations of blackout and the methods used to record those manifestations—that is, the instrumentation of the tests—the information gained from a test is likely to be greater if the tests are performed as the United States has scheduled them.

22. Question. Is it not also true that the Soviet tests of very high yield weapons over the Soviet Union demonstrated a very long-range effectiveness of some electromagnetic phenomena against communications circuits?

Answer. As was predicted, high-yield, high-altitude Soviet explosions did affect some communications circuits for a limited period of time.

23. Question. Is it not true that although the time of explosion of the nuclear warhead substantially affects the level of electromagnetic phenomena, even in the same medium where the warhead is detonated, that we have attempted to test the effects of this

phenomenon only underground, not even in the medium where the weapon would presumably be detonated, with a very small yield explosion and attempted to extrapolate the results?

Answer. Our experiments directed at blackout and electromagnetic pulse have been conducted in the atmosphere. Certain yield and altitude extrapolations have been required—as would be the case for the Soviets as well.

24. Question. Would the Senator not agree that the Soviets have demonstrated a capability for producing the maximum level and residuality of exotic radiation effects with a very high yield warhead, and that, if their tests were properly instrumented, they had the opportunity to learn much about the effects of these phenomena?

Answer. There is no indication that the very high yield Soviet warhead was exploded at an altitude which would optimize exotic radiation effects. Furthermore, Dr. Brown testified that the test was not instrumented for effects purposes.

25. Question. Would the Senator not agree that in these exotic radiation effects of nuclear explosions could possibly and even probably lie vulnerabilities to our missile sites and the communications and control circuits, as well to our early warning systems?

Answer. It is possible but not probable that radiation effects could render any given missile site, communication and control circuit, or some portion of our early warning system vulnerable in some unassessed way. Secretary McNamara addressed this problem at length in his statement before the Foreign Relations Committee as follows:

"Our missile force is deployed so as to assure that under any conceivable Soviet first strike, a substantial portion of it would remain in firing condition. Most of the land-based portion of the force has been hardened, as well as dispersed. In addition, we have duplicative facilities which will in the future include the capability of launching each individual Minuteman by a signal from airborne control posts. The United States now has a substantial amount of information in this area of hardened missile-site vulnerability. Our knowledge of the Soviet testing program leads us to believe that their uncertainties are at least as great as ours. Uncertainties of this kind, and others—into which we must count uncertainties of the accuracy of Soviet missiles—will continue to be compensated for by conservative designs, wide dispersal and large quantities of missiles.

"Furthermore, the most pessimistic view of these uncertainties suggests a vulnerability ratio for our hardened, dispersed Minuteman sites or less than two sites killed on the average by a single very large-yield Soviet missile. It is clear that the Soviets do not have anything like the number of missiles necessary to knock out our Minutemen force, nor do they appear to have any present plans to acquire such a capacity."

I understand also that, with respect to our early warning system, blackout from a very high yield nuclear explosion would itself be a form of warning.

26. Question. Would not the Senator agree, as is stated in the Preparedness Subcommittee's report, that the Soviets now enjoy a lead in knowledge of high yield weapons effects?

Answer. On this point, the report of the Preparedness Investigating Subcommittee used the words "probably" and "prudent to assume." With respect to the merits of the point, see my answers to questions 8 and 12.

27. Question. Would not the Senator agree that the knowledge of weapons effects, particularly the exotic radiation effects, and knowledge of the vulnerabilities of our missile silos and communications and con-

trol circuits are so closely related that they are for all practical purposes inseparable?

Answer. Yes; and all of these areas are related inseparably to factors such as numbers, diversity, accuracies, and yields of weapons, redundancy of command and control, national strategies, and so on.

28. Question. The Senator from Missouri has quoted the concluding paragraph of the presentation of Gen. Maxwell Taylor for the Joint Chiefs of Staff which states: "It is the judgment of the Joint Chiefs of Staff that, if adequate safeguards are established, the risks inherent in this treaty can be accepted in order to seek the important gains which may be achieved through a stabilization in international relations and a move toward a peaceful environment in which to seek resolution of our differences." Does the Senator believe, as is implied by the statement he quoted, that the treaty will lead to a stabilization of international relations?

Answer. I believe that the treaty could be a step toward, rather than away from, a more stable order in international affairs and a more peaceful environment. No one has suggested that the treaty by itself will lead inevitably toward firm, peaceful international relations. See also my answer to question 33.

29. Question. Does the Senator believe, as this same quotation implies, that the treaty is a move toward a peaceful environment?

Answer. See my answer to question 28.

30. Question. Does the Senator believe that this treaty will cause the Berlin wall to be torn down, so that this unstabilizing factor on international relations will disappear?

Answer. No.

31. Question. Does the Senator believe that this treaty will improve the situation in Vietnam caused by Communist aggression?

Answer. No, at least not in the short term.

32. Question. Does the Senator believe that this treaty will eliminate the Communist regime in Cuba, or reduce the all-out efforts of the Communists to subvert Latin America?

Answer. The treaty will not solve the problem of the Communist attempt to penetrate Latin America.

33. Question. In what way, if any, will this treaty lead to the stabilization of international relations and a peaceful environment?

Answer. In my statement to the Senate on September 17, I said that, after advising and consenting to the treaty, the Senate, "together with the other arms of the U.S. Government, should gird for the contest in the new situation. We must do our part, not only to ensure that the four safeguards listed by the Joint Chiefs of Staff are effectively implemented, but also to maintain the vigilance and strength of the Nation while the small first step which this treaty represents finds its way into the complex of conditions from which the future will be made." I concluded: "With our eyes open, therefore, let us give weight to the fact that this treaty might point the way toward bringing nuclear weapons under some form of satisfactory control; and thereby furnish hope that a just and lasting peace will move out of the shadows into more of the light."

34. Question. Would not the Senator agree that the principal power from whose acquisition of nuclear weapons the greatest danger of nuclear war arises is Communist China?

Answer. Proliferation of a nuclear weapons capability to Communist China will be very unfortunate and dangerous, as would proliferation to certain other nations. China, I would think, would be the most dangerous.

35. Question. This treaty will not prevent the development of nuclear weapons by Red China, will it?

Answer. This treaty alone cannot prevent Red China from developing nuclear weapons. However, in two respects, it may retard that development. By its provisions the treaty prevents the signatories from assisting any nation in carrying on nuclear testing in the prohibited environments. Furthermore, as I see it, no country which is fighting for leadership in the Communist and uncommitted world can be totally oblivious to the sentiments of the over 100 signatories who have already signed this treaty.

36. Question. Is it the understanding of the Senator from Missouri from the testimony of official witnesses that the United States will withdraw from the treaty if Red China tests nuclear weapons in one of the three environments in which testing is banned by the treaty, although Red China will not be a party to the treaty?

Answer. I understood witnesses to say that whether the United States will withdraw from the treaty if and when Red China tests a nuclear device in the prohibited environments will depend upon a number of factors that cannot be determined at the present time. To me the important point would seem to be the fact that we have retained the right to withdraw, in this or any other case, if we think withdrawal advisable in our own national interests.

THE LATE CARL A. HATCH, OF NEW MEXICO

Mr. CARLSON. Mr. President, former U.S. Senator Carl A. Hatch, of New Mexico, who passed away last week, was born in Kansas, and was one of the Senate's truly great statesmen.

I think it appropriate to mention the fact that he was the author of the Hatch Act, which Congress first passed in 1939, and a year later enlarged in scope. This legislation was timely, in that the Federal employees had been pressured to make contributions to political organizations. The situation became so bad that there was a general uprising against it. The late Senator Hatch wrote the legislation known as the Hatch Act, which was to prevent these abuses.

As we now approach another political campaign, there are rumors that the Federal employees may again be pressured to participate in raising funds for COPE, the political arm of the AFL-CIO. I hope this is only a rumor, for I think it would be most unfortunate if the Federal workers were again subjected to the pressures of political groups and organizations.

In the Wednesday, September 18, issue of the Topeka Daily Capital there was published an editorial entitled "Father of Hatch Act." I ask unanimous consent that it be printed in the RECORD, as a part of these remarks.

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

FATHER OF HATCH ACT

The death of former U.S. Senator Carl A. Hatch, of New Mexico, recalls his vigorous efforts to bring about political reforms through the Hatch Act which Congress first approved in 1939 and, a year later, enlarged the scope of the act.

Senator Hatch sought to restrict and control the political activities of members of the Federal civil service and at the same time protect them from intimidation or coercion in voting at elections.

The first Hatch legislation was designed primarily to prevent abuses such as had been

reported by the Sheppard Senate committee in connection with the congressional campaign of 1938, when great numbers of people were on relief rolls.

Besides forbidding intimidation or coercion of Federal employees during election campaigns, the act prohibited solicitation or receipt of political contributions from relief workers or persons receiving Federal relief. Nor could relief funds be used to coerce voters, and it became unlawful for any person to promise any employment or other benefit as a reward for political activity.

The second Hatch Act, approved in 1940, extended the ban on partisan coercion, campaign assessments, and political activity to cover employees of State and local governments if engaged in full-time activities financed wholly or in part by Federal funds. This affected large blocs of highway department employees, for example, in the various States.

Drastic changes were also made in regulations governing campaign funds. Any political committee operating in more than one State was required to limit its expenditures to \$3 million in any calendar year. At the same time individual contributions for use in campaigns to nominate and elect Federal officers were restricted to \$5,000 each in any calendar year.

The first test of the law in the 1940 elections showed the law relating to contributions and expenditures to be full of loopholes, arising from vague phraseology which made it difficult to enforce. Committees acting independently of regular national committees collected and spent sums far in excess of the maximum allowed by the Hatch law. The 1944 presidential campaign provided additional evidence, historians note, of the ineffectiveness of the Hatch Act.

Perhaps the Hatch Act could be included in the same category or could be classed as another noble experiment in Government but it did give some of the politicians pause and made them more circumspect in their operations.

If the Hatch Act has not been as effective as Senator Hatch hoped it would be, it in no wise dims the Senator's efforts to curb corruption and establish politics on a higher plane.

Aside from a notable career in the U.S. Senate, Senator Hatch was learned in the law and eventually became a Federal district judge in New Mexico. One of his colleagues on the Federal bench has described him as a "sound, upright man—constructive in every way."

He was also a kindly man, possessed of great good humor even after his eyesight began to fail and he retired from the Federal judiciary. Probably it was not well known in Kansas that the Senator from New Mexico, who fathered the Hatch Act, was a native Kansan, born at Kirwin in 1889. His career was a creditable one and he served the public well.

CIVIL RIGHTS IN ALABAMA

Mr. MORSE. Mr. President, an editorial, entitled "They That Take the Sword," which was published this morning in the Washington Post, is a timely warning to the Negro leaders of America that in their legitimate fight for their constitutional rights, there is no place for violence or, as is pointed out in the editorial, for taking up the sword. The Post editorial includes the admonition, "Put up again thy sword into his place, for all they that take the sword shall perish with the sword."

Mr. President, I yield to no one in my support of the right of the Negroes of America to peaceably demonstrate and in my support of the right of the Negroes of

America to participate in the mass program that is characterized by their struggle to date for their constitutional rights. But, as is pointed out in the Washington Post editorial, there is no place for disobedience of law, for resort to violence, or for taking up the sword.

I say that, Mr. President, as I ask unanimous consent to have printed in the RECORD the editorial and an article—also published this morning in the Washington Post—covering the President's conference with several Birmingham civic leaders. It is with great regret that I read in the article the statement that Mr. Hamilton, one of the Birmingham civic leaders, afterward is reported to have said that—

He would be less than frank if he did not say that a large proportion of the people of Birmingham, including many Negroes, believe in the separate but equal doctrine.

The majority of the people are firmly, deeply dedicated to the principle of segregation.

Mr. President, that does not augur well, let me say, for an amicable settlement of the dispute in Birmingham. The people of Alabama need to be told that, after all, segregation is unconstitutional. They have no right to maintain their separate but equal policy. If Mr. Hamilton's defense of race discrimination in Alabama represents the civic leadership of Birmingham, then, Mr. President, in my judgment, there will be very little hope of a friendly settlement of the dispute in Birmingham. Furthermore, those who take the position—which was taken yesterday by the Birmingham leaders—that outsiders, such as Martin Luther King, are not welcome in Birmingham cannot lead the way to a fair settlement of Birmingham's race problem. These men must be made to understand that they have neither the moral right nor the legal right to perpetuate a South African apartheid social and economic system in Alabama. The U.S. Constitution must supplant race prejudice in Alabama.

It is clear that the Birmingham leaders—as stated in this great editorial of the Washington Post—should not follow a course of action that causes suffering people to resort to violence.

I hope the Post editorial will be read carefully both by the white leaders of Birmingham and the Negroes.

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

[From the Washington Post, Sept. 24, 1963]

THEY THAT TAKE THE SWORD

Concern for civil rights and sympathy with Negroes in their struggle to realize those rights dictate a blunt, candid warning to Negro leaders. They are being urged by the organization known as the Student Non-violent Coordinating Committee to change their strategy from peaceful protests, demonstrations, and litigation to an organized and widespread campaign of civil disobedience and disruption of the economy. They will be under strong temptation and pressure to pursue such a course. It is a course, we are convinced, which can lead only to destruction and disaster.

The proposal of the student group calls for a massive, uniformed army trained and prepared to obstruct the use of Government buildings, airports, highways, railroad tracks

and other public facilities. This army would be unarmed and nonviolent; it would anticipate arrests in great numbers for the purpose of filling up jails and overtaxing the police. Although the proposed army would neither attack nor resist and would make a principle of nonviolence, it would, of course, inevitably invite and foment violence.

In places such as Alabama and Mississippi and Louisiana, where progress in recognition of their rights seems unbearably slow, this strategy must be appealing to Negroes as a means of dramatizing their plight and expressing their sense of moral outrage. As things are, they suffer violence at the hands of the police and others and so suppose that they have little to lose. And many of them, no doubt, have lost faith in the efficacy of courts or the morality of the white community.

But in the end it is upon courts and upon the rule of law that Negroes must rely. It is folly—ruinous folly—for those who depend upon the law to deride and defy it.

Let the Negro leaders make no mistake about it; however non-violent their intentions, if they obstruct public business, the public will have to end the obstruction. No government worthy of the name can permit any minority to block access to public places or to frustrate the majority in its lawful activities.

It is a mistake to suppose that civil disobedience can work for Negroes in the United States as it worked for Indians against British rule in India. Negroes in the United States are a minority; Indians in India were a vast majority.

The strategy of militant civil disobedience for Negroes in the United States would impose upon them an absolute and damaging separation from the white community—when the real goal of the civil rights movement is full integration. It would end with the alienation of all who believe in the rule of law—of all who have faith in the ultimate triumph of justice and morality in America.

Civil disobedience, whether it be called violent or nonviolent is not the Negro's most powerful weapon. "Put up again thy sword into his place," Jesus said; "for all they that take the sword shall perish with the sword." If Negroes can retain a faith in American ideals and American institutions and in their fellow-Americans, that faith, in good time, will be vindicated.

J.F.K. HOLDS ALABAMA RACIAL TALKS—WILLING TO LET LOCAL GROUPS WORK FOR SOLUTION (By Carroll Kilpatrick)

President Kennedy last night expressed confidence that the racial difficulties in Birmingham may be settled on the scene by local white and Negro leaders working together.

After meeting with two groups of Birmingham white leaders, the President conferred with former Secretary of the Army Kenneth C. Royall and Earl H. Blaik, former West Point football coach, whom he named last week to cooperate with Birmingham leaders.

They are flying to Birmingham today to help restore "good communications between the white and Negro communities in that city and in easing the racial tensions which now exist," the President said in a statement.

"We have now had expression from all the major elements in the city that this committee will be welcome and I ask everyone to cooperate with them," Mr. Kennedy said.

LOCAL LEVEL STRESSED

"All the groups have expressed confidence that these matters can be settled on a local level. That is also my strong belief. I am hopeful that all groups will work vigorously to that end in the coming days."

Royall and Blaik, who conferred with the President from about 7:45 p.m. to 8:15 p.m., made no statement on leaving the White House.

The President met for an hour and a half earlier in the day with a five-man group representing Birmingham's Mayor Albert Boutwell.

Declaring that they welcomed the Royall-Blak mission, they appealed to the President to use his influence to prevent demonstrations and outside intervention in the coming days.

Late yesterday, the President conferred with six clergymen representing Catholic, Protestant and Jewish churches in Birmingham.

The Reverend George Murray, bishop coadjutor of the Episcopal Diocese of Alabama and spokesman for the group, said:

"We have assured the President, as have city officials and Negro leaders in Birmingham, of our desire to cooperate with these men (Royall and Blak) in seeking to improve racial harmony in our city."

Bishop Murray was reluctant to discuss the Alabama situation, but he made it clear he favored vigorous action to improve race relations. The earlier group representing the mayor, made it clear they favored a peaceful solution on the basis of segregation.

The President said all the persons in yesterday's meetings expressed a desire to meet Birmingham's problems within the city itself, and to make progress on the problems which confront that troubled city.

Following the meeting with the mayor's representatives, William C. Hamilton, executive secretary to Boutwell, said the group told the President the city needed at least 2 weeks of peace and quiet to work out its problems.

The group asked for an end of all outside interference.

Hamilton implied that the city also would like to work out its problems without help from Alabama's Gov. George C. Wallace. However, Hamilton said the presence of State police had been requested last week and proved to be helpful. He defended their activities.

Asked to explain what he meant by peace and quiet, Hamilton said no bombings, no fights, no demonstrations, no bitter, angry arguments, just quiet talk and quiet work.

Don A. Hawkins, chairman of Birmingham's Community Relations Council and a member of the city council, when asked if the group considered the Reverend Dr. Martin Luther King as an outsider, replied in the affirmative. Dr. King now lives in Atlanta.

Hamilton said he would be less than frank if he did not say that a large proportion of the people of Birmingham, including many Negroes, believe in the separate but equal doctrine.

"The majority of the people," he said, "are firmly, deeply dedicated to the principle of segregation."

Hamilton said the President listened attentively to the group's presentation and promised to do all he could to help.

"His response was certainly one of attention and interest and sympathy," Hamilton said. "We laid before the President what we believe is the real and total picture of Birmingham."

Hamilton insisted that Birmingham had been mistakenly pictured as a city of violence. It has had a good history of race relations, he said.

Recent troubles, he said, have been brought on by the temper of the times.

The Reverend Landon Miller, president of the Birmingham Interdenominational Council and pastor of the Ruhama Baptist Church, said his purpose was to express to the President "the moral concern of our city."

"The city is heartbroken over the variety of recent incidents, particularly the bombing of the church," said the Baptist minister, a member of Mayor Boutwell's delegation.

The group delivered a letter to the President from Boutwell thanking the President for the meeting.

Their duty, Boutwell said, was to lay before the President "the facts of our problems and our future potentials as an American city."

"It is our purpose to bring to your office no added burden but a better understanding so that the solutions we locally devise may promote both peace and credit for Birmingham and for this Nation we love as dearly as any citizens anywhere."

The VICE PRESIDENT. All time has expired.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that I may have an additional minute and one-half, in order to yield 45 seconds to the Senator from Kentucky [Mr. MORTON] and 45 seconds to the Senator from Arkansas [Mr. FULBRIGHT].

The VICE PRESIDENT. Without objection, it is so ordered.

Mr. MANSFIELD. I now yield to the Senator from Kentucky.

QUALITY STABILIZATION LEGISLATION

Mr. MORTON. Mr. President, there now seems no doubt that a heavily financed campaign to defeat the quality stabilization bill is underway.

The campaign against this bill is vicious. It is irresponsible. It is baseless.

The quality stabilization bill is a commonsense, practical solution to critical problems now facing this country in the distribution of brand-name products. It is 100 percent consistent with our free, competitive enterprise system. It is long overdue of enactment.

The Nation's press unwittingly is being "used" by the opponents of this bill. The propaganda appearing in the press is clever. It has emotional appeal. But, in truth, the propaganda of the opponents of the quality stabilization bill is distortion. It is falsehood. It is the half truth.

The campaign against this bill reflects the worst tricks of the professional propagandist: "Tell a lie—keep repeating it—until finally it is accepted as the truth. Or use semantics that twist or handicap analysis. Or use front groups that have emotional support—the soldier, the Department of Defense, the senior citizen, the poor family with a house full of children."

Mr. President, I must confess that when I cosponsored the quality stabilization bill, I had no feeling whatsoever about the discount house, as such. I knew this bill was not directed at it; that when the bill became law, it would not result in discrimination against the discount houses. My personal feeling was that if the discount house could "make a buck" fairly and squarely, then more power to it. I knew that the quality stabilization bill did not protect anyone—including the discount houses—from rigorous but fair competition—which is the way the situation should be.

But in the light of this vicious and very expensive campaign against the quality stabilization bill, I wonder whether I really understand the discount house. What prompts this massive campaign of deception against the quality stabilization bill? I, too, had heard the statement that the discount house was

out to destroy all competition. I thought the statement was extreme. But, as I have said, now I wonder.

Is the operation of the discount house in fact so tricky that it would collapse if it could not use honored brand names as loss leaders for baiting and switching purposes? Is that the source of the discount house's concern—a concern so great that it motivates this shameful campaign against the quality stabilization bill? Frankly, I do not know.

But someone has organized this vicious, high-priced campaign against the quality stabilization bill. A sharp hatchet is being wielded.

Consider, Mr. President, the September issue of Exchange & Commissary News. Hold your breath, because this publication, in its lead story on page 1, says the Department of Defense believes passage of the bill would add billions of dollars to the country's defense budget for the 1964 fiscal year.

Can one imagine that the Department of Defense would drop down to a corner hardware store, to buy some missiles and tanks? Let us hope the Department of Defense is mainly interested in another kind of hardware.

But let us not laugh too quickly. Ridiculous as is the statement about the impact of the quality stabilization bill on the Department of Defense, in only a few days Senators will be receiving some letters, written in a serious vein, telling them to vote against the quality stabilization bill because it would add billions of dollars to the cost of the country's defense.

The Exchange & Commissary News buries deep in its story, after it does considerable damage to the quality stabilization bill, a qualification:

Even though the bill exempts the Federal Government from its provisions, the Defense Department feels it would get caught up in a maze of legalistic gray areas since it is the country's largest consumer and its activities take in every phase of daily life.

This qualification is typical of the baseless allegations about the quality stabilization bill being served to the public by the Nation's press.

The article says the "Defense Department feels it would get caught up in a maze of legalistic gray areas."

Let us study those legalistic gray areas by examining the wording of the bill itself.

Paragraph 16 of the quality stabilization bill says:

The following transactions shall be exempt from paragraphs (7) to (15), inclusive, of this subsection—(D) Sales to or by the Federal, State, or municipal governments or their political subdivisions or agencies.

How explicit can one be in the drafting of language?

This publication further said:

The Pentagon also sees the bill as an oblique attempt to chip away at fringe benefits now enjoyed by military personnel and their dependents, because of the strong national brand policy followed by exchanges and commissaries in the items they stock.

Here, again, is a deliberate attempt to sway the emotions by making a baseless charge. And it is even more despicable in this particular instance, because the publication was advised, before it printed

its story, that government exchanges and commissaries were obviously exempted from the operation of the quality stabilization bill.

The Senator from Minnesota [Mr. HUMPHREY], a militant supporter of the quality stabilization bill, also is concerned with the malicious, intemperate, and unreasoned attacks on the quality stabilization bill. I cannot state better the thoughts he expressed so eloquently on the floor on August 26. He made these points:

It is the concern that many Members of Congress feel over the increasingly large number of vacant stores throughout the country that has prompted their support for the quality stabilization bill pending in both Houses.

While there has been a considerable attack on the bill, I have not found anyone who has proposed a better alternative with respect to the difficult situation confronting the independent retailer merchant in America, who is the victim today of high interest rates, of monopolistic competitions, and of discounters. Until some of the editors of the large newspapers and some of the governmental officials can point out a better alternative than the quality stabilization bill, I think they would be well advised to be a little more moderate in their condemnation.

I am keenly interested in the survival of our private enterprise economy. Mere pleasant-sounding words about the value of an independent free enterprise economy are not adequate. There must be some kind of remedial action, some kind of legislative protection. One of the purposes of the quality stabilization bill is that legislative protection.

In recent days, I have discussed with other sponsors of the quality stabilization bill the repeated charges in the press that Senators and Members of the House have been blindfolded by a price-fixing lobby that is quietly hustling the bill through Congress. Of course we resent this charge—one of the more charitable of the accusations being made against us. Other attacks on us question, in effect, our morality, our ethics, and our intelligence.

Here are the names of some Senators who are actively working for passage of the quality stabilization bill: Senators HUMPHREY, KUCHEL, MCCARTHY, SCOTT, PROXMIER, MUNDT, RANDOLPH, CARLSON, INOUE, and YOUNG.

Among the supporters on the House side are Representatives HARRIS, MADDEN, HORAN, NELSEN, TOLLEFSON, MAY, PELLY, TOLL, CEDERBERG, HOLIFIELD, DENT, FRIEDEL, ROUDEBUSH, STINSON, O'KONSKI, BRAY, GLENN, STUBBLEFIELD, CLARK, JARMAN, HARVEY, BATTIN, and WYMAN.

It is my belief and firm conviction, Mr. President, that these "immoral, unethical, blind, and stupid" Members of Congress, including the present speaker, the junior Senator from Kentucky, will not run in this fight, but in fact will continue to do everything possible to have the quality stabilization bill enacted into law.

We will do so for one reason: The quality stabilization bill is in the public interest.

TREATIES AND OTHER INTERNATIONAL AGREEMENTS

Mr. FULBRIGHT. Mr. President, as pointed out in the comprehensive work—

sponsored by the Hoover Institution on War, Revolution, and Peace—on "The Theory, Law, and Policy of Soviet Treaties," covering all Soviet treaties through 1957, the U.S.S.R. had entered into more treaties with the United States than it had entered into with any other nation.

A list, prepared by the Assistant Legal Adviser for Treaty Affairs, of the U.S. Department of State, includes 128 treaties and other international agreements now in force between the United States and the U.S.S.R.

Of this list, 70 are treaties—that is, formal instruments which have been entered into by the United States, with the advice and consent of the U.S. Senate.

The significant fact that emerges from an examination of the 70 treaties to which the United States and the Soviet Union are parties is that only 6 of them are viewed as having been violated by the Soviet Union. And of the six violated by the Soviet Union, one is the Kellogg-Briand Pact of 1928, which was a renunciation of war as an instrument of national policy. Another is the Charter of the United Nations, which, according to the Department of State, the Soviet Union has violated in various of its terms. Three of the other treaties are treaties of peace with Hungary, Rumania, and Bulgaria. The final one is the Convention on Prisoners of War of 1949.

Fifty-eight other, less formal, international agreements to which the United States and the Soviet Union are parties are included in the list. Of these 58 other agreements, the Department of State views the Soviet Union as in violation of 21. Included among the other international agreements the Soviet has violated are the Roosevelt-Litvinov agreements establishing diplomatic relations with the Soviet Union, certain lend-lease agreements, the Yalta agreements relating to prisoners of war and civilians, the Atlantic Charter, a series of armistice agreements, the Potsdam agreements, and various others. It should be noted that none of the agreements in the latter category was a treaty, in the formal sense of having to be approved by the Senate. Perhaps they should have been, but they were not.

I ask unanimous consent to have printed in the RECORD at this point the list to which I have referred.

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

[Prepared by the Assistant Legal Adviser for Treaty Affairs, Department of State]

LIST OF TREATIES AND OTHER INTERNATIONAL AGREEMENTS BETWEEN THE UNITED STATES OF AMERICA AND THE UNION OF SOVIET SOCIALIST REPUBLICS, WITH INDICATIONS OF THOSE WHICH IT IS CONSIDERED THE SOVIET UNION HAS VIOLATED

ABBREVIATIONS

TIAS, TS, and EAS: Treaties and other International Acts Series, Treaty Series, Executive Agreement Series, respectively, published by the Department of State.

GENERAL NOTES

Although, in a generic sense, it may be appropriate to refer to any definitive agreement between nations as a treaty, the term "treaty" is understood, for the purposes of this list, in the United States constitutional

sense to be an international agreement which is brought into force for the United States after approval thereof by the Senate in accordance with customary treaty procedures.

This list is divided into two major headings; namely: I. Pre-Revolution treaties and agreement; II. Post-Revolution treaties and agreements. Under each major heading, there are A and B subheadings for bilateral and multilateral, respectively. Under each of these subheadings is a further division into "1. Treaties" and "2. International agreements other than treaties."

With respect to violations by the Soviet Union, a parenthetical comment is included in each case where the U.S. Government has taken the position that the Soviet Union has violated the treaty or other agreement in whole or in part. For details, see the analysis prepared by the Department of State at the request of the chairman of the Committee on Foreign Affairs of the House of Representatives concerning the activities and conduct of the Soviet Union in the international arena and published by that committee during the 87th Congress, 1st session, under the date September 27, 1961, as a committee print bearing the title "Background Information on the Soviet Union in International Relations." That analysis includes not only references to agreements between the United States and the Soviet Union but also to many agreements which were made between the Soviet Union and other countries and to which the United States was not a party.

I. PREREVOLUTION TREATIES AND AGREEMENTS

NOTE. Certain treaties and other agreements which were in force with respect to czarist Russia are considered as having continued in effect with respect to the Union of Soviet Socialist Republics following the Russian revolution of 1917. The United States accorded recognition to the Soviet regime in November 1933. A bilateral treaty such as the 1867 convention by which Alaska was ceded to the United States by Russia was necessarily considered as continuing to be binding on the Soviet regime, even during the period of nonrecognition. Multilateral treaties and agreements to which Russia was a party at the time of the revolution were considered, in general, as continuing to be applicable to the Soviet Union.

A. Bilateral

1. Treaties

Convention regarding navigation, fishing, and trading on the Pacific Ocean and along the northwest coast of America, signed at St. Petersburg April 17, 1824. (Art. 3 obsolete; art. 4 expired.) (TS 298.)

Convention relating to the rights of neutrals at sea, signed at Washington July 22, 1854. (TS 300.)

Convention ceding Alaska, signed at Washington March 30, 1867. (TS 301.)

Agreement regulating the position of corporations and other commercial associations, signed at St. Petersburg June 25/12, 1904. (TS 526.)

Treaty for the settlement of disputes, signed at Washington October 1, 1914. (TS 616.)

2. International Agreements Other Than Treaties

Declaration concerning the admeasurement of vessels, signed at Washington June 6, 1884. (TS 304.)

B. Multilateral

1. Treaties

Convention concerning Cape Spartel Lighthouse, signed at Tangier May 31, 1865. (Terminated March 31, 1958.) (TS 245.)

Convention concerning the creation of an International Office of Weights and Measures, Regulations and Transient Provisions, signed at Paris May 20, 1875. (See 1921 amending convention.) (TS 378.)

Convention for the establishment of the right of protection in Morocco, signed at Madrid on July 3, 1880. (Extraterritoriality provisions terminated.) (TS 246.)

Convention for the protection of submarine cables, signed at Paris, March 14, 1884. (TS 380, 380-2, 380-3.) (Together with Paris Declaration of December 1, 1886, respecting the interpretation of articles II and IV and the Paris Final Protocol of July 7, 1887, fixing May 1, 1888, as the date of effect of the convention.)

General act for the repression of the African slave trade, signed at Brussels July 2, 1890. (TS 383.)

Convention concerning the formation of an International Union for the Publication of Customs Tariffs, regulations of execution, and final declarations, signed at Brussels July 5, 1890. (TS 384.)

Agreement for the repression of the trade in white women, signed at Paris May 18, 1904. (No longer in force.) (TS 496.)

Convention for the exemption in time of war of hospital ships from the payment of all dues and taxes, imposed for the benefit of the state, signed at The Hague December 21, 1904. (TS 459.)

General Act of the International Conference of Algeiras and an additional protocol, signed at Algeiras on April 7, 1906. (Relating to Morocco; extraterritorial jurisdiction terminated.) (TS 456.)

Convention and protocol for the amelioration of the condition of the wounded in time of war, signed at Geneva July 6, 1906. (Superseded by 1929 conventions.) (TS 464.)

Convention revising the duties imposed by the Brussels Convention of June 8, 1899 on spirituous liquors imported into certain regions of Africa, signed at Brussels November 3, 1906. (TS 467.)

Convention for the pacific settlement of international disputes, signed at The Hague October 18, 1907. (TS 536.)

Convention respecting the limitation of the employment force for the recovery of contract debts, signed at The Hague October 18, 1907. (TS 537.)

Convention relating to the laws and customs of war on land, signed at The Hague October 18, 1907. (TS 539.)

Convention relating to the opening of hostilities, signed at The Hague October 18, 1907. (TS 538.)

Convention concerning bombardment by naval forces in time of war, signed at The Hague October 18, 1907. (TS 542.)

Convention for the adaptation to maritime warfare of the principles of the Geneva Convention, signed at The Hague, October 18, 1907. (TS 543.)

Convention concerning the rights and duties of neutral powers in naval war, signed at The Hague, October 18, 1907. (TS 545.)

Convention respecting the rights and duties of neutral powers and persons in war on land, signed at The Hague, October 18, 1907. (TS 540.)

Arrangement for the establishment of the International Office of Public Health, signed at Rome, December 9, 1907. (TS 511.)

Convention for the unification of certain rules with respect to assistance and salvage at sea, signed at Brussels, September 23, 1910. (TS 576.)

Agreement for the suppression of the circulation of obscene publications, signed at Paris, May 4, 1910. (TS 559.)

International Sanitary Convention, signed at Paris, January 17, 1912. (TS 649.)

International Radiotelegraph Convention, signed at London, July 5, 1912. (No longer in force.) (TS 581.)

2. International Agreements Other Than Treaties

Universal Postal Union Convention, signed at Washington, June 15, 1897. (Superseded.) (Post Office Department Print.)

Final protocol of settlement of matters growing out of the 1900 Boxer uprising in

China, signed at Peiping, September 7, 1901. (No longer in effect.) (TS 397.)

Agreement between China and certain powers for the Whang-Pu Conservancy, signed at Peiping, September 27, 1905. (No longer in effect.) (TS 448.)

II. POST-REVOLUTION TREATIES AND AGREEMENTS

A. Bilateral

1. Treaties

None.

2. International Agreements Other Than Treaties

Roosevelt-Litvinov agreements (arrangements relating to the establishment of diplomatic relations, nonintervention, freedom of conscience and religious liberty, legal protection and claims), effected by exchange of notes at Washington, November 16, 1933. (Department of State Publication 528.) (Comment: It is considered that the Soviet Union has violated various terms of these arrangements.)

Agreement relating to the procedure to be followed in the execution of letters rogatory, effected by exchange of notes at Moscow, November 22, 1935. (EAS 83.)

Lend-lease agreement (preliminary agreement relating to principles applying to mutual aid in the prosecution of the war against aggression) between the United States and the U.S.S.R., signed at Washington, June 11, 1942. (EAS 253.) (Comment: It is considered that the Soviet Union has violated terms of this agreement.)

Agreement relating to prisoners of war and civilians liberated by forces operating under Soviet command and forces operating under United States of America command, signed at Yalta February 11, 1945. (EAS 505.) (Comment: This was a part of the understandings reached at the Yalta Conference; it is considered that the Soviet Union has violated terms of these understandings.)

Agreement relating to a change of boundary lines between the American and Soviet zones of occupation in Germany, signed at Wanfried September 17, 1945. (TIAS 3081.)

Agreement relating to the disposition of lend-lease supplies in inventory or procurement in the United States, signed at Washington October 15, 1945. (TIAS 3662.)

Agreement on the organization of commercial radio teletype communication channels, signed at Moscow May 24, 1946. (TIAS 1527.)

Agreement on dates and procedures for return of certain vessels of the U.S. Navy received by the U.S.S.R. under the Lend-Lease Act, signed at Washington September 27, 1949. (TIAS 2060.)

Agreement on dates and procedures for return of certain vessels of the U.S. Navy received by the U.S.S.R. under the Lend-Lease Act, signed at Washington March 26, 1954. (TIAS 2990.)

Agreement on dates and procedures for return of certain vessels of the U.S. Navy received by the U.S.S.R. under the Lend-Lease Act, signed at Washington December 22, 1954. (TIAS 3168.)

Agreement on dates and procedures for return of certain vessels of the U.S. Navy received by the U.S.S.R. under the Lend-Lease Act, signed at Washington May 26, 1955. (TIAS 3384.)

Protocol defining the location of the boundary of Greater Berlin, with annex, signed at Berlin June 25, 1955. (TIAS 3378.)

Agreement relating to the exchange of medical films, effected by exchange of notes at Washington March 17 and September 5, 1955. (TIAS 3409.)

Agreement relating to the reciprocal waiver of visa fees to nonimmigrants, effected by exchange of notes at Moscow March 26 and August 11 and 20, 1958. (TIAS 4134.)

Agreement on exchanges in the scientific, technical, educational, cultural, and other fields in 1960-61, signed at Moscow November 21, 1959. (Also an implementing memo-

randum for cooperation in the field of the utilization of atomic energy for peaceful purposes, signed at Washington on November 24, 1959, by officials of the U.S. Atomic Energy Commission and the U.S.S.R. Main Administration for Utilization of Atomic Energy.) (TIAS 4362.)

Agreement on exchanges in the scientific, technical, educational, cultural, and other fields in 1962-63, signed at Washington March 8, 1962. (TIAS 5112.)

Memorandum of understanding regarding the establishment of a direct communication link (the "hot-line" agreement), signed at Geneva June 20, 1963. (TIAS 5362.)

B. Multilateral

1. Treaties

Treaty recognizing the sovereignty of Norway over Spitzbergen, done at Paris February 9, 1920. (TS 686.)

Convention amending the convention relating to weights and measures, dated at Sevres October 6, 1921. (TS 675.)

Convention to suppress the slave trade and slavery, concluded at Geneva September 25, 1926. (TS 778.)

Convention revising the international sanitary convention of January 17, 1912, signed at Paris June 21, 1926. (TS 762.)

International Radiotelephone Convention, signed at Washington November 25, 1927. (Superseded.) (TS 767.)

Treaty providing for the renunciation of war as an instrument of national policy (the Kellogg-Briand Pact), signed at Paris August 27, 1928. (TS 796.) (Comment: It is considered that the Soviet Union has violated this treaty.)

International convention for the safety of life at sea, signed at London May 31, 1929. (Superseded by the 1946 convention.) (TS 910.)

Convention for the amelioration of the condition of the wounded and sick of armies in the field, dated at Geneva July 27, 1929. (Superseded by the 1949 Geneva convention.) (TS 847.)

Convention for the unification of certain rules relating to international transportation by air, concluded at Warsaw October 12, 1929. (TS 876.)

Treaty for the limitation and reduction of naval armaments, signed at London April 22, 1930. (All provisions of this treaty with the exception of part IV, which relates to rules of international law in regard to the operations of submarines or other war vessels with respect to merchant vessels, expired on December 31, 1936. Under the terms of article 23, part IV "shall remain in force without limit of time.") (TS 830.)

Convention and protocol for limiting the manufacture and regulating the distribution of narcotic drugs, concluded at Geneva July 13, 1931. (TS 863.)

International Load Line Convention, signed at London July 5, 1930. (TS 858.)

International Telecommunication Convention, with radio regulations, signed at Madrid December 9, 1932. (Superseded.) (TS 867.)

Convention (ILO No. 58) fixing the minimum age for the admission of children to employment at sea (1936 revision), adopted at Geneva October 24, 1936. (TS 952.)

1936 modification of Annex II (6)(a) of the international load line convention of July 5, 1930. (Modification entered into force for United States August 23, 1938.) (TS 942.)

International Sugar Agreement, signed at London May 6, 1937. (Expired May 5, 1954.) (TS 990.)

Radio Regulations (Cairo Revision 1938), signed at Cairo April 8, 1938. (Superseded by 1947 Atlantic City Regulations.) (TS 948.)

Protocols prolonging the International Sugar Agreement of May 6, 1937, signed at London, July 22, 1942 and August 31, 1944. (These two protocols expired together with the 1937 agreements.) (TS 990.)

Charter of the United Nations, signed at San Francisco, June 26, 1945. (TS 993.) (Comment: It is considered that the Soviet Union has violated various terms of this charter.)

Protocol prolonging the International Sugar Agreement of May 6, 1937, signed at London, August 31, 1945 and August 30, 1946. (These two protocols expired together with the 1937 agreements.) (TIAS 1523 and TIAS 1614.)

International Whaling Convention and schedule of whaling regulations, signed at Washington on December 2, 1946. (TIAS 1849.)

(Amendments to the schedule were adopted on June 7, 1949, TIAS 2092, on July 25, 1950, TIAS 2173, on July 27, 1951, TIAS 2486, on June 6, 1952, TIAS 2699, on June 26, 1953, TIAS 2866, on July 23, 1954, TIAS 3198, on July 23, 1955, TIAS 3548, on July 16-20, 1956, TIAS 3739, on June 28, 1957, TIAS 3944, on June 23-27, 1958, TIAS 4193, on June 22-July 1, 1959, TIAS 4404, on June 24, 1960, TIAS 5014, on June 23, 1961, TIAS 5015, on July 6, 1962, TIAS 5277, and on July 5, 1963, TIAS —.)

Protocol amending the agreements, conventions, and protocols on narcotic drugs concluded at The Hague on January 23, 1912, at Geneva on February 11, 1925, and February 19, 1925, and July 13, 1931, and at Geneva on June 26, 1936, with annex, signed at Lake Success, N.Y., on December 11, 1946. (TIAS 1671.)

Treaty of Peace with Italy, signed at Paris February 10, 1947. (TIAS 1648.)

Treaty of Peace with Hungary, signed at Paris February 10, 1947. (TIAS 1651.) (Comment: It is considered that the Soviet Union has violated this treaty.)

Treaty of Peace with Rumania, signed at Paris February 10, 1947. (TIAS 1649.) (Comment: It is considered that the Soviet Union has violated this treaty.)

Treaty of Peace with Bulgaria, signed at Paris February 10, 1947. (TIAS 1650.) (Comment: It is considered that the Soviet Union has violated this treaty.)

Protocol prolonging the international sugar agreement of May 6, 1937, signed at London August 29, 1947. (Expired together with the 1937 agreement.) (TIAS 1755.)

International telecommunication convention and radio regulations, signed at Atlantic City October 2, 1947. (Superseded.) (TIAS 1901.)

Convention of the World Meteorological Organization, signed at Washington October 11, 1947. (TIAS 2052.)

Convention on the Intergovernmental Maritime Consultative Organization, signed at Geneva March 6, 1948. (TIAS 4044.)

Convention on safety of life at sea, signed at London June 10, 1948. (TIAS 2495.)

Protocol prolonging the international sugar agreement of May 6, 1937, signed at London August 31, 1948. (Expired together with the 1937 agreement.) (TIAS 1997.)

Protocol bringing under international control drugs outside the scope of the convention of July 13, 1931, for limiting the manufacture and regulating the distribution of narcotic drugs, as amended by the protocol signed on December 11, 1946, done at Paris November 19, 1948. (TIAS 2308.)

International Convention for the Northwest Atlantic Fisheries, dated at Washington February 8, 1949. (TIAS 2089.)

Protocol amending the agreement for the suppression of the circulation of obscene publications of May 4, 1910, with annex, signed at Lake Success, N.Y., May 4, 1949. (TIAS 2164.)

Telegraph Regulations (Paris revision 1949), signed at Paris August 5, 1949. (Superseded.) (TIAS 2175.)

Convention relative to the treatment of prisoners of war, dated at Geneva August 12, 1949. (TIAS 3364.) (Comment: It is con-

sidered that the Soviet Union has violated this convention.)

Convention relative to the protection of civilian persons in time of war, dated at Geneva August 12, 1949. (TIAS 3365.)

Convention for the amelioration of the condition of the wounded and sick in armed forces in the field, dated at Geneva August 12, 1949. (TIAS 3362.)

Convention for the amelioration of the condition of the wounded, sick, and shipwrecked members of Armed Forces at sea, dated at Geneva August 12, 1949. (TIAS 3363.)

Protocol prolonging the international sugar agreement of May 6, 1937, signed at London August 31, 1949. (Expired together with the 1937 agreement.) (TIAS 2114.)

Convention on road traffic, with annexes, done at Geneva September 19, 1949. (TIAS 2487.)

Protocol modifying the convention of July 5, 1890, relating to the creation of an International Union for the Publication of Customs Tariffs, done at Brussels December 16, 1949. (TIAS 3922.)

Protocols prolonging the international sugar agreement of May 6, 1937, signed at London August 31, 1950, August 31, 1951, and August 30, 1952. (All three of these protocols expired together with the 1937 agreement.) (TIAS 2525, 2526, and 2862.)

International telecommunication convention, signed at Buenos Aires December 22, 1952. (Superseded.) (TIAS 3266.)

International sugar agreement of 1953, done at London October 1, 1953. (Expired December 31, 1958.) (TIAS 3177.)

Customs convention on the temporary importation of private road vehicles, done at New York June 4, 1954. (TIAS 3943.)

Convention concerning customs facilities for touring, done at New York June 4, 1954. (TIAS 3879.)

State treaty for the reestablishment of an independent and democratic Austria, signed at Vienna May 15, 1955. (TIAS 3298.)

Protocol to the international convention for the Northwest Atlantic Fisheries, done at Washington June 25, 1956. (TIAS 4170.)

Statute of the International Atomic Energy Agency, done at New York October 26, 1956. (TIAS 3873.)

Protocol to the international convention for the regulation of whaling of December 2, 1946, done at Washington November 19, 1956. (TIAS 4228.)

Protocol amending the international sugar agreement of 1953, done at London December 1, 1956. (Expired December 31, 1958.) (TIAS 3937.)

Interim convention on conservation of North Pacific fur seals, signed at Washington February 9, 1957. (TIAS 3948.)

Modifications of the first paragraph of Annex II of the international load line convention of July 5, 1930, communicated on October 27, 1947 (entered into force for United States July 13, 1957). (TIAS 4266.)

Convention on the high seas, done at Geneva April 29, 1958. (TIAS 5200.)

Telegraph Regulations (Geneva Revision 1958), signed at Geneva November 29, 1958. (TIAS 4390.)

International sugar agreement of 1958, done at London December 1, 1958. (TIAS 4389.)

Modifications of the fifth paragraph of annex II of the International Loadline Convention of July 5, 1930, communicated on September 19, 1949 (entered into force for United States, Aug. 7, 1959). (TIAS 4550.)

The Antarctic treaty, signed at Washington December 1, 1959. (TIAS 4780.)

International Telecommunication Convention, signed at Geneva, December 21, 1959. (TIAS 4892.)

International wheat agreement, 1962, opened for signature at Washington, April 19-May 15, 1962. (TIAS 5115.)

2. International Agreements Other Than Treaties

Universal Postal Union Convention, signed at Stockholm, August 28, 1924. (Superseded.) (TS 708-A; 49 Statutes at Large 2741.)

Universal Postal Union Convention, signed at London, June 18, 1929. (Superseded.) (46 Statutes at Large 2523.)

Universal Postal Union Convention, signed at Cairo, March 20, 1934. (Superseded.) (49 Statutes at Large 2741.)

Universal Postal Union Convention, signed at Buenos Aires, May 23, 1939. (Superseded.) (54 Statutes at Large 2049.)

Atlantic Charter of August 14, 1941 (Declaration of principles, known as the Atlantic Charter, by the President of the United States of America and the Prime Minister of the United Kingdom), as reaffirmed in the Declaration by United Nations (see below) to which the U.S.S.R. adhered. (EAS 236.) (Comment: It is considered that the Soviet Union has violated the principles affirmed in this charter.)

Declaration by United Nations, signed at Washington January 1, 1942. (EAS 236.) (Comment: See above; it is considered that the principles of the Atlantic Charter as reaffirmed by this declaration have been violated by the Soviet Union.)

Moscow agreements of November 1, 1943 (declarations of joint policies, United States, United Kingdom, U.S.S.R., Conference of Foreign Ministers). (Department of State Bulletin, Nov. 6, 1943, pp. 307-311.) (Comment: It is considered that the Soviet Union has violated understandings relating to Germans charged with certain crimes.)

Cairo Declaration of December 1, 1943, to which the U.S.S.R. adhered August 9, 1945, pursuant to the Potsdam Protocol (see below):

Statement of joint understandings on future military operations against Japan; statement of purpose that "Korea shall become free and independent."

Department of State Bulletin, December 11, 1943, pp. 412-413. (Comment: It is considered that the Soviet Union has violated understandings set forth in this declaration.)

Teheran Declaration of December 1, 1943 (declaration on cooperation in war and peace, United States/United Kingdom, and U.S.S.R., with declaration regarding Iran. (Department of State Bulletin, Dec. 11, 1943, pp. 409-410.) (Comment: It is considered that the Soviet Union has violated understandings set forth in this declaration.)

Protocol on the zones of occupation in Germany and the administration of Greater Berlin, signed at London September 12, 1944, United States, United Kingdom, U.S.S.R., and France. (Also amendments signed Nov. 14, 1944 and July 26, 1945.) (TIAS 3071.) (Comment: It is considered that the Soviet Union has violated understandings set forth in this protocol.)

Armistice agreement with Rumania, signed at Moscow September 12, 1944. (EAS 490.) (Comment: It is considered that the Soviet Union has violated this agreement.)

Armistice agreement with Bulgaria, signed at Moscow October 28, 1944. (EAS 437.) (Comment: It is considered that the Soviet Union has violated this agreement.)

Agreement on control machinery in Germany, signed at London November 14, 1944, United States, United Kingdom, U.S.S.R., and France. (Also amendment signed May 1, 1945.) (TIAS 3070.) (Comment: It is considered that the Soviet Union has violated this agreement.)

Armistice agreement with Hungary, signed at Moscow January 20, 1945. (EAS 456.) (Comment: It is considered that the Soviet Union has violated this agreement.)

Yalta agreements (protocol of the proceedings of the Crimea Conference), signed at Yalta February 11, 1945. (Department of

State press release 239, March 24, 1947; "Foreign Relations," the Conference at Malta and Yalta, 1945, p. 975 ff.) (Comment: It is considered that the Soviet Union has violated understandings set forth in the Yalta protocol.)

Act of military surrender (terms between the United States and other Allied Powers and Germany), signed at Rheims May 7, 1945, and at Berlin May 8, 1945. (EAS 502.)

Declaration regarding the defeat of Germany and the assumption of supreme authority with respect to Germany by the Governments of the United States, the United Kingdom, and the U.S.S.R., and the Provisional Government of the French Republic; declaration made and released at Berlin June 5, 1945. (Department of State Bulletin, June 10, 1945, pp. 1051-1055.) (Comment: It is considered that the Soviet Union has violated this Declaration.)

Potsdam agreements (protocol of the proceedings of the Berlin (Potsdam) Conference, United States, United Kingdom, and U.S.S.R., and proclamation defining terms for Japanese surrender, United States and United Kingdom, with later U.S.S.R. concurrence); protocol concluded August 2, 1945; proclamation signed July 26, 1945. (Department of State press release 238, March 24, 1947 (protocol); Department of State Bulletin, July 29, 1945, pp. 137-138 (proclamation); Foreign Relations, Conference of Berlin (Potsdam) 1945, vol. II, p. 1478 ff.) (Comment: It is considered that the Soviet Union has violated these agreements.)

Agreement for the prosecution and punishment of the major war criminals of the European Axis, signed at London August 8, 1945. (EAS 472.)

Four-Power agreement on certain additional requirements to be imposed on Germany, done at Berlin September 20, 1945. (Department of State Bulletin, Oct. 7, 1945, pp. —.) (Comment: It is considered that the Soviet Union has violated this agreement.)

Constitution of the United Nations Educational, Scientific, and Cultural Organization (UNESCO), concluded at London November 16, 1945. (TIAS 1580.)

Moscow agreements of December 27, 1945 (report of the Foreign Ministers meeting, United States, United Kingdom, and U.S.S.R.), signed at Moscow December 27, 1945. (Department of State Bulletin, Dec. 30, 1945, pp. 1027-1032.) (Comment: It is considered that the Soviet Union has violated these agreements.)

Constitution of the World Health Organization, opened for signature at New York July 22, 1946. (TIAS 1808.)

Instrument for the amendment of the constitution of the International Labor Organization, dated at Montreal October 9, 1946. (TIAS 1868.)

Moscow agreements of April 23, 1947 (report of Council of Foreign Ministers regarding German prisoners of war), done at Moscow April 23, 1947. (See Department of State Bulletin, June 26, 1949, p. 824.) (Comment: It is considered that the Soviet Union has violated these agreements.)

Universal Postal Union Convention, signed at Paris July 5, 1947. (Superseded.) (TIAS 1850.)

Regulations for preventing collisions at sea, approved by the International Conference on Safety of Life at Sea, London, April 23-June 10, 1948. (TIAS 2899.)

World Health Organization Regulations No. 1 regarding nomenclature (including the compilation and publication of statistics) with respect to diseases and causes of death, adopted at Geneva July 24, 1948. (TIAS 3482.) (Also amendments to these regulations adopted June 30, 1949, TIAS 3482, and May 21, 1956, TIAS 4409.)

Quadrupartite (Berlin Blockade) agreement of May 4, 1949 (agreement relating to

the lifting of restrictions imposed since March 1, 1948 on communications, transportation, and trade with Berlin), dated at New York May 4, 1949. (TIAS 1915.) (Comment: It is considered that the Soviet Union has violated this agreement.)

Council of Foreign Ministers communique regarding communications, transportation, and trade between Berlin and Western Zones of Germany and between Eastern and Western Zones, made and released at Paris, June 20, 1949. (Department of State Bulletin, July 4, 1949, pp. 857-858.) (Comment: It is considered that the Soviet Union has violated the understandings set forth in this communique.)

International sanitary regulations (WHO regulations No. 2), adopted at Geneva, May 25, 1951. (TIAS 3625.)

Universal Postal Union Convention, signed at Brussels, July 11, 1952. (Superseded.) (TIAS 2800.)

Instrument for the amendment of the constitution of the International Labor Organization, dated at Geneva, July 25, 1953. (TIAS 3500.)

Resolutions by the General Conference of the UNESCO amending the constitution of the Organization, adopted at Montevideo, November 22 and December 8, 1954. (TIAS 3469.)

Additional regulations amending the international sanitary regulations with respect to yellow fever, adopted at Mexico, May 26, 1955. (TIAS 5156.)

Additional regulations amending the international sanitary regulations with respect to the form of international certificate of vaccination or revaccination against smallpox, adopted at Geneva, May 23, 1956. (TIAS 4420.)

Additional regulations amending the international sanitary regulations with respect to the sanitary control of pilgrim traffic, adopted at Geneva, May 23, 1956. (TIAS 4823.)

Resolution by the General Conference of the UNESCO amending the constitution of the organization, adopted at New York November 10, 1956. (TIAS 3889.)

Universal Postal Union Convention (with final protocol, annex, regulations of execution, and provisions regarding airmail, with final protocol), signed at Ottawa October 3, 1957. (TIAS 4202.)

Resolutions by the General Conference of the UNESCO amending the constitution of the organization, adopted at the 2d-7th and 10th (1959) sessions. (TIAS 4230.)

Amendments to articles 24 and 25 of the World Health Organization constitution, adopted at Geneva May 28, 1959. (TIAS 4643.)

Additional regulations amending the international sanitary regulations with respect to the health part of the aircraft general declaration, adopted at Geneva May 19, 1960. (TIAS 4896.)

Declaration of understanding regarding the international convention of February 8, 1949 for the Northwest Atlantic Fisheries, opened for signature at Washington April 24, 1961. (TIAS 5380.)

Recommendations relating to the furtherance of the principles and objectives of the Antarctic Treaty, adopted at Canberra July 24, 1961. (TIAS 5094.)

Declaration and protocol on the neutrality of Laos, signed at Geneva July 23, 1962. (TIAS.)

Recommendations relating to the furtherance of the principles and objectives of the Antarctic Treaty, adopted at Buenos Aires July 28, 1962. (TIAS.)

THE NUCLEAR TEST BAN TREATY

The Senate resumed the consideration of Executive M (88th Cong., 1st sess.), the treaty banning nuclear weapon

tests in the atmosphere, in outer space, and underwater.

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

The VICE PRESIDENT. 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 VICE PRESIDENT. Without objection, it is so ordered.

Mr. MANSFIELD. Mr. President, in accordance with the suggestion advanced by the distinguished chairman of the Committee on Rules yesterday, I suggest to the Chair that the attachés of the Senate, except those who are authorized to be present in the Chamber, be excused.

The VICE PRESIDENT. The attachés of the Senate, except those whose duties require them to be present at this moment, are requested to retire from the Chamber. The Sergeant-at-Arms will please see that the attachés of the Senate, except those required to be present, retire from the Chamber. Senators will take their seats. The Senate will be in order.

Mr. MANSFIELD. Mr. President, I believe that all Senators are present or accounted for.

I suggest the absence of a quorum.

The VICE PRESIDENT. The absence of a quorum has been suggested. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. MANSFIELD. Mr. President, the hour of 10:30 having arrived, I ask unanimous consent that further proceedings under the quorum call may be dispensed with.

The PRESIDING OFFICER (Mr. Ribicoff in the Chair). Without objection, it is so ordered.

Mrs. SMITH. Mr. President, the vote on ratification of the nuclear test ban treaty is one of the most difficult votes that I have ever cast as a U.S. Senator—or even in my 23 years in Congress. The difficulty is not with respect to my single vote having any effect on the outcome of the final vote by the Senate. That outcome was a foregone conclusion from the very start—overwhelmingly for ratification.

During the debate I have raised several questions. I had hoped that the answers to these questions could be definite and clear—at least enough for the resolution of any doubts that I had about the treaty. But they have not been. Admittedly, the answers have been speculative.

This issue is not only dominated by speculation. It is dominated by emotions. Those who support the treaty have been called pro-Communists. They have been charged by some extremists with treason and with selling out to Khrushchev. How ridiculous can one get with these charges? The charges are so ridiculous that no sensible person would take them seriously.

They remind me of those tragic days in the early fifties when articulate courage was almost eliminated by the techniques of "guilt by association" and "trial

by accusation." The extremists of the right did our country a great disservice by those unsubstantiated charges. The damage was irreparable. What it did to our scientists and the way that it shackled our free scientific effort was revealed in the later fifties when Russia's sputnik revealed how tragically we were lagging behind Russia in science and technology.

I know—because I was a target of the extremists of the right. They called me "pro-Communist" and a "fellow traveler" because of my declaration of conscience.

But many, many of those who, back in the early fifties, decried the "guilt by association" and "trial by accusation" tactics of the extreme right are today guilty of the same abuses and excesses on the extreme left of the ideological spectrum.

For too many of the extreme left now charge those who oppose the treaty of being "murderers" and of deliberately poisoning the milk for children with lethal doses of strontium 90. At the outset of this debate, the press quoted one Senator as saying that any Senator who voted against ratification of the treaty should have his head examined.

Have we lost all sense of reasonableness? Cannot Members of the U.S. Senate have honest differences of opinions without being charged with mental deficiency or treason or crassly poisoning milk and killing babies or being "pro-Communist" by those who so emotionally disagree with them—both on the extreme right and on the extreme left?

What does the majority of the American people want? Ratification or rejection of the nuclear test ban treaty? The Gallup poll and the Harris poll report that an overwhelming majority of the American people want the treaty to be ratified.

But that is not what my mail shows—and it is the heaviest mail that I have ever received in all of my entire service in Congress. More than that, it is not just organized pressure mail. Instead, it is individual mail in personal handwriting—not just printed or mimeographed mail—or printed cards distributed in great volume for persons just to automatically sign without thinking.

This mail is individually composed. It is highly emotional and often inflammatory—but equally so on both sides, whether for or against the treaty. Nevertheless it is clear that the people are expressing themselves with deep feeling—not just merely echoing what someone has told them to write. And the mail is from every section of the Nation.

Were I to be guided by what the mail indicates is the wish of the majority of Americans, I would have to vote against the treaty. For by better than an 8-to-1 margin the senders of letters and telegrams and postal cards to me have registered vigorous opposition to the treaty.

Yet, the pattern varies when just the Maine mail is taken—for the Maine mail has favored the treaty by a 2-to-1 vote. But even with Maine the expression of feeling has changed. Prior to Labor Day and during the summer season, the Maine mail was better than 3 to 1 in

favor of the treaty. But after Labor Day the Maine mail has turned in the other direction with a majority registering opposition to the treaty. It would be difficult to conclude with any certainty what a majority of year-round Maine residents feel—since obviously a great deal of the Maine mail prior to Labor Day came from out-of-State summer visitors.

The totals of my mail run heavily in contradiction to the reports of the Gallup poll and the Harris poll. The only reconciliation that I can conclude is that if the Gallup poll and the Harris poll accurately reflect the position of a majority of Americans, then those who support the treaty apparently are not sufficiently enthusiastic for it and will not take the time or effort to write—or those who are against the treaty have such a high degree of intensity in the opposition to the treaty that they will take the time to write and express themselves.

One thing is quite clear. Regardless of whether the majority is for or against the treaty, the degree of articulated intensity of those against the treaty is much greater than those who are for the treaty.

Another thing is clear—that the polls and the mail—and the seasonal factor in the Maine mail on this issue—are too contradictory for me to let the mail have any significant influence on my final decision.

In trying to arrive at a conscientious decision, I have considered what would happen if the Senate did reject the treaty. First, it is clear that Khrushchev would spew vitriolic propaganda charging that the United States had thus proved that it did not want peace and that we were "warmongers," intent on poisoning the air with strontium 90. Even though he is guilty himself of having broken the last test ban agreement with the multi-megaton open-air test nuclear explosions that Russia set off, his false propaganda would be believed by some and we would lose significant ground in the psychological war.

But Senate rejection of the treaty would not be the act that started the United States to resume open air nuclear testing. It would not for the very simple reason that President Kennedy has taken the position that the United States would refrain from open air testing as long as Russia refrained from open air testing.

Now let us face reality and the truth on this point. The Senate vote on the test ban treaty will neither stop open air testing if the treaty is ratified—nor start it if the treaty is rejected. It will not stop open air testing because it has already been stopped by President Kennedy in agreement with Khrushchev's keeping Russia from open air tests. By the same token, Senate rejection of the treaty will not start open air testing again.

I think Khrushchev feels that it is to the military advantage of Russia to keep us from resuming open air tests in the belief that Russia is significantly ahead of us in the high-yield weapons and will stay ahead as long as we do not make open air tests that are necessary if we are to close the high-yield weapons gap that so heavily favors Russia.

And he does not need a treaty to do this. All he needs to do is to refrain from conducting such open air tests. He knows that by the simple expedient of restraint, he will stop the United States from open air testing because of the expressions made by President Kennedy. Consequently, I believe it would be most unlikely that Khrushchev would order resumption of open air testing if the Senate were to reject this treaty.

Perhaps my conclusion in this regard can be criticized as being "speculative." But it is no more speculative than the answers given to the questions that I have raised in this debate—answers that even those providing the answers have admitted were "speculative." I believe that my conclusion in this regard is far less speculative.

So that in the final analysis, my decision must rest on whether the political and psychological disadvantages stemming from rejection of the treaty would be greater than the obvious national security disadvantages stemming from ratification of the treaty. Fortunately, the political and psychological disadvantages of treaty rejection have been very ably and fully presented out in the open to the public. And make no mistake about it, they are tremendously impressive arguments—almost compelling arguments.

Unfortunately, the national security disadvantages stemming from ratification of the treaty have not been as fully presented out in the open to the public. They have not because of the secrecy that has been invoked on key aspects that indicate the grave threat that the treaty can create to our national security. The public cannot be told.

But it can be told enough of the implications—implications so grave that even the enthusiastic proponents of the treaty unreservedly admit that the treaty is a calculated risk.

In the questions that I have asked in this debate, I have tried very hard to find a basis for which I could conscientiously vote for ratification of the treaty. I regret to say that the answers have not supplied such a basis.

On the other hand, it has been argued with sincerity and conviction that one could not conscientiously vote against the treaty because such a vote would be a vote against peace—or at least a first step toward peace. I cannot challenge that argument with complete certainty in my own mind. But in equal degree, I cannot challenge with complete certainty the argument made that the treaty may be a first step toward the undermining of our national security.

There have been several speeches expressing the gravest of misgivings about the treaty—only to be concluded with the announcement by the speakers that they would vote for the treaty.

I conclude my statement by saying that I have very grave misgivings about the harmful effects of rejection of the treaty—but by stating that in my opinion the jeopardy that the treaty imposes on our national security is a more compelling argument against the treaty than the political and psychological disadvantages that would stem from rejection of the treaty.

That is why I shall cast a very troubled vote against the treaty.

The **PRESIDING OFFICER**. The question is on agreeing to the amended resolution of ratification of the nuclear test ban treaty.

Mr. **MANSFIELD**. Mr. President, I ask for the yeas and nays.

The yeas and nays were ordered.

The **PRESIDING OFFICER**. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. **HUMPHREY** (when Mr. **ENGLE**'s name was called). Mr. President, the Senator from California [Mr. **ENGLE**] is ill and necessarily absent. I have been asked to announce that if he were present and voting, he would vote "yea."

The rollcall was concluded.

The yeas and nays resulted—yeas 80, nays 19, as follows:

[No. 168 Ex.]

YEAS—80

Aiken	Gruening	Monroney
Allott	Hart	Morse
Anderson	Hartke	Morton
Bartlett	Hayden	Moss
Bayh	Hickenlooper	Mundt
Beall	Hill	Muskie
Bible	Holland	Nelson
Boggs	Hruska	Neuberger
Brewster	Humphrey	Pastore
Burdick	Inouye	Pearson
Cannon	Jackson	Pell
Carlson	Javits	Prouty
Case	Johnston	Proxmire
Church	Jordan, N.C.	Randolph
Clark	Keating	Ribicoff
Cooper	Kennedy	Saltonstall
Cotton	Kuchel	Scott
Dirksen	Long, Mo.	Smathers
Dodd	Magnuson	Sparkman
Dominick	Mansfield	Symington
Douglas	McCarthy	Walters
Edmondson	McGee	Williams, N.J.
Ellender	McGovern	Williams, Del.
Ervin	McIntyre	Yarborough
Fong	McNamara	Young, N. Dak.
Fulbright	Metcalfe	Young, Ohio
Gore	Miller	

NAYS—19

Bennett	Lausche	Smith
Byrd, Va.	Long, La.	Stennis
Byrd, W. Va.	McClellan	Talmadge
Curtis	Mechem	Thurmond
Eastland	Robertson	Tower
Goldwater	Russell	
Jordan, Idaho	Simpson	

NOT VOTING—1

Engle

The **VICE PRESIDENT**. Two-thirds of the Senators present having voted in the affirmative, the resolution of ratification, as amended, is agreed to.

Mr. **DIRKSEN**. Mr. President, I move to reconsider the vote by which the resolution of ratification, as amended, was agreed to.

Mr. **MANSFIELD**. Mr. President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. **MANSFIELD**. Mr. President, I move that the President be immediately notified of the action of the Senate.

The **VICE PRESIDENT**. The question is on agreeing to the motion of the Senator from Montana.

The motion was agreed to.

Mr. **PROUTY** subsequently said: Mr. President, earlier in the day I voted to ratify the nuclear test ban treaty.

It was at once the most momentous and difficult decision I have had to make since I first came to Congress 13 years ago.

A million thoughts go through a man's mind when he must help decide an issue that may affect the lives of millions of people not yet born.

I thought of the Soviet Union—its record of broken promises—its alternating promises of peace and threats of war.

I thought of a whole generation of Americans that have never known peace—complete and total peace—and I wonder whether they ever will.

I thought of the security of this country and of the risks we must take as a free people—whether the treaty be a shaft of light or merely a mirage.

All of these things were in my thoughts as I took the only course of action my conscience would allow me to take.

The treaty does not mean the end of the cold war that has haunted us night and day for 18 years. Perhaps it is not even the beginning of the end.

Yet to reject the treaty and to look back one day and find that this was the one chance for the beginning—a chance that would never appear again—that would be the greatest tragedy of all.

As a nation and as a people, our hopes for peace should never be higher than our ability to defend the freedom and safety of man.

We love liberty and would rather die than lose it and no treaty in the world will alter that resolve.

Mr. President, on Friday, September 20, the Senator from New York [Mr. **KEATING**] recalled for us the first anniversary of the passage by the Senate of Senate Joint Resolution 230, the so-called Cuban resolution. In his remarks, he recalled that that resolution had been passed with one dissenting voice in the Senate.

That one dissenting vote was mine. I found fault with that resolution primarily because it did not go to the seriousness of the Cuban situation as it then existed.

I thought then, as I think now, that we must establish a firm policy with respect to the Communist position in the Western Hemisphere as in all areas of the world. Had we established such a policy of will and of resolution, there would not be thousands of Soviet troops on the island of Cuba today—and perhaps missiles as well.

Now, as a year ago, an ad hoc foreign policy, treating Communist infiltration as localized "brush fires," accomplishes little to preserve the security necessary for the maintenance of the American way of life.

The Senator from New York also placed in the **RECORD** several newspaper articles relating to increased violence and tension in various Latin American countries. A reading of those articles indicates their connection in each instance with Castro's Cuba. There is some doubt that actual arms deliveries can be traced to Cuba, but the inspiration and doubtless much of the action is a Cuban import.

It seems to me now, as it did on September 20, 1962, that our concern should be as much with the nonmilitary activities in this hemisphere from Cuba as with military threats which could emanate from that island. I voted against

the Cuban resolution last year. I think that vote was justified. I think, also, that the justification for that vote has been made even more secure with the passage of this last year and the events which have occurred in the Western Hemisphere.

Mr. President, I earnestly hope that time will prove that my vote to ratify the test ban treaty will be as meaningful as I think my vote was against the Cuban resolution a year ago.

PHOTOGRAPHERS IN THE GALLERY

Mr. **MORSE**. Mr. President, a parliamentary inquiry.

The **VICE PRESIDENT**. The Senator will state it.

Mr. **MORSE**. I assume I am correct that the official photograph, authorized by the adoption of the resolution yesterday, has been taken. If so, will the Sergeant at Arms be instructed to notify the photographers to clear their cameras out of the gallery?

Mr. **MANSFIELD**. The pictures have been taken. However, whether they have or not, I second the suggestion of the Senator from Oregon that the gallery be cleared of photographers as soon as possible.

The **VICE PRESIDENT**. The Sergeant at Arms will proceed to act accordingly.

POSTMASTER GENERAL

Mr. **MANSFIELD**. Mr. President, the Senate is still in executive session. I ask that the nominations on the Executive Calendar be stated.

EXECUTIVE REPORTS OF A COMMITTEE

As in executive session, the following favorable reports of nominations were submitted:

By Mr. **EASTLAND**, from the Committee on the Judiciary:

Walter E. Craig, of Arizona, to be U.S. district judge for the district of Arizona.

By Mr. **DIRKSEN**, from the Committee on the Judiciary:

Abraham L. Marovitz, of Illinois, to be U.S. district judge for the northern district of Illinois.

By Mr. **KEATING**, from the Committee on the Judiciary:

Thomas James Donegan, of New York, to be a member of the Subversive Activities Control Board; and

Edward D. Re, of New York, to be a member of the Foreign Claims Settlement Commission of the United States.

The **VICE PRESIDENT**. If there be no further reports of committees, the clerk will state the nomination on the Executive Calendar. The nomination will be stated.

The legislative clerk read the nomination of John A. Granouski to be Postmaster General.

Mr. **PROXMIRE**. Mr. President, I shall be very brief. I support the nomination of John A. Granouski, of Wisconsin, to be Postmaster General of the United States. The nomination was reported unanimously by the Committee on Post Office and Civil Service.

Mr. Gronouski has a distinguished record as a professor, as an economist, and as an excellent administrator of the tax department of the State of Wisconsin. Mr. Gronouski is an unusually intelligent man, and very hard working. He has demonstrated ingenuity as administrator of the tax department. He has been extraordinarily fair in a position in which his fairness was severely tested.

One of the questions asked of Mr. Gronouski at the hearing yesterday was whether in his job he would be primarily a Democrat or an administrator. Mr. Gronouski answered quite frankly that in his view his job is one of administration, and that he would administer his job in a nonpartisan fashion. It should be recognized that as a Cabinet officer, John Gronouski will be free to champion the President's cause and he will do so I am sure very ably indeed.

I have known John Gronouski for many years. He has an excellent reputation in Wisconsin. He will do a thorough, competent, and intelligent job as Postmaster General.

As a topflight economist he will be able to give the President invaluable advice as a member of the Cabinet. I enthusiastically support the nomination of John Gronouski to be Postmaster General.

Mr. MAGNUSON. Mr. President, I join the distinguished Senator from Wisconsin in supporting the nomination of John Gronouski. I had an opportunity, about a week ago Sunday, to have quite a long conversation with Mr. Gronouski, following the announcement that the President had selected him for the nomination to be Postmaster General.

I probably had a better chance to get his views than most of those who have known and respected him for a long time. I have never found a man so knowledgeable about the job that he was about to take over, and so knowledgeable about the Government and administration in the Government, and how it should be handled.

I second what the Senator from Wisconsin has said about Mr. Gronouski.

Mr. PROXMIRE. I thank the Senator from Washington.

Mr. HART. Mr. President, the people of Michigan, particularly in the academic field, have come to know and respect Mr. John Gronouski. As a member of the faculty of Wayne State University, he has distinguished himself in the academic field. The President has indeed made a wise selection, and I am proud to second his nomination.

Mr. RANDOLPH. Mr. President, during the consideration of the nomination of Mr. Gronouski by the Post Office and Civil Service Committee, all of its members were intensely interested in the viewpoints expressed so lucidly by Mr. Gronouski. He well understands the problems he will face. This effort entails for exacting duties. There are almost 600,000 civilian workers in the Department which he will head.

I was impressed with his earnestness. I believe the vigor of his body and the keenness of his mind will help Mr. Gronouski to discharge his obligations in the Department.

Mr. PROXMIRE. I thank the Senator from West Virginia. I was most impressed at the hearing, which was an unusual hearing, by the fact that every member of the Post Office and Civil Service Committee was present. Few hearings have unanimous attendance for any purpose. It was a great tribute to John Gronouski.

Mr. JOHNSTON. Mr. President, at the committee hearing yesterday, all the members of the committee—and I am sure I can speak for all of them—were very much impressed by the way John Gronouski answered all the questions that were put to him. He impressed the committee with his frank statement:

I have not had experience in this particular field but I am going to give it close study before I act in that particular field.

The Senator from Wisconsin brought out the fact that Mr. Gronouski is a Democrat, when the Senator from Wisconsin introduced Mr. Gronouski to the committee. However, in the discussion, Mr. Gronouski made it plain that he would abide by the civil service laws now on the statute books.

I realize that when I say that it means a great deal to everyone. It does not mean that a Postmaster General will do anything that is not right. The laws on the statute books protect individuals in the civil service. There are a great many positions that are not in the civil service. In certain instances, in the policy-making field, there exists the right to appoint outside the civil service laws. Some people do not realize that fact. At least to a certain extent that has something to do with party lines.

I have not forgotten that when the Republicans were in control they established regional offices throughout the United States. Prior to that time they had maintained that it would be necessary to enact a law before regional offices could be established. However, it was done in this way. Accordingly, many persons who were not civil service employees were blanketed into positions. They are still in those positions. The appointments to policymaking positions ought to be left entirely to those who are in charge of the administration at the time.

There are some things that an administrator has a right to do and still live within the laws of the United States. I was impressed by Mr. Gronouski's statement.

Mr. MONRONEY. Mr. President, throughout the years the Senate has confirmed the nominations of many men for positions in the Post Office Department. I was especially impressed by Mr. Gronouski's views, because his will be a difficult office to fill.

I was impressed by the cut of his jaw; and even more deeply impressed by his experience as a member of the Tax Commission of Wisconsin. I have no doubt that he will be an excellent administrator.

Mr. Gronouski is also an economist and professor, well grounded in the facts of the American economy. As Postmaster General, he will have an obligation to use his knowledge of the way our economy works.

He has a proper viewpoint of the function of the Post Office Department as not only a business institution, but a service institution, as well.

His ideas concerning modernization and mechanization, which afford great benefits, are that modernization and mechanization should not take place merely for the sake of gaining of a "tag line." He impressed every member of the committee.

I am heartily in favor of the confirmation of the nomination of Mr. Gronouski. I am sure the Senate will approve his nomination unanimously.

Mr. CARLSON. Mr. President, I would not wish to let this opportunity pass, when so many members of the committee from the majority side are speaking in behalf of the newly appointed Postmaster General, without speaking on behalf of the Republican side of the committee, whose membership voted unanimously to report his nomination.

I was impressed with Mr. Gronouski's knowledge of the administration of State operations, which should be helpful to him in his administration of the Post Office Department. After all, the Post Office Department, an administrative agency, is a huge operation. I feel that Mr. Gronouski will be an outstanding Postmaster General. Senators on this side of the aisle will be glad to work with him. I was pleased when he stated that although he was appointed as a Democrat, he expected to conduct his office as an administrator. I appreciate that statement very much.

Mr. GRUENING. Mr. President, this administration has had a wonderful record in its handling of the mails. It has greatly increased the efficiency and quality of service of the Post Office Department. No one could have observed the work of the predecessor of Mr. Gronouski, Postmaster General Ed Day, without being impressed with his dedication, ability, cooperativeness, and constant striving to increase the efficiency of the postal service, which he succeeded notably in doing.

Mr. President, I have, for half a century, variously as a newspaperman and as a Government official, observed the conduct of our postal service. There have been some outstanding Postmaster Generals. But, it is my reasoned opinion that none of the men who preceded Mr. Day exceeded him in ability and accomplishment. He has set a high standard for those who will follow him and left a challenge to equal his superlative performance.

I am confident that Mr. Day's successor, Mr. Gronouski, will strive to continue the fine record of service and performance which has characterized the Post Office Department during this administration, and I wish him all success.

The PRESIDING OFFICER (Mr. RIBICOFF in the chair). The question is, Will the Senate advise and consent to the nomination of John A. Gronouski, of Wisconsin, to be Postmaster General?

The nomination was confirmed.

Mr. MORSE. Mr. President, I ask that the President be immediately notified of the confirmation of the nomination.

The PRESIDING OFFICER. Without objection, the President will be notified forthwith.

LEGISLATIVE SESSION

Mr. MORSE. 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.

MESSAGES FROM THE PRESIDENT— APPROVAL OF BILLS

Messages in writing from the President of the United States were communicated to the Senate by Mr. Miller, one of his secretaries, and he announced that on September 23, 1963, the President had approved and signed the following acts:

S. 330. An act to amend chapter 35 of title 38, United States Code, to provide that after the expiration of the Korean conflict veterans' education and training program, approval of courses under the war orphans' educational assistance program shall be by State approving agencies; and

S. 1952. An act to extend and broaden the authority to insure mortgages under sections 809 and 810 of the National Housing Act.

REPORT OF HOUSING AND HOME FINANCE AGENCY—MESSAGE FROM THE PRESIDENT

The VICE PRESIDENT laid before the Senate the following message from the President of the United States, which, with the accompanying report, was referred to the Committee on Banking and Currency:

To the Congress of the United States:

Pursuant to the provisions of section 802(a) of the Housing Act of 1954, I transmit herewith for the information of the Congress the 16th Annual Report of the Housing and Home Finance Agency covering housing activities for the calendar year 1962.

JOHN F. KENNEDY.

THE WHITE HOUSE, September 24, 1963.

APPOINTMENT BY THE VICE PRESIDENT

The VICE PRESIDENT. The Chair announces the appointment of the Senator from California [Mr. KUCHEL] as an alternate delegate to attend the 1963 NATO Parliamentarians' Conference, to be held in Paris, France, on November 4-9, 1963.

REPORT OF FINAL SETTLEMENT OF CLAIMS OF CERTAIN INDIANS

The VICE PRESIDENT laid before the Senate a letter from the Chief Commissioner, Indian Claims Commission, Washington, D.C., reporting, pursuant to law, on the settlement of the following claims of certain Indians, which, with the accompanying papers, was referred to the Committee on Interior and Insular Affairs:

The Kaw Tribe of Indians on the relation of Keenan Pappan and Felix Mc-

Cauley, petitioners, against the United States of America, defendant, Docket No. 36.

Robert Dominic, Waunetta Dominic, Levi McClellan, and Grace Mulholland, as the representatives and on behalf of all members by blood of the Ottawa Tribe of Indians, petitioners against the United States of America, defendant, Docket No. 40.

Robert Dominic, Waunetta Dominic, Levi McClellan and Grace Mulholland, as the representatives and on behalf of all members by blood of the Ottawa Tribe of Indians, petitioners, against the United States of America, defendant, Docket No. 40-A.

Robert Dominic, Waunetta Dominic, Levi McClellan, and Grace Mulholland, as the representatives and on behalf of all members by blood of the Ottawa Tribe of Indians, petitioners, against the United States of America, defendant, Docket No. 40-B.

Robert Dominic, Waunetta Dominic, Levi McClellan, and Grace Mulholland and on behalf of all members by blood of the Ottawa Tribe of Indians, petitioners, against the United States of America, defendant, Docket No. 40-C.

Robert Dominic, Waunetta Dominic, Levi McClellan, and Grace Mulholland, as the representatives and on behalf of all members by blood of the Ottawa Tribe of Indians, petitioners, against the United States of America, defendant, Docket No. 40-D.

Robert Dominic, Waunetta Dominic, Levi McClellan, and Grace Mulholland, as the representatives and on behalf of all members by blood of the Ottawa Tribe of Indians, petitioners, against the United States of America, defendant, Docket No. 40-E.

Robert Dominic, Waunetta Dominic, Levi McClellan, and Grace Mulholland, as the representatives and on behalf of the members by blood of the Ottawa Tribe of Indians, petitioners, against the United States of America, defendant, Docket No. 40-G.

The Cherokee Nation, et al., petitioners, against the United States of America, defendant, Docket No. 43.

The Uintah Ute Indians of Utah, petitioners, against the United States of America, defendant, Docket No. 44.

The Uintah Ute Indians of Utah, petitioners, against the United States of America, defendant, Docket No. 45.

PETITION

The VICE PRESIDENT laid before the Senate a resolution adopted by the Board of City Commissioners of Fargo, N. Dak., relative to the death of the late Senator Estes Kefauver, of Tennessee, which was ordered to lie on the table.

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. EASTLAND, from the Committee on the Judiciary, without amendment:

S. 1287. A bill for the relief of John Joseph (also known as Hanna Georges Youssef) (Rept. No. 511);

S. 1838. A bill for the relief of Hannah Robbins (Rept. No. 512);

S. 1881. A bill for the relief of Lydia Anne Foote (Rept. No. 513);

H.R. 1280. An act for the relief of Jan Koss (Rept. No. 514);

H.R. 2303. An act for the relief of Elizabeth Kolloian Izmirian (Rept. No. 516);

H.R. 3648. An act for the relief of Fiore Luigi Biasiotta (Rept. No. 515);

H.R. 3762. An act for the relief of Anna C. Chmielewski (Rept. No. 517);

H.R. 4075. An act for the relief of Noriyuki Miyata (Rept. No. 518); and

H.R. 7022. An act for the relief of Marguerite Lefebvre Broughton (Rept. No. 519).

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

S. 1096. A bill for the relief of Mrs. Susanna Grün (Susanne Roth) (Rept. No. 520);

S. 1341. A bill for the relief of Gabriel Kerenyi (Rept. No. 521); and

S. 1488. A bill for the relief of Alessandro A. R. Cacace (Rept. No. 522).

REMOVING CERTAIN LIMITATIONS ON WAR RISK INSURANCE UNDER TITLE 12, MERCHANT MARINE ACT, 1936—REPORT OF A COMMITTEE— INDIVIDUAL VIEWS (S. REPT. NO. 523)

Mr. BARTLETT. Mr. President, from the Committee on Commerce, I report favorably, with an amendment, the bill (S. 927) to remove certain limitations with respect to war risk insurance issued under the provisions of such title, and I submit a report thereon. I ask unanimous consent that the report be printed, together with the individual views of the Senator from Ohio [Mr. LAUSCHE].

The VICE PRESIDENT. The report will be received and the bill will be placed on the calendar; and, without objection, the report will be printed, as requested by the Senator from Alaska.

PROBLEMS OF THE DOMESTIC TEXTILE INDUSTRY—REPORT OF A COMMITTEE—SUPPLEMENTAL VIEWS (S. REPT. NO. 524)

Mr. PASTORE. Mr. President, I submit a report of the Committee on Commerce, made by its Special Subcommittee to Study the Textile Industry, on the problems of the domestic textile industry, together with the supplemental views of the senior Senator from New Hampshire [Mr. COTTON].

I ask unanimous consent that the report be printed, together with the supplemental views.

The VICE PRESIDENT. The report will be received and printed, as requested by the Senator from Rhode Island.

REPORT ON DISPOSITION OF EXECUTIVE PAPERS

Mr. JOHNSTON, from the Joint Select Committee on the Disposition of Papers in the Executive Departments, to which was referred for examination and recommendation a list of records transmitted to the Senate by the Archivist of the United States, dated September 16, 1963, that appears to have no permanent value or historical interest, submitted a report thereon, pursuant to law.

BILLS AND JOINT RESOLUTION INTRODUCED

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

By Mr. BURDICK:

S. 2167. A bill to amend the provisions of title 18 of the United States Code relating to offenses committed in Indian country; to the Committee on the Judiciary.

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

By Mr. HRUSKA:

S. 2168. A bill providing for the negotiation of international agreements limiting the exportation of beef and veal to the United States; to the Committee on Agriculture and Forestry.

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

By Mr. MAGNUSON (by request):

S. 2169. A bill to amend the act of February 26, 1944, as amended (16 U.S.C., sec. 631a et seq.) for the purposes of aiding in the administration of the Pribilof Islands, in Alaska, and for other purposes; to the Committee on Commerce.

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

By Mr. EASTLAND:

S. 2170. A bill for the relief of Mary Lane Laycock; to the Committee on the Judiciary.

By Mr. HARTKE:

S. 2171. A bill for the relief of Dr. Richard A. Lim; to the Committee on the Judiciary.

By Mr. WILLIAMS of New Jersey:

S. 2172. A bill to authorize the issuance of a special postage stamp in commemoration of the 200th anniversary of Rutgers, the State university; to the Committee on Post Office and Civil Service.

By Mr. DOMINICK:

S. 2173. A bill to amend the Tariff Act of 1930 and the act of February 13, 1911, to eliminate those provisions which require payment to the United States for overtime services of customs officers and employees; to the Committee on Finance.

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

By Mr. MANSFIELD (for himself and Mr. METCALF):

S.J. Res. 121. Joint resolution to designate the lake to be formed by the waters impounded by the Canyon Ferry Dam, Mont., "Lake Townsend"; to the Committee on Interior and Insular Affairs.

RESOLUTION

PUBLIC ADDRESS SYSTEM IN SENATE CHAMBER

Mr. JAVITS (for himself, Mr. WILLIAMS of Delaware, Mr. SMATHERS, Mr. HUMPHREY, Mr. CLARK, Mr. RANDOLPH, and Mr. BOGGS) submitted a resolution (S. Res. 202) to provide a suitable electrical public address system in the Senate Chamber, which was referred to the Committee on Rules and Administration.

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

AMENDMENT OF PROVISIONS OF TITLE 18, UNITED STATES CODE, RELATING TO OFFENSES COMMITTED IN INDIAN COUNTRY

Mr. BURDICK. Mr. President, I have today introduced, for appropriate reference, a bill to amend section 1153 of

title 18 of the United States Code to make statutory rape of girls under 16 a crime on Indian reservations when Indians are involved.

John O. Garaas, U.S. attorney, Fargo, N. Dak., has alerted me to a defect in the law which should be corrected.

Section 1153 of title 18, applying only to Indians on reservations, lists rape as one of the major crimes. However, as a result of several Federal court interpretations, the definition of rape involves only common law rape, requiring force and no consent.

On the other hand, section 1152 of title 18, making the general law of the United States applicable to Indian country, takes in statutory rape as a crime, but it excludes offenses committed by one Indian against another Indian.

The effect is that an Indian, charged with having relations with a non-Indian girl under 16, can be charged with statutory rape, which could lead to a punishment of up to 15 years. For the same offense involving an Indian girl under 16, an Indian, subject to the jurisdiction of the tribal courts, could not receive a sentence exceeding 6 months.

My bill, in correcting this inconsistency, would give Indian girls the same protection under the law as non-Indian girls receive on reservations.

Mr. President, I ask unanimous consent that the text of the bill be printed at this point in the RECORD.

The VICE PRESIDENT. The bill will be received and appropriately referred; and, without objection, the bill will be printed in the RECORD.

The bill (S. 2167) to amend the provisions of title 18 of the United States Code relating to offenses committed in Indian country, introduced by Mr. BURDICK, was received, read twice by its title, referred to the Committee on the Judiciary, and ordered to be printed in the RECORD, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the first paragraph of section 1153 of title 18, United States Code, is amended by inserting immediately after "rape," the following: "carnal knowledge of any female, not his wife, under sixteen years of age,"

MEAT IMPORTS AND THE AMERICAN CATTLE INDUSTRY

Mr. HRUSKA. Mr. President, on several previous occasions it has been necessary to protest against the impact of the rising volume of meat imports on domestic livestock prices.

On March 14 of this year I called the attention of the Senate to the high level of imports and the collapse in cattle prices which had occurred since the beginning of the year. Since then, the volume of meat imports has continued to grow. During the first 6 months of this year, imports of red meat reached an all-time high of 651 million pounds, compared with 552 million pounds during the corresponding period of 1962, an increase of 18 percent.

This upward trend of imports is nothing new. The increase to date this year is merely a continuation of a consistent trend of many years' standing. Annual imports of all meat were an average of

329 million pounds during the period 1951 to 1955, and 613 million pounds during 1956 to 1960; in 1962 they amounted to 1,253 million pounds. In other words, they have been doubling about every 5 years.

In the past when we have protested these rising imports, we have been told by the Secretary of Agriculture that imports of meat have had very little effect on domestic livestock prices. As evidence, it was pointed out that during the very period when imports were increasing last year, fed-cattle prices were also rising.

That argument can hardly be used this year. As imports increased, prices fell. The monthly average price for choice steers in Chicago fell from \$30.13 a hundred in November of last year to \$22.61 in May. They recovered a little during the summer; the monthly average for July was \$24.72, but they have trended down again since then.

In fact, prices so far this month—September—have been lower than for any other September, except one, since price controls on cattle were taken off in 1946. According to the latest figures I have, choice steers in Chicago averaged only \$24.19 during the first week in September and \$24.20 during the second week, the week ending September 12.

At these prices, cattle feeders are certainly still losing \$25 or \$50 a head.

Imports are no longer merely a minor irritant; they have come to provide a steadily increasing share of our beef supply. In 1962 imported cattle and beef added up to the equivalent of more than 10 percent of domestic production. Secretary Freeman has contended that these imports, being primarily manufacturing beef, have no significant effect on fed-cattle prices, but it is well known that substitution by consumers of one meat product for another has important effects on the prices of both.

No amount of explanation can escape this striking relationship—that prices have fallen to near postwar lows, while imports have climbed to record heights. It would seem that it is time for some changes to be made in our Government policies on meat imports.

Last year Congress enacted Public Law 87-488 to deal with the problem of disruptive imports of cotton textiles. By that act the President was given broad authority to impose quotas on imports of various textile products in connection with international agreements controlling the trade in textiles. At that time the senior Senator from South Dakota [Mr. MUNDT] and I proposed an amendment mandating similar agreements regulating the importation of beef and certain other products. The Hruska-Mundt amendment was rejected because of administration pressure, but the discretionary authority remains in the President to do what the Hruska-Mundt amendment would have made mandatory. The authority is contained in section 204 of the Agricultural Act of 1956, which provides:

The President is authorized to negotiate agreements with foreign governments in an effort to limit the export to the United States of agricultural commodities or products.

It is clear that much of our problem is directly traceable to our liberal trade policy, our policy of low tariffs and no quotas. On the principal classification of meat imports—beef and veal, fresh, chilled, or frozen—we slashed the duty in half in 1948. The rate is now only 3 cents a pound, a nominal figure, and there are no quotas or other quantitative restrictions.

The National Livestock Feeders Association has formally called upon Ambassador Christian Herter, the President's Special Representative for Trade Negotiations, to initiate negotiations for an international agreement governing the trade in meat. This request is contained in letters and memoranda from Mr. Don F. Magdanz, executive secretary-treasurer of the National Livestock Feeders Association, to Ambassador Herter, which were inserted in the RECORD on August 23—pages 15713-15718. When the bill which became Public Law 87-488 was before the Senate last year, we received many assurances that assistance similar to that given to cotton textiles would be forthcoming for the livestock industry when the time of necessity arrived. That time has now arrived. The livestock industry needs help. We are entitled to expect the same consideration that other industries here received.

Such an agreement might involve quantitative limitations and it may be argued, of course, that quantitative limitations and such devices are in conflict with the beautiful dream of a world in which all trade is free from restraint and all nations prosper thereby. The trouble with that argument is that such a dream world seems to recede farther and farther from us.

The fact is that while we have been relaxing our controls over competitive imports, other countries have been tightening theirs. And in most cases, other countries have not limited themselves to the use of simple tariffs; they employ all manner of nontariff barriers—quotas, licensing systems, variable import fees, and the like—to regulate the volume of imports.

That statement can now be documented in statistical terms. The Department of Agriculture has just completed a study entitled "Agricultural Protection by Nontariff Trade Barriers." This study makes careful measurements, for each of the principal commercial nations of the free world, of the extent of nontariff trade barriers on agricultural products, and of the value of the farm production that is protected in each of the countries by the use of such methods of regulating imports.

The press release accompanying this publication states:

The study shows that all our major trading partners practice a higher degree of agricultural protectionism through nontariff barriers than does the United States.

That is particularly true with respect to meat and livestock products. Of the countries analyzed, only the United States and Canada refrain entirely from the use of all protective devices, other than tariffs, on livestock and meat.

All the other countries use some form of nontariff trade barrier against at least

part of their livestock and meat imports—generally almost all of such imports. Thus, Italy, Greece, Austria, Denmark, Portugal, and New Zealand exercise nontariff controls to protect 100 percent of their domestic livestock and meat production. For France, West Germany, Netherlands, Norway, and Switzerland, the corresponding figure is about 95 percent. For Australia and Japan, it is over 50 percent; for Belgium, 46 percent; and for the United Kingdom, 34 percent. As previously stated, only the United States and Canada, among the countries studied, refrained from the use of that type of trade controls on imported meat and livestock.

One fact is particularly striking. Even such countries as Australia and New Zealand, larger exporters of meat themselves who presumably would like to have other countries remove their trade barriers, do not hesitate to provide sweeping protection against imports for the benefit of their own producers.

One thing is clear enough from this study. No other country is anxious to permit imports of livestock and meat which would inflict injury on its own domestic producers. If we were finally to give our cattlemen some protection, we would not be peculiar. On the contrary, we are peculiar in the fact that we do not.

As a matter of fact, our rising imports may be partly because meat export surpluses produced by such countries as Australia have virtually no place else to go. They are virtually excluded from most other potential foreign markets by quotas, variable import fees, and the like. Partly as a result, the American market has become a sort of international dumping ground for any meat, particularly beef, which is not permitted into any place else.

At least, it is a fact that during the last few years U.S. imports of meat have bounded upward while the imports of most other countries have not. During the period from 1956 to 1960 our average annual imports of all meat, converted to a carcass weight basis, amounted to 890 million pounds. In 1962, this figure was 1,850 million pounds, just more than double. For all the rest of the world comparing the same dates the increase was only from 5,138 million pounds to 5,496 million pounds, a gain of less than 7 percent.

In a recent publication of the Department of Agriculture, the following significant sentences appear:

The United States has become the major market for Australian beef. Large exportable supplies of beef, lamb, and mutton should be available from Australia for the next few years as the result of increasing livestock numbers there.

So we are threatened in effect that imports will grow still larger during the next few years.

Just why should it always be the United States which accepts the duty of providing a market for the export surpluses of foreign countries? We certainly have the feed grains and surplus grasslands to produce enough beef to fill our own needs completely, if we were allowed to. Many other countries have greater need and use for imported beef than we do.

It seems time to begin applying a rule of reason to the regulation of our international trade in meat. Our farmers have been told repeatedly that if we hold down or reduce our barriers against imports, other countries can be persuaded to do likewise and thus foreign markets for our surpluses can be developed. That is not so important for the cattle industry, but it could be of great importance for our producers of wheat, feed grains, and various other products. The plan does not seem to be working. Foreign markets for farm products are closing down, not opening up.

With respect to meat, it is clear that other countries have not been persuaded to abolish the protection they give their own producers against foreign competition. I believe it is time that we begin to give the American cattle industry the same kind of protection that livestock producers in other countries receive from their own governments. Our cattle feeding industry has suggested that this be done through the instrumentality of an international agreement, just as was done for the cotton textile industry.

The mechanics are simple. The President would instruct the State Department to collaborate with the Secretary of Agriculture to determine practical and definite quotas or limits on the quantity of meat and livestock that we would permit to be imported. These instructions would necessarily be by way of a firm and strict mandate, Mr. President. It is well known that Secretary of Agriculture Freeman has maintained right along that such imports, even at the annual rate of 1¼ billion pounds, have no harmful effect on the market. For example, during a Senate Appropriations Committee hearing on March 21 of this year, in answer to a question from me, he said:

I would not want to overstate this, but it would be our best judgment that the imports have not had any significant impact at all on the present price situation.

Such an unsympathetic attitude can be overcome only by orders from the President who appointed him and whom he serves.

A similar reluctance may be expected from the State Department, which is likewise openly and notoriously of the same general attitude—against protection for our domestic cattle industry.

However, both Departments and their respective Secretaries should be instructed to set their technical staffs to work, to determine, by study and by consultation with livestock men and others in the meatpacking industry, the practical bases for an international agreement with other countries limiting the quantities of meat that will be shipped to our shores. The major meat exporting nations would hardly be in position to oppose a reasonable agreement, since they know we have the ultimate power to regulate our own international commerce in meat, if we choose. Similar agreements limiting our imports of cotton textiles were effected with most of the low-wage nations which were abusing the right of entry for their products into the United States by pricing their

wares far below the prices for American products based on American wage scales.

As to any nation which might refuse to enter into such an agreement governing meat, quotas should be placed on imports from such nation by executive action. That is exactly what was done for cotton textiles last year through enactment of Public Law 87-488 to which I have already referred. When that law was under consideration, Senator MUNDT and I were assured by Senators from cotton-raising and cotton-processing States of their sympathy and support for similar action to apply to livestock, meat, and meat products imports. Thus, we are assured of legislative backing if only the executive department through the President and his proper Cabinet officers will take the lead that is necessary.

If the administration does not consider that the best way, then let us find some other way, but let us address ourselves to this serious problem promptly.

At the conclusion of my remarks I ask unanimous consent that there be printed in the RECORD statistical tables to illus-

trate the points made, including the following: An article from Foreign Agriculture of September 2, 1963, a publication of the Department of Agriculture, entitled "U.S. Meat Imports Continue Above 1962," which includes a comparison of imports during the first 6 months of 1962 and of 1963; a table showing imports by annual averages or years from 1951 through 1962; average prices of choice steers during August and September from 1946 to 1963; a table comparing imports of cattle and beef, lambs and mutton, with domestic production; a table showing the extent of protection given the livestock and meat industries by other principal countries; and a table showing the trend in imports and exports of the principal countries.

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

[From Foreign Agriculture magazine, Sept 2, 1963]

U.S. MEAT IMPORTS CONTINUE ABOVE 1962
U.S. imports of nearly all types of red meat were higher in the first 6 months of

1963 than during the same period in 1962. Beef and veal imports, at 491 million pounds, were 21 percent above the first half of last year; the major beef item (boneless) was 20 percent above the previous year at 407 million.

Pork imports for the first 6 months were up about 3 percent, with a 6 percent gain in canned ham imports being partially offset by declines in other types of pork.

Imports of both mutton and lamb were up sharply in the month of June and for the first 6 months showed increases of 18 and 95 percent, respectively.

Although wool imports showed some decline in the month of June, total dutiable and duty-free wools were 15 percent higher for the January-June period.

There was some increase in imports of bovine hides and skins in June; however, imports for the first 6 months were generally below last year. Sheep and lamb and goat and kid skin imports continued below the previous year in June and in the first 6 months. Both Morocco and India have placed restrictions on the exportation of certain types of goat skins.

Imports of live cattle were down sharply in June, but for the year as a whole thus far, are down just 3 percent.

TABLE 1.—Livestock products: U.S. imports of selected items, June 1963, with comparisons

Commodity	June		January-June		Commodity	June		January-June	
	1962	1963	1962	1963		1962	1963	1962	1963
Red meats:									
Beef and veal:									
Fresh and frozen, bone in.....	1,220	1,136	7,830	9,571	Wool (clean basis):				
Fresh and frozen, boneless.....	57,485	68,502	339,660	407,339	Dutiable.....	8,800	8,376	66,168	69,290
Canned, including corned.....	9,306	7,435	36,799	51,546	Duty free.....	13,164	11,160	65,867	83,185
Pickled and cured.....	74	67	301	288	Total, wool.....	21,964	19,536	132,035	152,475
Veal, fresh and frozen.....	991	1,437	9,244	9,148	Hides and skins:				
Other meats ¹	3,055	1,585	13,364	12,915	Cattle.....	23	40	297	207
Total, beef and veal.....	72,131	80,162	407,198	491,107	Calf.....	106	118	347	383
Pork:					Buffalo.....	34	49	438	323
Hams and shoulders.....	12,148	9,392	66,093	70,297	Kip.....	54	95	369	553
Other pork ²	5,629	5,070	38,182	37,189	Sheep and lamb.....	2,782	1,608	19,160	15,571
Total, pork.....	17,777	14,462	104,275	107,486	Goat and kid.....	1,278	1,127	8,165	7,541
Mutton.....	2,517	4,912	35,342	41,677	Horse.....	55	58	289	245
Lamb.....	445	1,170	5,597	10,894	Pig.....	58	20	868	534
Total, red meat.....	92,870	100,706	552,412	651,164	Live cattle ³	Number 45,521	Number 32,394	Number 537,753	Number 520,951
Variety meats.....	136	169	1,065	1,236					

¹ Other meat, canned, prepared, or preserved.

² Fresh or frozen; hams, shoulders, bacon not cooked; sausage, except fresh; prepared and preserved.

³ Includes cattle for breeding.

NOTE.—Data on meat and meat food products inspected when offered for importation by the Meat Inspection Division, U.S. Department of Agriculture, show, for July of 1963, 114,000,000 pounds for all meats, compared with 100,000,000 pounds for July of 1962, a year-to-year increase of 14 percent for that month.

Source: U.S. Department of Commerce.

TABLE 2.—Livestock, meat, and meat products: U.S. imports, product weight basis; averages 1951-55 and 1956-60; annual, 1958-62

Commodity	Averages		1958	1959	1960	1961	1962 ¹
	1951-55	1956-60					
Beef and veal:							
Fresh or frozen, carcass beef.....	39.8	30.1	58.9	39.1	14.7	25.1	18.8
Fresh or frozen, carcass veal.....	1.9	10.0	13.5	16.1	15.3	16.5	25.5
Fresh or frozen boneless beef and veal.....	18.2	232.8	285.9	469.2	383.9	527.5	819.1
Pickled or cured beef.....	33.4	6.6	6.1	7.1	.9	.9	.6
Canned beef.....	109.3	90.5	113.4	94.7	76.5	95.2	84.0
Other beef and veal, prepared or preserved.....	4.2	55.9	141.4	96.2	21.3	23.9	23.1
Total, beef and veal.....	206.8	425.9	619.2	722.4	512.6	689.1	971.0
Pork:							
Fresh or frozen.....	27.2	38.8	51.1	48.4	38.4	36.6	40.5
Hams, shoulders, and bacon ²	84.2	105.9	111.1	108.8	118.5	119.4	137.0
Other pork, pickled or salted.....	5.9	14.1	19.2	15.8	12.7	15.2	24.6
Sausage, except fresh.....	.6	1.3	1.3	1.9	1.7	1.7	1.8
Total, pork.....	117.9	160.1	182.7	174.9	171.3	172.9	203.9
Lamb, mutton, and goat:							
Fresh or frozen lamb.....	3.4	6.2	6.8	9.5	12.4	10.9	13.1
Fresh or frozen mutton and goat.....	.7	20.8	17.2	47.3	37.3	44.9	65.0
Total, lamb, mutton, and goat.....	4.1	27.0	24.0	56.8	49.7	55.8	78.1
Total, red meat.....	328.8	613.0	825.9	954.1	733.6	917.8	1,253.0
Variety meats, edible: Fresh or frozen.....	1.5	1.3	2.1	2.3	1.8	2.0	3.1

See footnotes at end of table.

TABLE 2.—Livestock, meat, and meat products: U.S. imports, product weight basis; averages 1951-55 and 1956-60; annual, 1958-62—Con.

Commodity	Averages		1958	1959	1960	1961	1962 ¹
	1951-55	1956-60					
Casings:	<i>Million pounds</i>	<i>Million pounds</i>	<i>Million pounds</i>	<i>Million pounds</i>	<i>Million pounds</i>	<i>Million pounds</i>	<i>Million pounds</i>
Sheep, lamb, and goat	5.0	5.0	4.9	4.9	5.1	4.6	(²)
Other, natural	8.6	10.5	11.4	10.1	10.6	11.9	(²)
Lard	1.4	(³)			(³)	(³)	(³)
Tallow and greases ⁴	3.0	2.6	1.9	2.4	2.2	1.0	2.0
Hides and skins:	<i>Million pieces</i>	<i>Million pieces</i>	<i>Million pieces</i>	<i>Million pieces</i>	<i>Million pieces</i>	<i>Million pieces</i>	<i>Million pieces</i>
Cattle, calf, and kip ⁵	3.2	2.1	1.6	3.1	2.1	2.2	2.6
Goat and kid	29.5	22.2	19.5	25.4	19.2	14.7	14.4
Sheep and lamb ⁶	23.4	28.3	26.6	34.3	27.7	27.9	27.5
Horse	.4	.4	.5	.5	.4	.4	.5
Pig ⁷	.5	.8	.8	1.3	.8	.7	1.6
Total, hides and skins	57.0	53.8	49.0	64.6	50.2	45.9	46.6
Wool (clean basis):	<i>Million pounds</i>	<i>Million pounds</i>	<i>Million pounds</i>	<i>Million pounds</i>	<i>Million pounds</i>	<i>Million pounds</i>	<i>Million pounds</i>
Apparel	180.6	84.8	67.2	100.6	74.3	90.3	125.8
Carpet	114.9	146.3	122.5	191.5	153.9	157.4	143.5
Total, wool	295.5	231.1	189.7	292.1	228.2	247.7	269.3
Livestock:	<i>Thousand head</i>	<i>Thousand head</i>	<i>Thousand head</i>	<i>Thousand head</i>	<i>Thousand head</i>	<i>Thousand head</i>	<i>Thousand head</i>
Cattle	195.6	682.3	1,152.4	708.8	663.2	1,042.7	1,250.0
Sheep and lamb	4.9	37.2	39.8	75.5	49.8	1.0	20.8
Hogs ¹⁰	12.3	3.8	9.1	2.4	1.2	3.2	3.3

¹ Preliminary.
² Mostly cured and salted boneless beef from Argentina.
³ Includes canned hams and shoulders.
⁴ Not available.
⁵ Less than 50,000 pounds.
⁶ Includes edible and inedible tallow, oleo oil and stearin, animal oils and fats n.e.c., stearin acid, animal fats and greases n.e.c. and animal oils.

⁷ Includes buffalo hides.
⁸ Includes hair sheep and cabretta skins.
⁹ Includes wild pig skins.
¹⁰ 200-pound equivalent.

Source: Foreign agricultural circular, "Livestock and Meat," FLM 8-63, July 1963, Foreign Agricultural Service, U.S. Department of Agriculture.

TABLE 3.—Slaughter steer prices: Average cost per 100 pounds of sales out of 1st hands of choice grade steers, Chicago, August, September, and annual, 1946-63

Year	August	September	Annual	Year	August	September	Annual	Year	August	September	Annual
1946	\$20.73	\$19.58	\$19.32	1952	\$33.02	\$32.53	\$33.18	1958	\$26.11	\$26.70	\$27.42
1947	28.27	29.43	26.22	1953	25.28	25.87	24.14	1959	27.56	27.62	27.83
1948	36.02	34.49	30.96	1954	24.08	25.00	24.66	1960	25.07	24.80	26.24
1949	26.50	28.22	26.07	1955	22.43	22.69	23.16	1961	24.13	24.34	24.65
1950	29.97	30.32	29.68	1956	25.81	27.27	22.30	1962	28.19	29.85	27.67
1951	35.85	36.68	35.96	1957	25.63	24.98	23.83	1963	24.60	24.20	24.28

¹ Week ended Sept. 12.
² Average for 1st 8 months.

Source: "Livestock and Meat Statistics, 1962," U.S. Department of Agriculture, and various issues of Livestock-Meat-Wool Market News, 1963, U.S. Department of Agriculture.

TABLE 4.—U.S. imports of cattle and beef, lambs and lamb and mutton compared with production, 1950-62

Year	CATTLE AND CALVES AND BEEF AND VEAL						LAMBS AND LAMB AND MUTTON					
	Imports				Meat production ²	Imports as a percentage of production	Imports				Meat production ²	Imports as a percentage of production
	Live animals		Meat	Total ³			Live animals		Meat	Total ³		
	Number	Meat equivalent ¹			Number	Meat equivalent ¹						
	<i>1,000 head</i>	<i>Million pounds</i>	<i>Million pounds</i>	<i>Million pounds</i>	<i>Million pounds</i>	<i>Percent</i>	<i>1,000 head</i>	<i>Million pounds</i>	<i>Million pounds</i>	<i>Million pounds</i>	<i>Million pounds</i>	<i>Percent</i>
1950	438	157	348	505	10,764	4.7	97	3	3	6	597	1.0
1951	220	91	484	575	9,896	5.8	14	(⁴)	7	7	521	1.3
1952	138	47	429	476	10,819	4.4	(⁴)	(⁴)	6	6	645	.9
1953	177	62	271	333	13,953	2.4	1	(⁴)	3	3	729	.4
1954	71	35	232	267	14,610	1.8	1	(⁴)	2	2	734	.3
1955	296	93	229	322	15,147	2.1	8	(⁴)	2	2	758	.3
1956	141	43	211	254	16,094	1.6	3	(⁴)	1	1	741	.1
1957	703	221	395	616	15,728	3.9	18	1	4	5	707	.7
1958	1,126	340	909	1,249	14,516	8.6	40	1	41	42	688	6.1
1959	688	191	1,063	1,254	14,588	8.6	76	2	104	106	738	14.4
1960	645	163	775	938	15,835	5.9	50	1	87	88	768	11.5
1961	1,023	250	1,037	1,287	16,341	7.9	1	(⁴)	101	101	832	12.1
1962	1,232	280	1,445	1,725	16,311	10.6	21	1	143	144	809	17.8

¹ Estimated at 53 percent of the live weight of all dutiable imports of cattle and for lambs an average 30-pound carcass.
² Canned and other processed meats have been converted to their carcass weight equivalent.

³ Total production.
⁴ Less than 500 head.
⁵ Less than 500,000 pounds.

TABLE 5.—*Livestock and meat: Proportion of the value of domestic production protected against imports by nontariff trade barriers selected countries*

[In millions of dollars]

Country	Total value	Protected value	Percent	Country	Total value	Protected value	Percent
France	2,479	2,355	95.0	Portugal	102	102	100.0
West Germany	2,349	2,231	95.0	Switzerland	242	232	95.9
Netherlands	475	452	95.2	United Kingdom	1,355	456	33.7
Italy	1,136	1,136	100.0	Canada	854	0	0
Belgium	341	156	45.7	Australia	531	383	72.1
Greece	109	109	100.0	New Zealand	312	311	100.0
Austria	310	310	100.0	Japan	618	355	57.4
Denmark	560	560	100.0	United States	9,255	0	0
Norway	112	106	94.6				

Source: Compiled from data in "Agricultural Protection by Nontariff Trade Barriers," ERS-Foreign-60, September 1963, U.S. Department of Agriculture. See that publication for precise statements of coverage and of use of terms, limitations of the data, and original sources.

TABLE 6.—*All meat: Principal exporters and importers; average, 1951-55 and 1956-60; and annual, 1960, 1961, and 1962*

[In millions of pounds]

	Average, 1951-55	Average, 1956-61	1960	1961	1962		Average, 1951-55	Average, 1956-61	1960	1961	1962
Exporting countries:						Importing countries:					
Australia	1,471	726	591	867	1,149	United Kingdom	2,743	3,414	3,512	3,290	3,385
Argentina	802	1,369	983	980	1,197	United States	462	890	1,048	1,327	1,850
Denmark	772	913	1,032	1,043	1,134	Germany, West	129	245	253	284	867
New Zealand	794	954	1,060	1,043	1,062	Italy	84	280	360	144	275
France	127	163	266	352	451	U.S.S.R.	544	342	212	139	169
Netherlands	271	374	454	382	373	Canada	54	75	90	131	131
Yugoslavia	22	127	198	251	301	Spain	12	5	39	26	127
Ireland	158	181	241	309	292	Belgium-Luxembourg	42	58	69	84	94
Uruguay	136	103	153	113	162	Others	573	719	820	1,052	943
Mexico	68	58	112	92	103						
United States	140	145	115	112	163	Total	4,643	6,028	6,403	6,477	7,346
Others	577	862	1,067	980	916						
Total	4,338	5,975	6,272	6,524	7,237						

¹ Year ending June 30.

NOTE.—All meat converted to carcass weight equivalent. Includes beef and veal, pork, mutton and lamb, goat and horse meat, except live animals; edible variety meat, lard, rabbit and poultry meat. Figures for individual years 1960-62 are preliminary.

Source: Publications of the Foreign Agricultural Service, U.S. Department of Agriculture.

Mr. HRUSKA. Mr. President, I also introduce, for appropriate reference, a bill "providing for the negotiation of international agreements limiting the exportation of beef, veal, mutton, and lamb to the United States", and I ask that the bill be printed in the RECORD.

The VICE PRESIDENT. The bill will be received and appropriately referred; and, without objection, the bill will be printed in the RECORD.

The bill (S. 2168) providing for the negotiation of international agreements limiting the exportation of beef and veal to the United States, introduced by Mr. HRUSKA, was received, read twice by its title, referred to the Committee on Agriculture and Forestry, and ordered to be printed in the RECORD, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the President is authorized and directed, pursuant to section 204 of the Agricultural Act of 1956, as amended, to initiate negotiations for an agreement or agreements with foreign countries in an effort to limit the export to the United States of beef, veal, lamb, and mutton and products thereof, and for that purpose to exercise the powers granted to him by the said section 204.

ADMINISTRATION OF PRIBILOF ISLANDS

Mr. MAGNUSON. Mr. President, by request, I introduce, for appropriate reference, a bill to amend the act of February 26, 1944, as amended (16 U.S.C., sec. 631a, et seq.) for the purposes of aiding in the administration of the Prib-

ilof Islands, in Alaska, and for other purposes. I ask unanimous consent to have printed in the RECORD a letter from the Assistant Secretary of the Interior, requesting the proposed legislation.

The VICE PRESIDENT. The bill will be received and appropriately referred; and, without objection, the letter will be printed in the RECORD.

The bill (S. 2169) to amend the act of February 26, 1944, as amended (16 U.S.C. sec. 631a, et seq.) for the purposes of aiding in the administration of the Pribilof Islands, in Alaska, and for other purposes, introduced by Mr. MAGNUSON, by request, was received, read twice by its title, and referred to the Committee on Commerce.

The letter presented by Mr. MAGNUSON is as follows:

U.S. DEPARTMENT
OF THE INTERIOR,
OFFICE OF THE SECRETARY,
Washington, D.C., September 3, 1963.

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

DEAR MR. PRESIDENT: Enclosed is a draft of a proposed bill "to amend the act of February 26, 1944, as amended (16 U.S.C., sec. 631a, et seq.) for the purposes of aiding in the administration of the Pribilof Islands, in Alaska, and for other purposes."

We request that this bill be referred to the appropriate committee for consideration, and we recommend that it be enacted.

The Pribilof Islands situated in the Bering Sea approximately 300 miles off the Alaska coast are a special Government reservation set aside in 1869 for the protection of the Alaska fur seal herd and for other purposes. Under the provisions of the act of February

26, 1944, as amended (16 U.S.C., sec. 631a, et seq.), popularly known as the Fur Seal Act, the Secretary of the Interior through the U.S. Fish and Wildlife Service, administers these islands primarily to conserve and manage the fur seal population and to provide for the welfare of the native inhabitants. There are approximately 650 Aleuts residing on the islands of Saint Paul and Saint George. Most of these natives are descendants of Aleutian Islands' natives transported to the Pribilof Islands by the Russians during the period of Russian ownership of Alaska to exploit the fur seal herd which inhabits the rookeries of the islands.

Since the act of July 1, 1870 (16 Stat. 181), the United States has long recognized an obligation to provide for these native inhabitants. This obligation is recognized and continued in the present Fur Seal Act. Section 7 of the act provides that in harvesting the fur seals and curing the skins the Secretary shall employ the native inhabitants at a fair rate of compensation to be fixed by the Secretary. In addition section 8 of the act provides:

"The Secretary shall have the authority to establish and maintain depots for provisions and supplies on the Pribilof Islands and to provide for the transportation of such provisions and supplies from the mainland of the United States to the islands by the charter of private vessels or by the use of public vessels of the United States which may be under his control or which may be placed at his disposal by the President; and he likewise shall have authority to furnish food, shelter, fuel, clothing, and other necessities of life to the native inhabitants of the Pribilof Islands and to provide for their comfort, maintenance, education, and protection."

This congressional authorization in section 8 of the Fur Seal Act does not stem from any treaty, or tribal right, but is merely a gratuity based upon moral and humanitarian

considerations. In carrying out this obligation, this Department has constructed and presently maintains schools, homes, public buildings, stores and shops, recreational facilities, water, sewer and electric facilities, and a hospital. Education, medical and dental services, and welfare assistance are also provided. In short, the Pribilof Islands Reservation has been administered as a virtually autonomous community under the supervision of the Secretary of the Interior.

In addition to providing for the native inhabitants of these islands, section 6 of the Fur Seal Act provides: "The Pribilof Islands, including the islands of Saint Paul and Saint George, Walrus and Otter Islands, and Sea Lion Rock, in Alaska, are declared a special reservation for Government purposes. It shall be unlawful for any person other than natives of the said islands and officers and employees of the Fish and Wildlife Service to land or remain on any of those islands, except through stress of weather or like unavoidable cause or by the authority of the Secretary."

Under this section this Department has occasion to furnish supplies, fuel, lodging, and other services to contractors and other persons, including tourists.

Previously, it has been the practice to withhold payment for rent, food, supplies, and other services from the pay of the Aleut natives in Government employ. The wage plan also included provision for allowances to the natives in kind. However, we are now converting the jobs in the fur seal industry to regular classified and wage board positions and eliminating the make-work jobs which were a part of our welfare program. The volume of groceries and other services provided the natives on a payroll deduction basis has been reduced, because of the limited tenure in the number of the full-time positions caused by this change in the employment policy. Consequently, a greater volume of cash transactions has resulted. Accordingly, we must be authorized to credit the cash receipts to our appropriation in order to offset the cost of purchasing the merchandise delivered to the islands for resale. In the case of seasonally unemployed natives and other persons, the supplies and services are furnished for cash and as provided in section 3617 of Revised Statutes (31 U.S.C., sec. 484) the moneys are covered into the Treasury as miscellaneous receipts and are not available for this continuing program activity.

Our proposal is designed to permit the Secretary to credit the amounts received for the furnishing of goods and services to the natives and other persons to the appropriation which is made for the execution of the fur seal program and the management of the Pribilof Islands. It is estimated that the amount of such repayments for fiscal year 1964 will be approximately \$60,000 and will increase in succeeding years to approximately \$100,000. The enactment of this proposal, however, will not create a need for an additional appropriation.

The Bureau of the Budget has advised that there is no objection to the presentation of this draft bill from the standpoint of the administration's program.

Sincerely yours,

FRANK P. BRIGGS,
Assistant Secretary of the Interior.

on weekends, holidays, and at night to receive regular custom service without extra charges.

I have always been at somewhat of a loss to determine why people traveling by automobile, ferry, train, or even on foot, receive regular custom service without extra custom charges, but people who travel by private aircraft, commercial airline, steamship, or railroad must pay special charges on weekends and holidays, and after 5 p.m. For this reason, I am introducing this remedial legislation.

The Customs law under the Tariff Act of 1930, provides that no merchandise, baggage, or passengers arriving in the United States from any foreign port shall be unloaded on a Sunday, a holiday, or at night, except under a special license granted by the Collector of Customs. Before any such license to load or unload is granted, owners of private or commercial aircraft, vessels, and other vehicles must agree to pay the compensation of Customs officers assigned to duty on Sunday, a holiday, or at night. The Bureau of Customs estimates that payments to customs employees of the Government by the private flyers and the U.S. transport industry in 1962 amounted to \$6 to \$8 million. We think the extra charges are unjust and inequitable, and in many cases excessive.

The Bureau of Customs justifies these extra customs charges on the ground that people traveling by private aircraft, commercial airline, steamship, or railroad are not specifically exempt persons; that it has no discretionary authority in the application of the statute; that its job is to enforce expressed congressional intent. The legislative history behind the Tariff Act of 1930, however, shows no congressional intent to require extra customs charges of people traveling by private and commercial airline, steamship, or railroad. On the contrary, the legislative history is such that the possible exemption of such people was not even considered by Congress. These overtime laws were enacted in an era when the small aircraft's future as a common means of transportation was unknown. They were enacted in an area when the future significance of transportation and foreign commerce to our Nation's economy probably was not fully visualized. In fact, current customs overtime requirements are based on a statute which is over 50 years old. Today, when more and more people are flying and utilizing small aircraft as a common means of transportation; when approximately 80 percent of today's total aviation travel in the United States is conducted by private aircraft; and when more and more people are using commercial airlines, steamships, and railroads for transportation and foreign commerce, it seems to me the law should be amended to meet the need for full-time inspection services without special charges. This travel and commerce will undoubtedly increase as time goes by, and it seems to me that it is inequitable to require only one group to pay for the cost of necessary governmental services.

The existing tariff law was enacted in a day and age when travel by private

aircraft was not a common mode of transportation. In that day and age, Congress did not comprehend that the private flier would become as commonplace as the automobile driver.

The existing tariff law was also enacted in order to discourage foreign commerce transactions at other than so-called regular 8-to-5 business hours then established, and because inspection personnel work schedules could not be predicted in view of the unpredictable operating schedules of transport companies then in operation. Our trade policies, public service demands, and transportation systems and techniques have changed in the last 50 years.

Many public service functions of both private industry and our Government are now required 24 hours a day, 7 days a week. In light of what I have said, this is particularly true with regard to private aircraft travel and the transportation business. Although the 40-hour week is the general rule for employees of both private industry and Government, both have found it better and desirable to rotate and schedule employees on work shifts covering days, nights, weekends, and holidays. We have all seen such scheduling work, and our country prosper under it.

Presently, we find the Bureau of Customs closed down 60 days a year and at night in many cases unless private parties enter labor contracts with Government custom employees for what is considered a special service. This condition is allowed by laws which assume that private aviation travel and our international transportation system can likewise shut down and stop on Sundays, holidays, or at night. It is inferred from these laws that our Government has no public service obligations and duties with respect to private aviation travel or foreign commerce except during so-called regular business hours, Monday through Saturday. The truth of it is that the public services which the Bureau of Customs provides are necessary 24 hours a day, 7 days a week for the benefit of the people returning to the United States by private aircraft, commercial airline, steamship, or railroad. This inspection service is performed in the national interest, and not in the interest of one portion of the public. We are all affected by foreign travel and commerce. It seems fair that we should all bear such an inspection expense just as we do for returns to the United States by automobile, ferry, train, or by foot, on a Sunday, a holiday, or at night. It seems to me that remedial legislation has been long overdue.

I ask that the bill be appropriately referred, and be printed at this point in the Record, and also that the bill be held at the desk until the close of business on October 1, to enable other Senators who may wish to join in cosponsoring the bill to do so.

The VICE PRESIDENT. The bill will be received and appropriately referred; and, without objection, the bill will be printed in the Record and held at the desk, as requested by the Senator from Colorado.

The bill (S. 2173) to amend the Tariff Act of 1930 and the act of February 13,

AMENDMENT TO THE TARIFF ACT OF 1930 AND THE ACT OF 1911

Mr. DOMINICK. Mr. President, I introduce, for appropriate reference, a bill to amend the Tariff Act of 1930 and the act of 1911. This amendment would allow private aircraft flyers, and transport vehicles engaged in foreign commerce, such as airlines, steamships, and railroads, returning to the United States

1911, to eliminate those provisions which require payment to the United States for overtime services of customs officers and employees, introduced by Mr. DOMINICK, was received, read twice by its title, referred to the Committee on Finance and ordered to be printed in the RECORD, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) section 451 of the Tariff Act of 1930 (19 U.S.C. 451) is amended to read as follows:

"SEC. 451. SAME—EXCEPTIONS; EXTRA COMPENSATION FOR CERTAIN OVERTIME SERVICES.

"(a) The provisions of sections 450 and 452 of this Act shall not apply to the owner, operator, or agent of a highway vehicle, bridge, tunnel, or ferry, between the United States and Canada or between the United States and Mexico, nor to the lading or unlading of merchandise, baggage, or persons arriving in or departing from the United States by motor vehicle, trolley car, on foot, or by other means of highway travel upon, over, or through any highway, bridge, tunnel, or ferry. At ports of entry and customs stations where any merchandise, baggage, or persons shall arrive in or depart from the United States by motor vehicle, trolley car, on foot, or by other means of highway travel upon, over, or through any highway, bridge, tunnel, or ferry, between the United States and Canada or between the United States and Mexico, the collector, under such regulations as the Secretary of the Treasury may prescribe, shall assign customs officers and employees to duty at such times during the twenty-four hours of each day, including Sundays and holidays, as the Secretary of the Treasury in his discretion may determine to be necessary to facilitate the inspection and passage of such merchandise, baggage, or persons. Officers and employees assigned to such duty at night or on Sunday or a holiday shall be paid compensation in accordance with existing law as interpreted by the United States Supreme Court in the case of the *United States v. Howard C. Myers* (320 U.S. 561). As used in this section the term 'ferry' shall mean a passenger service operated with the use of vessels which arrive in the United States on regular schedules at intervals of at least once each hour during any period in which customs service is to be furnished as above provided.

"(b) Upon a request made by the owner, master, or person in charge of a vessel or vehicle, or by or on behalf of a common carrier or by or on behalf of the owner or consignee of any merchandise or baggage, for overtime services of customs officers or employees at night or on a Sunday or holiday, the collector shall assign sufficient customs officers or employees if available to perform any such services which may lawfully be performed by them during regular hours of business. Any customs officers or employees so assigned shall be entitled to rates of compensation fixed on the same basis and payable in the same manner and upon the same terms and conditions as in the case of customs officers and employees assigned to duty in connection with lading or unlading at night or on Sunday or a holiday.

"(c) Nothing in this section shall be construed to impair the existing authority of the Treasury Department to assign customs officers or employees to regular tours of duty at nights or on Sundays or holidays when such assignments are in the public interest."

(b) Section 5 of the Act entitled "An Act to provide for the lading or unlading of vessels at night, the preliminary entry of vessels, and for other purposes", approved February 13, 1911, as amended (19 U.S.C. 267, 261), is amended—

(1) by striking out the second sentence thereof, and

(2) by striking out "the said extra compensation to be paid by the master, owner, agent, or consignee of such vessels" in the third sentence thereof.

SEC. 2. The amendments made by this Act shall take effect at twelve o'clock noon of the first Monday following the 30th day after the date of the enactment of this Act.

PUBLIC ADDRESS SYSTEM FOR SENATE CHAMBER

Mr. JAVITS. Mr. President, I submit, for appropriate reference, on behalf of myself, the senior Senator from Delaware [Mr. WILLIAMS], the Senator from Florida [Mr. SMATHERS], the Senator from Minnesota [Mr. HUMPHREY], the Senator from Pennsylvania [Mr. CLARK], the Senator from West Virginia [Mr. RANDOLPH], and the junior Senator from Delaware [Mr. BOGGS], a resolution to provide for the installation of a public address system within the Senate Chamber. The resolution, a revival of a similar effort which I made in 1957, would locate a microphone at the desk of the Presiding Officer and of each Senator.

A debate which took place on Monday of last week, in which a Senator claimed to have been misquoted by the press because his remarks on the Senate floor were not heard, highlighted an issue of Senate procedure which has long been of interest to me: the fact that, unlike the House of Representatives, which for many years has had a public address system in its Chamber, the Senate has no such system. The result is that often interesting and vigorous debate on the Senate floor is completely missed by the many visitors in the Visitors' Gallery and even heard only partially, if at all, by members of the working press in the Press Gallery. In this age of electronics, it is anomalous that the Senate should labor under such a disadvantage.

Certainly there is room for a small microphone at each Senator's desk, and the controls could be easily applied. One place that readily comes to mind is the little used inkwell, which recalls the days when quill pens were still used on the Senate floor. The inkwells are ornamental but not useful now.

When I first came to the Senate in 1957, as a member of the Committee on Rules and Administration, I made an effort to bring about the institution of a suitable public address system in the Senate Chamber. The committee asked the Architect of the Capitol to study the feasibility of the plan. The staff of the committee made a survey of the then 96 Members of the Senate and found that a considerable number were interested in the change; also, a considerable number were opposed to any change, principally because of technical difficulties which I think, with the greatly improved state of the art of electronics, can now be entirely eliminated.

This would be a helpful small step forward to bring Senate procedures more into line with the space age. I hope the support with which the idea was greeted on the Senate floor a week ago will result in early action by the Committee on Rules and Administration.

The VICE PRESIDENT. The resolution will be received and appropriately referred.

The resolution (S. Res. 202) was referred to the Committee on Rules and Administration, as follows:

Resolved, That (a) to insure that debates of the Senate may be heard in all parts of the Senate chamber and in the galleries thereof, the Committee on Rules and Administration is authorized and directed to take such action as may be required for the installation and operation within the Senate chamber of a suitable electrical public address system, including a microphone placed at the desk of the presiding officer and at the desk of each Senator.

(b) To the extent authorized by law, the expenses incurred for the installation and operation of such public address system may be defrayed from the contingent fund of the Senate.

Mr. JAVITS subsequently said: Mr. President, I ask unanimous consent that the resolution I submitted earlier today to provide a suitable electronic public address system in the Senate Chamber may lie on the table until the close of business on Friday, September 27, for cosponsorship by other Senators.

I take the opportunity to call the attention of the Senate to the fact that the resolution has been submitted, and to say to Senators who are interested in this modernization of the Senate, so that we may be heard—which is a pretty simple modernization—that I was stimulated to submit it by the situation in which the Senator from Virginia [Mr. ROBERTSON] found himself, in which he was not heard. The resolution is cosponsored by Senators WILLIAMS of Delaware, SMATHERS, CLARK, HUMPHREY, RANDOLPH, and BOGGS, and I hope that other Senators will join in the sponsorship of the resolution. It does have extensive sponsorship, and therefore there is hope that it may receive early action. It is the kind of resolution which should have the interest and sponsorship of Senators who are interested.

The VICE PRESIDENT. Without objection, it is so ordered.

NOTICE OF MOTION TO SUSPEND THE RULE—AMENDMENT OF AGRICULTURAL APPROPRIATION BILL

Mr. JAVITS submitted the following notice in writing:

In accordance with rule XL of the Standing Rules of the Senate, I hereby give notice in writing that it is my intention to move to suspend paragraph 4 of rule XVI for the purpose of proposing to the bill (H.R. 6754) making appropriations for the Department of Agriculture and related agencies for the fiscal year ending June 30, 1964, and for other purposes, the following amendment; namely:

On page 33, line 2, delete the period and insert a semicolon and the following:

Provided further, That no part of the funds appropriated under this title for the Farmers Home Administration shall be used in any State in which the participants in, or beneficiaries of, the programs of the Farmers Home Administration are segregated, or otherwise discriminated against, on account of race, creed, or color."

Mr. JAVITS also submitted an amendment, intended to be proposed by him to House bill 6754, making appropriations

for the Department of Agriculture and related agencies for the fiscal year ending June 30, 1964, and for other purposes, which was ordered to lie on the table and to be printed.

(For text of amendment to, see the foregoing notice.)

DEPARTMENT OF AGRICULTURE AND RELATED AGENCIES APPROPRIATION BILL, 1964—AMENDMENT

Mr. RIBICOFF submitted an amendment, intended to be proposed by him, to the bill (H.R. 6754) making appropriations for the Department of Agriculture and related agencies for the fiscal year ending June 30, 1964, and for other purposes, which was ordered to lie on the table and to be printed.

PROTECTION OF RIGHTS OF PUBLIC TO INFORMATION — ADDITIONAL COSPONSORS OF BILL

Mr. SMATHERS. Mr. President, I ask unanimous consent that the name of the junior Senator from Utah [Mr. Moss] be added as a cosponsor of S. 1666, a bill to clarify and protect the rights of the public to information.

The VICE PRESIDENT. Without objection, it is so ordered.

NOTICE OF HEARING ON NOMINATION OF FRANK KOWALSKI TO BE A MEMBER OF THE SUBVERSIVE ACTIVITIES CONTROL BOARD

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 Thursday, October 3, 1963, at 10:30 a.m., in room 2228, New Senate Office Building, before the Subcommittee To Investigate the Administration of the Internal Security Act and other internal security laws, on the nomination of Frank Kowalski, of Connecticut, to be a member of the Subversive Activities Control Board, for term expiring August 9, 1966.

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

REA INTEREST RATES

Mr. LAUSCHE. Mr. President, there is pending now on the Senate Calendar H.R. 6754, the Department of Agriculture and related agencies appropriation bill for 1964, which I assume will be called up for consideration in the very near future. I note that this bill contains a loan authorization for the Rural Electrification Administration in the sum of \$495 million. This exceeds the 1963 appropriation by \$15 million. Frankly, in view of the fact that more than 98 percent of the rural homes in this country already have electric service, I cannot see the need for this large sum. I would like to see it substantially reduced and believe that this is one place in which the President could reduce his budget. In the hearings held in the House committee on this bill and when

it was considered by the Senate committee, there were brought to light numerous occasions where the Rural Electrification Administration made loans in substantial sums for purposes of questionable nature and legality. It is my opinion that if the REA would confine its activities to the program intended by the Congress, this authorization of \$495 million could be substantially reduced.

Hidden behind this \$495 million authorization is a very substantial windfall to the REA in that the Federal Government will be paying approximately 4 percent on its long-term borrowings and at the same time will be loaning this \$495 million at a rate of 2 percent, which amounts to an approximate \$10 million subsidy to the REA for this particular appropriation alone. The interest paid and to be paid by the Government on money borrowed during the same fiscal year that the money was advanced to REA borrowers, computed on the basis of the same number of years as the advances with interest at the average annual rate paid by the Government on marketable securities having a maturity of 10 years or more, exceeds the interest received and to be received by the Government from the REA borrowers during the period of their loans by \$863,613,000. Adding to this amount the administrative cost of making and supervising the electrification loans approved from the creation of the REA in 1935 through June 30, 1962, which amounted to \$112,957,000, gives a total loan subsidy of \$976,570,000 on advances made through June 30, 1962. This loan subsidy is presently increasing at a rate of approximately \$100 million a year, and has now passed the billion-dollar mark.

Recently in an address supporting the pending tax cut bill, which is anticipated to increase our current \$7.4 billion deficit by an additional \$2.2 billion for fiscal 1964, the President pledged a tighter rein on Federal expenditures reducing the deficit estimate for the current year and promising to keep next year's deficit to a handful of billions instead of bucketfuls. I commend the President for this attitude and wish him complete success. I will support him on reduction and curtailment of unnecessary expenditures; I point out that here is an opportunity in this bill to substantially reduce Federal expenditures in a method that should have been taken long ago.

A moment ago, I stated that the loan subsidy for the REA since 1936 has passed the billion-dollar mark. I ask unanimous consent that there be inserted in the RECORD at this point a table showing the interest subsidy accruing to REA borrowers during the period of their loans.

On Monday, September 16, and Wednesday, September 18, I filed with the Senate two different motions to suspend the rules in order that I might introduce and call up amendments to H.R. 6754 dealing with interest rates for REA loans. It is my intention to request consideration of at least one of these two motions and amendments when the bill is called up for consideration.

It has been said by some and questioned by many more that an increase in

the interest rate charged the REA on its borrowings from the Treasury would place the REA program in great jeopardy. I want to point out that this fear is greatly exaggerated. The increased interest payable due to increasing the rate on new loans to REA borrowers from the subsidy level of 2 percent per year to a rate equal to the cost for the money to the Government could be absorbed by most of the REA borrowers without financial hardship. The effect of the increase on individual borrowers would vary as does the effect of increases in any of the borrowers' other expenses, such as labor and materials.

The 1961 Annual Statistical Report of Rural Electrification Borrowers, REA Bulletin 1-1, the latest issue available, contains a table of composite revenues and expenses reported by REA borrowers for the calendar year 1961. This table shows that 962 borrowers paid \$52,578,598 in interest on their long-term debt. It also shows their operating revenues as \$707,477,112 and net margins as \$93,684,695 for the calendar year 1961.

From these official data, it can be computed that only 7.43 percent of the operating revenues of the REA borrowers was used to pay interest on long-term debt, and that after interest payments and all other expenses the REA borrowers had net margins, "profits," equal to 13.24 percent of their operating revenues, which is more than 1¾ times their interest payments.

It is worth noting that if the borrowers could expand their services and improve their financial positions from 1941 through 1943 when they were paying from 21.52 to 16.61 percent of the operating revenues as interest, they certainly should be able to continue to give good service and expand, and, at the same time, pay the Government an interest rate comparable to what the Government pays for its borrowings.

Even if my equalization interest rate amendment is adopted, rural electric cooperatives would still enjoy a tremendous tax subsidy. According to information from the 1961 Annual Statistical Report of Rural Electrification Borrowers, U.S. Department of Agriculture, and the 1960 Statistics of Electric Utilities in the United States—Privately Owned—issued by the Federal Power Commission, the rural electric cooperatives' tax per dollar of revenue amounted to 3.2 cents, while the tax per dollar of revenue paid by privately owned class A and B electric utilities was 22.8 cents, resulting in a tax subsidy differential in favor of the REA of 19.6 cents per dollar of revenue.

Mr. President, in conclusion, I reiterate that I think that the REA has been a great benefit to our Nation and its economy. I would like to see it continue, but since its principal mission has been fulfilled, it should now carry its own weight. It can do so and it should do so.

I have filed two notices indicating that I contemplate offering amendments to the Department of Agriculture appropriation bill. One amendment would raise the interest rate charged by the Rural Electrification Administration from 2 to 3 percent. The other amendment, if adopted, would raise the interest

rate from 2 percent to a sum equal to the average rate paid by the Federal Government for borrowing money.

The argument is being made that as a prerequisite to cutting taxes, expenses should be reduced. In my opinion, this is one field in which that can be done.

I repeat my statement: I have filed two notices with the Senate, indicating that I contemplate offering amendments to change the substantive law through an appropriation bill. One amendment, if adopted, would raise the interest rate charged by the Federal Government to Rural Electrification cooperatives from 2 percent to a level equal to the average rate paid by the Federal Government for borrowing money. If I am unsuccessful in having that amendment adopted, I shall then press for a second amendment, which would raise the interest rate from 2 to 3 percent. This is one field in which we can effect a saving and thus justify a tax reduction.

Mr. President, I ask unanimous consent to have printed at this point in the RECORD tables revealing operating revenues and interest on long-term debt as reported by REA borrowers for the calendar year 1941 through 1961, inclusive.

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

TABLE A.—Interest subsidy accruing to REA borrowers during the period of their loans

Fiscal year	Advances to REA borrowers	Interest rate charged by REA	Interest rate paid by Government	Interest subsidy
	Thousands	Percent	Percent	Thousands
1936	823	3.00	2.77	\$6
1937	11,042	2.77	2.88	443
1938	48,176	2.88	2.73	1,100
1939	62,297	2.73	2.69	2,105
1940	98,949	2.69	2.46	2,668
1941	76,108	2.46	2.48	3,248
1942	58,221	2.48	2.57	2,827
1943	14,537	2.57	2.67	742
1944	18,478	2.67	2.25	871
1945	39,736	2.00	2.25	2,205
1946	87,253	2.00	2.375	7,312
1947	190,086	2.00	2.375	15,929
1948	246,236	2.00	2.375	20,635
1949	321,287	2.00	2.375	26,923
1950	286,659	2.00	2.375	24,021
1951	268,131	2.00	2.375	22,469
1952	227,574	2.00	2.375	19,070
1953	207,634	2.00	3.25	0,075
1954	181,529	2.00	3.25	52,522
1955	156,742	2.00	3.00	35,862
1956	154,740	2.00	3.00	35,404
1957	185,978	2.00	3.00	42,551
1958	205,332	2.00	3.50	71,838
1959	211,717	2.00	4.00	100,593
1960	222,621	2.00	4.25	120,161
1961	183,413	2.00	4.25	98,999
1962	195,807	2.00	4.00	93,034
Total	3,960,104			863,613

SOURCES AND NOTES

Advances to REA borrowers: Rural Electrification Administration.

Interest rate charged by REA—rate charged borrowers on loans, as provided for in Rural Electrification Act: Fiscal year 1936-44, computed by Rural Electrification Administration. Fiscal year 1945-62, 2-percent rate specifically provided for in Rural Electrification Act, as amended.

Interest rate paid by Government—average rate paid on marketable securities having a maturity of 10 years or more; does not include bonds issued for advance refundings: Fiscal year 1936-44, Treasury Department. Fiscal year 1945-57, Treasury Department, rounded to nearest 1/2 of 1 percent. Fiscal year 1958-60 and 1962, computed from Treasury Department data and rounded to nearest 1/2 of 1 percent. Fiscal year 1961, no bonds having a maturity of 10 years or more were issued during fiscal year 1961 for cash or in refunding maturing securities; accordingly, the average interest rate paid during the preceding fiscal year (1960) was used.

Detail may not add to total due to rounding.

TABLE B.—Operating revenues and interest on long-term debt as reported by REA borrowers

Calendar year	Operating revenue	Interest on long-term debt ¹	Percent of operating revenue required to pay interest
1941	\$35,022,071	\$7,535,165	21.52
1942	46,927,322	8,784,262	18.72
1943	55,587,614	9,232,811	16.61
1944	64,042,674	8,780,278	13.66
1945	73,102,430	7,507,266	10.27
1946	89,089,822	8,675,204	9.74
1947	114,787,798	11,053,861	9.63
1948	151,434,599	14,803,674	9.78
1949	196,717,304	20,132,708	10.23
1950	241,942,540	25,110,181	10.82
1951	285,113,614	30,828,444	10.81
1952	321,407,348	35,194,683	10.95
1953	362,977,101	38,060,539	10.49
1954	408,144,564	40,397,061	9.90
1955	449,625,847	42,339,282	9.42
1956	491,184,729	43,561,023	8.87
1957	523,783,014	45,283,356	8.65
1958	563,204,367	46,814,538	8.31
1959	617,730,445	48,702,279	7.88
1960	663,788,978	50,938,764	7.67
1961	707,477,112	52,578,598	7.43

¹ For the years 1941-51 this item was reported as "Interest expense".

Source: Annual statistical reports "Rural Electrification Borrowers" published by Rural Electrification Administration.

RESOLUTION ON DEATH OF SENATOR KEFAUVER

Mr. DODD. Mr. President, all Senators in the Senate were deeply saddened by the sudden death of our esteemed colleague, Senator Estes Kefauver.

I understand that a date will soon be set aside by the majority and minority leaders on which we may pay tribute in the Senate to the memory of Senator Kefauver and I, therefore, shall not speak at length today.

A very moving tribute to Senator Kefauver was adopted earlier this month by the Fifth Constitutional Convention of the Connecticut Labor Council, AFL-CIO, and I believe one part of this resolution sums up very well the impact his life and his death has had on so many of us:

All of America and all of the organized labor movement of this country is both the richer because of his lifetime service to the United States and the poorer because of his sad and untimely death.

On behalf of my distinguished colleague from Connecticut, Senator RIBICOFF, and myself, I ask unanimous consent to have this resolution printed at this point in the RECORD.

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

RESOLUTION ON ESTES KEFAUVER

Whereas death has taken from our midst Senator Estes Kefauver, of Tennessee, a man who served his country with unusual dedication, tremendous devotion, and unequalled patriotism; and

Whereas Estes Kefauver was a true humanitarian, a firm disciple of democracy, a defender of consumer interests, and a warm and abiding friend of labor; and

Whereas all of America and all of the organized labor movement of this country is both the richer because of his lifetime service to the United States and the poorer because of his sad and untimely death: Now, therefore, be it

Resolved, That this Convention of the Connecticut State Labor Council express its great admiration for the contribution which Estes Kefauver made to the commonwealth of the American people, and to the level of performance of the U.S. Senate, and its sorrow at the foreshortening of his illustrious career; and that copies of this resolution be sent to the family of Senator Kefauver, and to our two Senators from Connecticut for transmittal to the U.S. Senate.

GEN. FRANCIS S. GREENLIEF, DEPUTY CHIEF, NATIONAL GUARD BUREAU

Mr. HRUSKA. Mr. President, the recent appointment of Brig. Gen. Francis S. Greenleaf, of Hastings, Nebr., as deputy chief of the National Guard Bureau is a well-merited recognition of this fine officer's service to the National Guard.

He follows another Nebraskan, Maj. Gen. Butler B. Miltonberger into the top ranks of the Guard. General Miltonberger, who is now retired and living in North Platte, Nebr., was the first chief of the National Guard Bureau after World War II.

Interestingly, General Greenleaf who began his military career as a private 23 years ago, served under General Miltonberger's command in that war and won a Silver Star for gallantry at St. Leo France.

Mr. President, I ask unanimous consent to have printed in the RECORD some biographical notes on General Greenleaf's career.

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

General Greenleaf began his military career in Company G, 134th Infantry as a private in July, 1940, and entered active Federal Service with that company on December 23, 1940. He completed the Infantry Officer Candidate School at Fort Benning, Ga., and was appointed a second lieutenant on August 25, 1942. His first assignment as an officer was with the 2d Student Training Regiment at Fort Benning, Ga., and he was promoted to first lieutenant on July 18, 1943, while in that assignment. In February 1944, he was assigned as a platoon leader in Company L of the 134th Infantry at Camp Butler, N.C., and left with that unit for the European Theater of Operations in May 1944. On July 30, 1944, he became commanding officer of Company L and was promoted to captain on August 21, 1944. His combat service was with that unit and he participated in the Normandy, Northern France, Rhineland, and Ardennes campaigns. In July 1945, he was assigned as commanding officer, Company D, 422d Infantry. In August, 1945, he arrived back in the United States and was released from active duty at Fort Benning, Ga., on January 5, 1946.

Following World War II, General Greenleaf was in business in Hastings, Nebr., for 2 years. He remained a Reserve officer unassigned, until November 3, 1947, when he rejoined the 134th Infantry Regiment, Nebraska Army National Guard. From February 1948 to February 1949 he was S-3 of the regiment. During this time from June 1948 he served as assistant adjutant general of Nebraska until appointed staff assistant for the 34th Infantry Division in 1949. On February 12, 1949, he was promoted to major and was assistant chief of staff and assistant G-4 of the 34th Infantry Division, promoted to lieutenant colonel on September 21, 1953, and to colonel on July 1, 1957. He successively filled the positions of G-4 and chief of staff

of the 34th Infantry Division until he returned to active duty in the National Guard Bureau.

In addition to the Silver Star, General Greenleaf was awarded the Bronze Star, the Purple Heart with three oak leaf clusters, the Combat Infantry Badge, the Croix de Guerre Avec Etoile de Vermeil, and the European-African-Middle Eastern Campaign Medal with four bronze stars.

While a student at the University of Nebraska, he was a guard on Nebraska's 1940 Rosebowl football team.

General Greenleaf, who is a graduate of the Army's Command and General Staff College at Fort Leavenworth, Kans., has dedicated all his adult life to the professional career of a soldier, both in active Federal service and a full-time guard status.

General Greenleaf was born in Hastings, Nebr., on July 27, 1921, the son of a World War I guardsman, now deceased. He married Miss Mavis Burt in 1941. They now have six children and reside at 5101 North 10th Street, Arlington, Va. His mother, Mrs. Florence Prewett, lives in Hastings, Nebr.

PRESIDENT KENNEDY OWES NATION CANDOR IN FEDERAL EMPLOYMENT FIGURES

Mr. HRUSKA. Mr. President, if the President of the United States has one overriding obligation it is to be candid with the American people.

President Kennedy has been considerably less than candid in his repeated assertion that Federal civilian employment has been growing at a rate slower than the national population.

He made this statement at a press conference last April 24. At the time I pointed out that since he took office the population growth had been 3.36 percent while civilian employees in the executive branch had increased by 5.65 percent.

Now, Mr. President, in last week's radio and television plea for support of the tax bill, Mr. Kennedy again said:

Those who are opposed to this bill talk about skyrocketing Federal employment when, in fact, we have steadily reduced the number of Federal employees serving every 1,000 people in the country. In fact, there are fewer Federal civilian employees today than there were 10 years ago.

The President is correct in the last statement, but he improperly takes credit for the fact that in each of the Eisenhower years, there was a reduction in the number of Federal civilian employees. In all, the Eisenhower administration reduced the number by 201,000.

Mr. Kennedy, in 2½ years, has come close to wiping out that reduction; he has added, as of July 31, the last date for which figures are available, 166,383 new jobs.

But it will not be long before the Kennedy administration will have surpassed the record set by President Truman. In his appropriations request for this fiscal year, the President is asking for a total of 2,582,320 Federal civilian employees in the executive branch. This represents 28,000 more jobs than were filled when Mr. Truman left office, and 230,000 more than when General Eisenhower left office.

President Kennedy argues that a growing population requires and justifies a growing Federal payroll. In the Eisen-

hower years, this country had a population increase of more than 20 million, but nonetheless, the Republican administration was able not only to hold the line, but actually to reduce the total civilian employment by more than 200,000 jobs.

Instead of talking about what has happened in the past 10 years, President Kennedy should confine himself to what has happened in his administration. The facts are not hard to determine. Each month the Joint Committee on the Reduction of Nonessential Federal Expenditures publishes a complete report, based on information supplied by Mr. Kennedy's own departments and agencies.

Taken with Census Bureau estimates, these figures show that the population growth since Mr. Kennedy came to office has been 3.9 percent while civilian employees in the executive branch have increased by more than 7 percent.

As to the President's comparison of the number of employees per 1,000 population, the actual facts are these: When he came to office, there were 1.29 employees per 1,000. Now, the figure is 1.33 per 1,000.

These figures are available to the President. In addressing the Nation, he should not blur the facts. Mr. Kennedy talks about the past 10 years instead of the period for which he is responsible. The American people have a right to expect more of him.

ADDRESS BY SENATOR MOSS BEFORE UTAH RETIRED TEACHERS ASSOCIATION

Mr. METCALF. Mr. President, my colleague the distinguished junior Senator from Utah [Mr. Moss] since coming to the Senate has consistently supported programs recognizing the need for improvements in education. Last Tuesday in Salt Lake City he addressed the Utah Retired Teachers Association with remarks I believe should be called to the attention of all and I therefore ask unanimous consent that his speech be printed in the RECORD.

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

SPEECH OF SENATOR FRANK E. MOSS, OF UTAH, ANNUAL MEETING OF UTAH RETIRED TEACHERS ASSOCIATION, SALT LAKE CITY, UTAH, SEPTEMBER 17, 1963

It is with great personal pride and satisfaction that I speak to you here today—as the son of Jimmy Moss, who dedicated his life to the highest ideals of your teaching profession—and I thank you for inviting me to participate in your annual meeting.

I have only the highest praise for the retired teachers who have contributed so much to the building of fine citizens, in a role second only to that of the parent, and at so little pay.

I know most of you must struggle now to make both ends meet. I hardly think this is the way a great nation should treat its retired teachers. Among the problems facing you and all other retired citizens is the high cost of medical care which skyrockets year by year.

We must provide a program of health insurance under social security—a pay-as-you-go plan—so that our retired citizens will not be haunted by the specter of medical and hospital expenses that could exhaust

their income and rob them of the dignity of self-support.

In the Senate last week we passed the Health Professions Education Assistance Act of 1963. Opponents of the health insurance legislation did not fight this bill. I feel it is inconsistent for an organization to say "We take Federal money to aid us in building our medical schools but oppose hospital care for the aged," which is one of the largest costs in retirement.

Social security is just like the hospitalization which we propose—it is financed through a national pool. At the time social security was provided by act of Congress, its opponents said grass would grow on Broadway. I was on Broadway a short time ago and if Broadway needs anything today it is a blade of grass.

From the Broadway of today let me flick back the pages of history and remind you it is most appropriate that you meet here on this 17th day of September, when we mark the 176th anniversary of the signing of the Constitution of the United States.

The delegates to the Constitutional Convention, in a period from May to September 1787, forged a system of government which has been—and is—the beacon light of freedom to the people of the world.

Here in Utah most of us are proudly Mormon, but that Constitution gave us full religious freedom here as well as throughout the Nation. We live by and we respect the Constitution of these United States because it offers us the shield of freedom.

Without that Constitution, without the Government that has developed because of it, without the great tradition of English common law, we would again be subject to oppression. We fight oppression because it is morally wrong. We fight it lest we, too, become oppressed by an unseeing majority.

To paraphrase Sir Walter Scott: "This is my own, my native State." Its outlook on freedom, the individual, and upon life and labor is my heritage and has molded my life and dreams. I am proud and honored to represent the State of Utah in the U.S. Senate.

In a deep, historic sense, I am in the Senate because the people of Utah are indissolubly joined with all the people of this Nation. And while I represent Utah, I am called upon to deal with problems that affect the whole Nation because it is the Senate of the United States. In the world of today, there is no problem—no matter how seemingly remote—that does not affect Utah.

Like most of this Nation, Utah was settled by refugees. Like earlier settlers in the East, ours were religious refugees. There was one difference between us and the earlier religious refugees. Our pioneers fled intolerance within this Nation. Most of us know the meaning of persecution because we are descended from men and women who braved the wilds to live and work together according to deeply held beliefs.

Who among us has not said proudly to himself, "I am an American"? Who among us would voluntarily relinquish his U.S. citizenship? This, indeed, is valued almost above all else. In this, we are typical Americans—we are either refugees from hunger or oppression, or descendants of these refugees—and we are the envy of the world. I know this because I have gone abroad on Senate study missions to Africa, South America, and southern Asia to look into problems affecting the people of this Nation—of the State of Utah.

Originally Salt Lake City was an isolated local community. It was a community in which all shared the work and in which none was permitted to go hungry. Today the community is national. What is sown in Utah affects Massachusetts and the reverse is equally true. As never before, this is "one nation indivisible."

A few days ago, I had a visit from an easterner who arrived in my office rested and

tanned from a 2-week holiday spent at America's second national seashore—on Cape Cod in far-off New England. This is in an area also viewed as typical of America; on the Cape there still exist the lovely old New England communities settled as far back as the early part of the 17th century.

Cape Cod is beautiful beyond description in a way far different from the grandeur of our West. It has a sweep of a different order, but like the West it offers to the soul escape and freedom. The great beach on the lower cape still stretches unsullied for miles along the roaring Atlantic and along Cape Cod Bay. It was here that the great American philosopher Thoreau came 125 years ago to seek renewal. He then declared that from the great beach a man could look out into the infinity of the ocean and put all of America behind him.

Things are much changed from the days of Thoreau but the need of man to escape into the vastness of nature remains. On Cape Cod, we have had an example of the evil which man can do to nature. In that part of the cape near the summer white house at Hyannis Port, the commercial jumble has become almost a jungle of neon-lighted motels, amusements, restaurants and the like—with the beaches all but closed off to the thousands who come to seek the sun.

With commercial blight threatening the outer beach, it was necessary to act by law if this priceless national resource was to be saved for the whole Nation. As a member of the Senate Interior Committee, I became involved. I am happy to report to you in Utah that the great dream of a national seashore in Massachusetts is becoming a reality in the hands of the National Park Service.

We held hearings on Cape Cod a few years back before a bill was passed. Opinion was divided about the big Federal Government moving in to establish a park. But the massive Federal Government was a responsible Government which managed to reconcile property rights with national interest.

But what is this to us here in Utah? In the first place, America grows ever smaller. Some of you, I hope, will visit Cape Cod National Seashore. But even if you do not, your children may well see this great national possession which now will remain intact for posterity. After all, this has become an America on wheels, and one where the supersonic plane of tomorrow promises a journey of an hour from Salt Lake to Boston.

But much more is involved. Here in Utah, we also have great resources for tomorrow's seeker of space and freedom and for those who will come to see our grandeur. There is sound economic reason to set aside a portion of this grandeur as a national park which, like a magnet, will draw tourists from all over to this State.

Utah will need the support of other States to make this dream come true. I am pleased to be able to report to you that the seed sown in Massachusetts will yet flower in Utah. This year again, the Senate has approved my canyonlands national park bill, and I am hopeful that we will get a bill in the House before we adjourn the present session. We are, indeed, "one Nation, indivisible."

One of our great songs is "America, the Beautiful." Here, the poet sings of our spacious skies, our purple mountains, our alabaster cities, and our fruited plains. But there is a greater message within this beautiful ballad. I quote that message because I think it most fitting for this annual meeting:

"And crown thy good with brotherhood
From sea to shining sea."

Brotherhood—this is the core of our American dream and our spiritual beliefs. Our greatest resource is our people. Without brotherhood and respect for each other, our harvests will turn bitter and sere. Without brotherhood, democratic nationhood cannot

long endure. Without a strong and democratic America, our whole world will vanish, even unto Utah.

Without brotherhood, there would be no Utah. The early pioneers who came here worked together for the common good. It was cooperative labor that built the first irrigation systems. Out of need, there grew common bonds. Out of these bonds, there grew out local communities and our State.

Utah has a great potential. As with so much of our West, the key is water. With adequate water, the independent and hard working people of this area can create here a new Zion—a land of bounteous agriculture and of industries based upon the products of the land. With water, recreation facilities can be built and tourism can be stimulated.

Completion of Strawberry and Deer Creek and Wanship and Echo Reservoirs, to name a few, has given us a foretaste of what can be accomplished. But more water is needed to bring our State to full flower. That water is on its way, thanks to a practical but far-sighted National Government dedicated to the belief that men are brothers who must work together for the common weal.

Those who fulminate against the Federal Government have forgotten the true meaning of nationhood. That meaning was expressed by Abraham Lincoln, the great and tragic father of the Republican Party. Government, Lincoln said, has the obligation to do for people what they cannot do for themselves.

Who among us has the resources to bring the waters of the upper Colorado to the rescue of our arid lands? What group among us in this Beehive State has the essential resources? What single State can take on the project which involves a river system that refuses to respect State lines?

Obviously, development involves the powers and the resources of us all—the power and resources of Federal Government. Here is need for an investment by all of the people to bring benefits to this area. Should the people of New York complain? Should the New Jersey taxpayer deny the concept of the Nation-State? Or is it true that what benefits Utah will add to the store of the Nation's wealth and well-being?

Through the democratic process—sometimes painfully slow and sometimes found wanting—the representatives of the people of the whole Nation have authorized the upper Colorado River project, of which the central Utah project is part.

The central Utah project will bring great improvement to this area without radical upheaval. The project, now in the planning stage, will capture and utilize fully Utah's share of Colorado River waters. The Bonneville unit alone, the first of four, will provide waters to irrigate several hundred thousand acres of now arid land. It will create beautiful recreation areas, add to our electric power potential, provide greater fire protection, improve our timber stands, add to our grazing lands, and increase our share of wildlife. With water, there will come more roads and improved access to our national forests.

The future now is brighter for Utah, and because of our gain, the Nation's horizon has been lifted. We can look forward to more and greener fields, better homes and communities and greater opportunity for ourselves and our children. We have joined the world at large in the great and ongoing revolution of rising expectations.

There are some among us who nonetheless decry the rise of our modern democratic Nation. To hear these Jeremiahs, such works as the central Utah project are turning free Americans into wards of an all-powerful and omnipotent state. To listen to those who weep at yesterday's walling wall, we have all sold out for a mess of pottage.

I point the finger of scorn at small minds who so lack faith in our Government by the people. I call their rantings and their ravings a calumny upon the American people

and on the independent citizens of this State. I brand these bitter men false prophets and doomsayers.

More water for Utah means greater individual opportunity. It means a chance for higher living standards. It requires none among us to sell his soul for the opportunities gained.

Modern democratic government has the obligation to establish a setting in which the individual citizen may reach out to the stars. This is what Abraham Lincoln meant. He asked only that government shall act to help people help themselves. This is the essence of modern democracy. The political party that denies this philosophy is doomed to sterility.

In one thing all Americans are typical. We believe that there must be ever greater opportunity for ever greater numbers of our people. We believe that action by government to establish the greatest good for the greatest number is consistent with freedom. Any government which fails to act accordingly will, in the longer run, fall its citizens and must ultimately fall freedom itself.

There is a price for freedom and in this modern day of H-bombs and massive defense, that price is not insignificant. The price is our taxes. In the ultimate, it is taxes about which the complainers grumble most—not any real loss of freedom. I say that if existing taxes are the price of maintaining this free Nation, the value received is well worth the tax.

Federal taxes, indeed, may be too high for the best interests of the economy, but they take no more proportionately from our pocketbooks than they did a decade ago. Perhaps we complain because we are a free people. Gripping, after all, is a great and wonderful American custom.

Taxes were shaped by a war economy and because of the cold war they have remained high. I am among those Senators who seek a tax cut that will benefit chiefly the average citizen. I believe that such a tax cut will generate more business, more income than before, and ultimately more tax revenue. I am for this kind of tax cut because I feel that it will be good for America.

But we would be fools to believe that in this modern world we can abolish taxes and go back to the "good old days." Now, I am not one who sneers at the old days and old ways. They had honest values valid for their times. But the old days were not always so good. And sometimes in times past, our citizens failed the Nation when we placed the interests of the few over benefits for the many.

Let's go back only 50 years to a day when child labor was still the rule, when men still worked 60 hours or more every week and when the great Triangle Shirtwaist fire shocked the Nation. A few here may remember that fire which symbolized all that was evil in the sweatshop. Sewing machine girls were locked in a plant, and forced to work. When fire broke out, many were burned to death. This was part of the "good old days."

Fifty years ago—not long in a nation's history—the poet sang in bitter complaint:

"The golf course lies so near the mill
That almost every day,
The working children may look out
And see the men at play."

Few of us want to go back to that. In the past 50 years, we have wiped out child labor. Today, we still have problems of school dropouts and of youth unemployment. But thank the good Lord, we no longer have 8-year-olds working as breaker boys in coal mines. Few workers or intelligent employers want to go back to such a yesteryear.

Let's travel back to a closer yesterday, only three decades ago. You need be only as old as I to remember. The song was "Brother Can You Spare a Dime" and on the street corners

of our cities the apple vendors stood helpless beneath the summer sun or in the freezing cold of winter.

In the good old days, the role of Government was passive. Yes; we subsidized the railroads from the national purse. But rarely did Government intervene to help the people—not even in the panic of 1907.

Things have changed and, on the whole, for the better. We now have a national commitment to full employment. We regard Government as a positive force through which we take enlightened action against adversity.

Enlightened government that acts to provide opportunity for people to be free and independent is the real issue of our day.

We are faced abroad by the Communists of both Soviet Russia and Red China. The latter are still relatively powerless and their bellicose talk can be discounted. But the Soviet has become a major world power intent upon beating us in a peace race, or otherwise.

I am startled when I hear a call for the dismantling of our Federal Government. I cannot understand the small men of little faith who would reduce this Nation to an impotent confederation. I am even more startled when I hear these same men call for meeting the Communist challenge by destroying our time-tested institutions. I wonder sometimes whether they, like Alice, haven't gone through the looking glass into a world of never-never.

The call of these men of small faith for yesteryear's solutions to today's massive problems is like the yearning we, who have grown up, sometimes have for our lost youth. Yet we know that you cannot grow backward and most of us accept our maturity. Those who fail to accept manhood become pathetic creatures more worthy of our pity than our censure. I truly pity those Americans unable to accept the reality of today's world. I understand their search for a yesterday that existed mostly in lost dreams. But I deny the validity of their preaching of hatred that views even Dwight D. Eisenhower as "soft" on communism.

Anarchy is the alternative to responsible and strong democratic government of, by, and for the people, offered to America by the radical right. Worse, it is a denial of brotherhood. It holds that we are not our brothers' keepers. It separates Americans, one from another. It will lead only to class hatreds and misery if its proponents are successful.

For myself, I have faith in this great modern America that we have created. I do not believe that the American people will be seduced by the smallminded who would turn backward. I believe firmly that as a united people bound together by the democratic process we can move forward to an even better and freer America.

I believe that in this better America, the local community and State government will plan key roles. I believe that the tie that must bind us all, however, is the Federal Government. I believe that it is the role of all government to increase opportunity so that free men need not cower in fear. I hope, and I firmly believe, that the people of this Nation will be true to themselves and will not permit the ties that bind these United States of America to be cut asunder.

As a member of the special Senate Committee on Aging, and as chairman of the Subcommittee on Housing for the Elderly, I take special pride in your Wasatch Manor undertaking to provide housing for retired teachers and other senior citizens.

Last year the Subcommittee on Housing for the Elderly examined the adequacy of the supply of decent housing suitable for older persons, held hearings and reported that of the 17 million Americans over 65 years of age (and they expect this figure to be 24.5 million by 1980) several million have unsolved

critical housing problems, that the incomes of the elderly are low, and that the elderly have limited liquid assets.

Your association is to be commended for recognizing this critical need and for mobilizing community resources to meet the problem. Today I had hoped to be able to report to you final approval of your amended application by the community facilities administration. As most of you no doubt know, your original application could not be approved.

After conferences which I had with officials in Washington, suggestions were made as to how the plans might be altered to make the project feasible. The revised plans are now in the regional office undergoing engineering and technical review. If the revised plans meet the former objections, I am certain the project will be approved quickly when it reaches Washington again.

In the meantime, I am delighted to report to you that those familiar with your application have mentioned frequently to me that they are pleased with the type of organization and the people behind this project. They are impressed with your sincerity and want to be helpful.

The president of your Salt Lake group recently made inquiry of me regarding the possibility of establishing and maintaining a counseling center—possibly at the University of Utah—where senior citizens might go for financial and legal advice. I was indeed happy to report to him that bills have been introduced in both the House and Senate which would do precisely that—provide grants establishing counseling centers for the aged—and House hearings are being held this very week in Washington for 3 days on this legislation.

I am honored to be before a gathering of people like you who have devoted your lives to making better citizens, and I consider it disgraceful that teachers are so little appreciated in this country that they have to fight so hard for adequate pay.

We have special problems in Utah—yes. But these problems do not stop at the borders of Utah. It is a problem in Wyoming; it is a problem in North Carolina; it is a problem in Maine. This problem sooner or later must be looked upon as a national problem.

I am proud to tell you that I have consistently supported Federal aid to education. I assure you there is no Federal attempt to take control of local school boards. But I believe our teachers must have a voice in that control. Somehow we must equate local control and cost sharing. I understand you do not want to control the schools—you only want better schools. In this respect I think Utah teachers are exercising initiative in the good old American way.

I intend to continue to fight for better teachers, better schools, and better pensions for retired teachers. You should have not only better pensions for those who retire in the future, but there should be some means of adjusting present pensions so that as living costs increase your pensions will not buy less.

Despite the claims of those who are trying to frighten us with the threat of inflation, prices have remained stable for the last several years. The fact is that since 1957 overall prices have risen only 7 percent—and much of that 7 percent reflects the increasing cost of medical and hospital care.

Those in retirement are rightly concerned with inflation as it hits them hard. If I see any indication of inflation becoming a threat, I shall call for an investigation into service charges.

And so, in conclusion, let me emphasize again that we live in a day of rising expectation. The future is bright for the State of Utah, and for the Nation as a whole. A great Federal water project will soon bring more water for thirsty acres here in the

heartland of Utah. This means new farms and new farm income. We have the prospect of new recreation areas around the lakes to be formed back of the dams, and the prospect of a spectacular new national park in southeastern Utah—canyonlands—which will bring many visitors and more tourist dollars into the State. You who are retired will have the leisure to enjoy these features. Because of these gains in Utah, the whole Nation will benefit.

I am confident that in the years ahead the people of America will continue to act through enlightened government to provide greater opportunity for greater numbers of people—that we will continue to work together in brotherhood, and in nationhood, for the common good of us all.

WHITE HOUSE CONFERENCE ON MENTAL RETARDATION

Mr. RIBICOFF. Mr. President, the White House Conference on Mental Retardation held last week at Airlie House, in Warrenton, Va., brought together some of the Nation's leading experts in this field. Over 225 delegates designated by Governors of all 50 States, attended the 2-day conference, the main objectives of which were to explain Federal mental retardation programs, to stimulate statewide planning for mental retardation programs, and to encourage interagency cooperation.

I ask unanimous consent to include in the RECORD at this point a release from the office of the Special Assistant to the President for Mental Retardation together with the text of an address, delivered at the conference by the Honorable Wilbur J. Cohen, Assistant Secretary, Department of Health, Education and Welfare.

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

MENTAL RETARDATION

The Nation's leaders in mental retardation programs, including over 225 delegates designated by the Governors of 50 States, are due to attend the 2-day White House Conference on Mental Retardation which begins Thursday morning, September 19, at Airlie House in nearby Warrenton, Va.

The main objectives of the conference will be to explain Federal mental retardation programs, to stimulate statewide planning for mental retardation programs, and to encourage interagency cooperation.

The conference was announced by the President in a telegram sent to the Governors last July in which he stated that "a meeting to coordinate and plan a concerted attack on the problem of mental retardation would seem to me desirable and of great benefit to the whole Nation." It has been organized by Dr. Stafford L. Warren, the President's special assistant on mental retardation.

Most of the delegates have major responsibilities for mental retardation programs and services at the State level. They represent State agencies with mental retardation programs such as State agencies of public health, mental health, education, vocational rehabilitation, labor and employment, welfare, and institutions.

Dr. Warren, referring to the unanimous response of the Governors to his invitation to appoint delegates to the conference, termed it "an appropriate tribute to the significance of the conference," and an indication of the Nation's determination to act in such a way that the long tradition of neglect of the mentally retarded will be replaced by forceful programs.

The conference will open on Thursday morning with statements by Dr. Stafford L. Warren, and by the Honorable Anthony J. Celebrezze, Secretary of Health, Education, and Welfare.

Conferees will hear addresses by Sargent Shriver, executive director, Joseph P. Kennedy, Jr., foundation; by Dr. Leonard W. Mayo, chairman, President's Panel on Mental Retardation; by the Honorable Terry Sanford, Governor of North Carolina, and by Dr. George Beadle, president, University of Chicago.

They will attend a panel discussion on "The National Program to Combat Mental Retardation," at which the Honorable Wilbur J. Cohen, Assistant Secretary of Health, Education, and Welfare, will speak, and group meetings discussing the roles of State agencies in serving mentally retarded persons and their families, and the importance of agency and professional teamwork in mental retardation.

Dr. Luther L. Terry, Surgeon General of the Public Health Service, will be chairman of the final session of the conference at which five scientific papers will be presented on "The Goal of Prevention," on Friday afternoon, September 20.

THE NATIONAL PROGRAM TO COMBAT MENTAL RETARDATION

(By Wilbur J. Cohen, Assistant Secretary of Health, Education, and Welfare)

One of President Kennedy's earliest commitments to the American people was for a national action program to combat mental retardation. It has been a memorable experience to me to see so much enthusiasm, so much zeal on the part of so many people brought to bear on one common cause.

THE NATIONAL INSTITUTE OF CHILD HEALTH AND HUMAN DEVELOPMENT

The first step in this overall program was the establishment of the National Institute of Child Health and Human Development within the National Institutes of Health. This new institute was recommended to President Kennedy by the special task force on health and social security he appointed shortly after he was elected.

This recommendation was greeted with strong support and some doubts in a few quarters because it was designed to "have a profound impact on the medical care and practice in this Nation by emphasizing the care of the whole individual rather than the fragmentation of the patient into particular diseases."

It took 21 months to touch all the bases necessary to obtain enactment of the necessary legislation. In October 1962, President Kennedy approved the legislation establishing the new institute.

The new institute has officially been in operation since early this year. Its director is Dr. Robert A. Aldrich who was, until the beginning of this year, the chairman of the Department of Pediatrics of the Medical School, University of Washington. He will provide the bold and imaginative leadership necessary to make the institute a dynamic force in advancing our understanding of the factors that affect normal and abnormal human development.

The program of the new institute will provide the opportunity for investigators from a variety of disciplines to make studies that will advance our understanding of basic life processes and the biology of reproduction, development, and senescence. It will stimulate and provide assistance to investigators from universities and other research settings who wish to study such problems as congenital malformations, mental retardation, and prematurity, and the processes of aging. The sciences which underlie such studies are represented in medical, biological, and behavioral and social sciences.

An initial staffing of NICHD has been accomplished. This nucleus has identified

projects which are being supported by other institutes of NIH which could be given a more meaningful focus within a larger program of research on human development. The research areas being considered involve:

1. Problems relating to human reproduction and fetal development. In this area NICHD will support studies of reproductive physiology, embryogenesis, gestation, placental and uterine physiology, and the growth, development, and physiology of the reproductive organs.

2. Factors involving the birth process, adaptation of the newborn to an external environment, and problems of the mother and newborn. Here, support will be given to studies on the initiation of labor, obstetrical delivery, perinatal care, prematurity, respiratory distress of the newborn, physiologic adaptation of the newborn infant, obstetrical problems in the mother attendant upon birth, toxemia of pregnancy, lactation, and maternal and infant behavioral relationships.

3. Normal human growth and development and special child health problems. The study of normal aspects of human growth and development will be encouraged. Included will be studies on the growth and differentiation of the infant and child; maternal and paternal factors affecting child growth and development; factors causing abnormal conditions such as mental retardation, congenital malformations, inborn errors of metabolism; normal development of physiologic systems; intellectual development; nutrition and body composition; and the process of maturation. Studies of intellectual development and of the determinants, including maternal attitudes, which produce both intellectual deficit and intellectual excellence will be supported.

4. The final research area will be the investigation of the root processes of aging in early life. Primary emphasis will be placed on the basic biological, behavioral, and medical aspects of aging.

During this fiscal year—1964—the institute proposes a number of other activities. It plans to establish a number of specialized information centers designed to provide focal points for informational and consultant services related to research in maternal health, child health, mental retardation, and the field of aging.

In another major activity, the professional staff of the institute will utilize scientific consultants to identify neglected areas of research. This will be accomplished by extensive review of specialized problem areas, and, on this basis, future program development will be recommended.

During the fiscal year 1964 several other program areas also will be expanded. Receiving foremost attention will be research training. The support of research training in developmental biology (including both pre- and postdoctoral programs) will be enlarged. This is a basic field for the execution of research in human development, and, as pointed out by the President's Panel on Mental Retardation, it is a crucial field for research in mental retardation. It also is planned to enlarge the postdoctoral research training in obstetrics, pediatrics, behavioral development, and teratology, with emphasis on fundamental investigations. Cross-disciplinary research training, such as pediatric training for neurologists, behavioral science training for pediatricians etc., to deal with the special childhood problems (i.e., congenital disorders, prematurity, mental retardation) will be encouraged.

In the research grant area, high priority will be given to the support of research in the following four programs:

1. A program of research relating to premature labor and the development of premature infants. The problem of prematurity is intimately related to the occurrence of mental retardation.

2. A program on the biological and behavioral factors associated with the mentally retarded.

3. A research program correlating the interrelationships of the maternal environment, physical environment, the placenta, and the fetus.

4. A research program in developmental pharmacology.

Finally, in 1964, the NICHD will initiate the development, in conjunction with outstanding universities, of a small number of major centers for research and research training in human development. Initially, these centers will provide a focus for the broadly based research and training activities involving a number of scientific disciplines. Emphasis will be on developmental abnormalities that result in mental retardation and on perinatal biology.

THE REPORT OF THE PRESIDENT'S PANEL

This has been an exciting and productive period in the Department of Health, Education, and Welfare. We immediately activated and strengthened the Departmental Committee on Mental Retardation to review all the Department's programs. We helped set in motion a nationwide search for the outstanding persons to become members of the President's Panel on Mental Retardation. We allocated staff to work with Dr. Leonard W. Mayo and the Panel as the report evolved.

Consequently, we were ready to move ahead when the Panel's report was submitted to the President. It was studied intensively by Secretary Celebrezze and by all the key officials in the Department.

The report recommended a broad attack on all aspects of the problem focusing not only on research in specific causes of mental retardation but on root problems in social, economic, and cultural environments which have damaging implications. Altogether, more than 90 recommendations were made—nearly all of them, in one way or another, involving responsibilities of the Department of Health, Education, and Welfare.

THE PRESIDENT'S MESSAGE

The development of the legislative proposals involved a tremendous number of people—within the Department, in the executive branch, in Congress, and in voluntary agencies. But within a matter of weeks we had welded together all interests of the Department and a comprehensive program had been developed and was presented to the President for his consideration.

The President's ringing call for action in his unprecedented message to Congress of February 5, 1963, dealing with mental retardation, the progress of the ensuing legislation—these are part of the history of 1963, a most significant year in mental retardation progress.

And now new pages in the American history book are about to be recorded—a new story of better prospects for the millions of men, women, and children who are mentally retarded.

After I review some of the highlights of the new program, I will introduce to you my distinguished colleagues who will tell you about the impact of the President's program in areas of their specific concern—health, education, welfare, and vocational rehabilitation.

S. 1576—THE HILL-HARRIS BILL

We are very optimistic about the passage of the Mental Retardation Facilities Construction Act of 1963, S. 1576, now awaiting conference action. It contains four major provisions:

First, grants would be provided for the construction of centers for research on mental retardation and related aspects of human development. This would be a program to establish at first three and eventually several more great research centers where interdisciplinary collaboration of investigators

would cover a wide range of subjects. Up to 75 percent Federal matching funds for a center would be available within the total amount authorized and appropriated. The ultimate goal of this research effort can be stated simply and dramatically: The prevention of mental retardation.

It is anticipated that in the new research centers there would be interdisciplinary collaboration of investigators working in such fields as genetics, biochemistry, neurophysiology, brain chemistry, biology, embryology, epidemiology, virology, neurology, and psychology. Their efforts would range, for example, from studies seeking a greater understanding of the processes in cell division that cause abnormalities to clarification of the effect of specific neurohormones on brain function and studies of the effect of drugs on fetal development.

Second, grants would also be provided for the construction of university-affiliated facilities for the mentally retarded which would (1) provide, as nearly as practicable, a full range of inpatient, and outpatient services; (2) aid in demonstrating provision of specialized services for diagnosis, treatment, training, or care; and (3) aid in the clinical training of physicians, and other specialized personnel needed for research, diagnosis, treatment, training, or care.

A third provision calls for the construction of facilities to serve the mentally retarded. This, too, would be a program to help the States construct, expand, and equip the kind of community-oriented facilities now so desperately needed. They would be especially designed for the diagnosis, treatment, education, training, or custodial care of the mentally retarded, including facilities for training specialized personnel. And they would be designed to meet the diverse and changing needs of the mentally retarded at all stages in their lives—their physical, mental, social, educational, and vocational needs.

A fourth provision of S. 1576 would provide a special program for the training of teachers of the mentally retarded and other handicapped children. Because of a lack of qualified teachers, only about one-fourth of our 1½ million school-age mentally retarded children have access to the special education they need if they are to progress. Altogether, the President's panel estimated, about 75,000 special teachers are needed to meet the distinctive educational problems of the mentally retarded—and at present we have only 20,000 of these teachers.

A fifth provision also would provide opportunities for us to reach new goals—one that would provide funds for research and demonstration projects in the education of mentally retarded and other handicapped children. These are particularly needed in urban slum areas and in depressed rural areas.

Culturally deprived children, growing up with little if any help from their home and neighborhood environment, must look to their schools for the help they need, for the hand-up to productive lives as adults. These children need all the help our society can give them—and in many new ways we are trying to improve their lot and help them get off to a better start in life. But the plight of a child who is both culturally deprived and mentally retarded is particularly heartbreaking, and I am hopeful that this research and demonstration program will give us new insights and educational goals.

Let us all hope that S. 1576 will soon become the law of the land, for this nationwide, three-pronged drive involving research, treatment, and education would represent a tremendous forward thrust in our efforts to combat mental retardation.

H.R. 7544—THE MILLS-RIBICOFF BILL

I am optimistic, too, about the passage of the Maternal and Child Health and Mental

Retardation Planning Amendments of 1963, which passed the House on August 27, and are now pending in the Senate Committee on Finance. These amendments contain five proposals: (1) Grants to the States for planning comprehensive action to combat mental retardation; (2) project grants for maternal and infant care; (3) increases in maternal and child health services; (4) increases in crippled children's services, and (5) funds for research relating to these last two programs.

The proposal to provide grants to the States for planning comprehensive action to combat mental retardation would authorize a one-time appropriation of \$2.2 million for grants to assist the States to plan for and take other steps leading to comprehensive State and community action to combat mental retardation. Such grants would be used to determine what action is needed to combat mental retardation in the State, to assess the resources available, to develop public awareness of the problem and of the need for combating it, and to coordinate State and local activities relating to prevention, treatment, and amelioration.

To be eligible for grants a State would be required, among other provisions, to assure consideration of all services essential to planning for comprehensive State and community action, including those in the fields of education, employment, rehabilitation, welfare, health, and the law, and services provided through community programs for and institutions for the mentally retarded. Grants would be awarded on a selective basis to States agencies presenting acceptable proposals for this broad interdisciplinary planning activity.

The project grants for maternity and infant care would authorize the Secretary of Health, Education, and Welfare to carry out a 5-year program to assist the States and communities in providing necessary health care to prospective mothers who are unlikely to receive such care, either because they are from families with low income or for other reasons. These grants would be available to the State health agency or, with the consent of such agency, to the health agency of any political subdivision of the State. The grant would not exceed 75 percent of the cost of any project.

The grants would enable health departments to provide comprehensive maternity care to selected high-risk patients and to improve greatly the quality and adequacy of care for these mothers and their babies by paying for their care in hospitals equipped and staffed to provide services of high quality for mothers suffering from complications of pregnancy.

This program would help to reduce the incidence of mental retardation caused by complications associated with childbearing. Of paramount importance would be efforts to decrease the number of premature births among which there are notably larger numbers of children born with handicapping conditions, including mental retardation.

Other provisions of the maternal and child health amendments would be a raising to \$50 million over a 7-year period of the present \$25 million ceiling on both the maternal and child health and crippled children's programs. Additional funds under these programs would support more services to mentally retarded children. The bill also would provide grants for research relating to maternal and child health and crippled children's services.

THE VOCATIONAL REHABILITATION ACT AMENDMENTS OF 1963—THE HILL-GREEN BILL

The amendments to the Vocational Rehabilitation Act (S. 968, H.R. 5194) include several proposals to assist in the rehabilitation of additional numbers of the handicapped to productive and satisfying lives. Of particular interest to the field of mental retardation is one that would extend the pe-

riod of time that a vocational rehabilitation agency would be allowed to establish vocational rehabilitation potential.

In the case of mentally retarded persons and other persons with disabilities especially designated by the Secretary, the period could be extended to 18 months. During this time a more adequate evaluation of the real capacity of the mentally retarded could be undertaken. Their eligibility for more and complete help toward self-sufficiency and employment could be determined.

Another amendment to the Vocational Rehabilitation Act would authorize a 5-year program involving Federal assistance to plan, build, equip, and initially staff rehabilitation facilities and workshops.

SUMMARY

These, then, are the highlights of the President's bold new approach to the problems of mental retardation.

As we embark upon our important work now and in the years ahead, I think we cannot emphasize too much the urgent need that we coordinate all mental retardation activities. There is need at all levels of government—local, State, and Federal. There is great need for all the professions—obstetrics, pediatrics, neurology, psychiatry, education, rehabilitation, and many other disciplines to define their own roles and to work together to contribute most effectively to what the President's panel has called the continuum of services.

And, as we go along, let us do everything we possibly can to generate more public awareness and interest in the problems of mental retardation. Whenever possible, let's do a real selling job not only on our national program but on the problems that make this program a necessity for America.

How many people, do you think, are aware of the great variations that lie between profound retardation and moderate retardation? And how many people are fully aware that in many ways, the mentally retarded require help throughout their lives—through childhood, adolescence, adulthood, and old age—that their special needs change according to their age and degree of retardation. And the needs are many: for education, rehabilitation, employment, health, legal protection, family and residential care, and a variety of community services.

Let's talk about these things. When the true dimensions of the problem are fully understood, when the opportunities for creative and rewarding careers in this field are apparent, we will be in a better position to attract bright young men and women as teachers and other professional workers so urgently needed. And mentally retarded people will undoubtedly become the beneficiaries of the services of more volunteer workers in communities throughout the Nation. They, too, are needed.

Another thing that needs to be emphasized is that mental retardation and mental illness in most instances are separate problems. There is, I am sure, much misunderstanding on this point, and we are making every effort to make the difference crystal clear. It would benefit our efforts to combat both mental illness and mental retardation if we can get more general public understanding that mental illness, involving problems of personality and behavioral disorders, usually manifests itself in young and older adults after a period of relatively normal development, whereas mental retardation is usually a condition resulting from prenatal abnormalities and manifests itself during the newborn or early childhood period.

There is always a deficit in intellectual function in mental retardation, but mental illness may or may not involve such a defect. If there is such an involvement, it is not usually of the nature and degree found in mental retardation.

These two problems are related in that they frequently occur in the same patient and

frequently involve some of the same kinds of professional skills to diagnose or assist the patient. On the other hand, each problem does occur independently of the other, and adequate professional skill to deal with one problem does not assure competency to deal with the other. The ability to clearly distinguish between these problems in a given patient and deal with each appropriately is often the crux of good care.

What we have been able, in the past, to accomplish for the mentally retarded is but prolog to the great accomplishments we can attain in the years ahead. Let us accept with pride and humility our new and more responsible roles in the great human drama now unfolding as our society embarks upon a new highroad for the mentally retarded.

I want to emphasize again the vigorous determination of this administration to find the causes of mental retardation, to advance programs of prevention, and to provide more and better services to all mentally retarded persons and their families. In our efforts, we trust that councils and associations such as yours will gain encouragement and that your hopes will in turn lend strength to our determination and help us achieve our common goals.

These goals have been established, and the actions necessary to attain them have been painstakingly measured and defined.

Now it is up to all who care about the mentally retarded to be steadfast, to be persistent—and we shall be successful.

SHOULD AMERICA'S FARM ABUNDANCE SERVE COMMUNISM OR FREEDOM?

Mr. MUNDT. Mr. President, yesterday in a short statement to the Senate, I expressed myself as having grave misgivings about the wisdom of current comments which in summary say, "since Canada is supplying Communist Russia, Castro, and the rest of the Communist world with wheat, why should not the United States also lift its self-imposed restrictions against trading with the enemy and seek to make a profit on our surplus food stocks by selling them to Communist countries?"

Some metropolitan newsmen and commentators have been suggesting that there is a great demand in the Farm Belt to ship our foodstuffs to Red Russia and Red China. They have tried to picture the American farmer as a selfish Shylock desiring to get his pound of flesh while the getting is good, regardless of the consequences to peace and freedom. Mr. President, I suggest these urbanized reporters and editorializers take another look at both the heart and the heartland of the United States.

Our farmers recognize the inconsistency of a free world policy whereby we alone attempt to blockade the Communist world and refrain from supplying it with the sinews of war—one of the most important of which is still an abundance of food—but they expect something better from our President and our State Department than a capitulation to greedy motives that induces some of our allies to play for the quick profit instead of to plan for the ultimate success and security of freedom. They expect positive leadership from high places in America which will induce our friends in the free world to follow our example in restraint of trade to Communist countries.

In other words they expect the United States to lead the world rather than to follow every wrong policy practiced by our associates. Appeasement of communism will bring no better dividends for peace and freedom today than it did to Chamberlain and the free world while appeasing Hitler and Nazi Germany. Certainly all the lessons of recent history cannot have been forgotten by President Kennedy, Secretary Freeman, and Secretary Rusk.

There was an era of our American history when the international bankers of New York and the manufacturers of munitions were described as America's "merchants of death." They were accused at times of putting their desire for personal gain and temporary profits above the desire to protect America from war and to preserve continuing peace and freedom. It is most refreshing, therefore, to note in the September 23 issue of Barron's Financial Weekly a front page editorial in opposition to the resumption of American trade with the Communist bloc. It is headed "Trade With the Bear?" I ask unanimous consent that it appear 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:

[From Barron's Financial Weekly, Sept. 23, 1963]

TRADE WITH THE BEAR?—IN DEALING WITH MOSCOW, THE UNITED STATES MUST NOT SELL FREEDOM SHORT

Ottawa last week sent economic and political shock waves around the globe by joining Moscow in one of the largest grain transactions on record. By next July, the Dominion promised to deliver at its ports 228 million bushels of wheat and flour, valued at \$500 million. The Soviets, in turn, agreed to make payment in dollars; they also undertook to ship the grain, some to their bearded comrade in Cuba, the bulk to their homeland. For Canada, which in recent years has sold large amounts of wheat to Red China, the latest deal—if the Russians honor its terms—represented a giant step toward closing the gap between imports and exports. For the United States, sitting on a huge surplus of wheat and pondering its balance-of-payments dilemma, it appeared to open sweeping new commercial vistas. Before the week was out, many an influential voice was raised, in the Senate and elsewhere, urging that this country also step up its trade with the bear.

The commercial prospects are glittering. Before embarking on any such course, however, the administration should think long and hard. For the Russian purchase of grain is a momentous development indeed. To begin with, despite the glowing eyewitness accounts of recent naive Western visitors (including some who should have known better), it is a sorry commentary on the state of Soviet farming. Historically an exporter of wheat, the U.S.S.R. has been compelled to seek its bread from those whom it has threatened to bury. Moreover, the Kremlin's bitter harvest—the fifth in a row by the way—demonstrates once again that no matter how rich a nation's resources, its agriculture can flourish only in a free climate. Finally, if the United States decides to come to the aid of its enemies, it should at least be hardheaded enough to exact a heavy political price. In the global struggle between freedom and slavery, gold or dollars are inadequate coin.

The magnitude of the Soviet plight is dramatized by the impact which it has had

upon world markets. Wheat and rye futures on the Chicago board of trade moved up strongly last week in the belief that earmarking so much of the Dominion supply may open other export outlets to U.S. grain. Ship charter rates rose almost overnight by as much as one-fourth, brightening the outlook of tramp operators in Britain, Holland, Scandinavia and Greece. The Canadians, for their part, are likely to find the capacity of their flour mills taxed, the traffic load of their railroads doubled and port and storage facilities tied up for months to come. The most awkward bottlenecks of all will probably show up when the flood of wheat begins to pour into the U.S.S.R. For that country's rail network is geared mainly to handle domestic traffic; its milling facilities are located mostly at interior points, close to farming areas. When the Communists start shuttling cargoes of wheat to and fro, something is bound to give. As to the quid pro quo, never before has the Kremlin had to pay for food imports on such a scale—a fact which the London gold market already has begun to reflect.

That the news of the Soviet Union's staggering shortfall came as such a bolt from the blue reflects little credit on many a supposed expert in the United States, or on Washington officialdom. Just 6 weeks ago, Mr. Roswell Garst, breeder of hybrid corn, onetime host to Premier Khrushchev and frequent visitor to the U.S.S.R., asserted that since 1955 Communist farmers had cut the lead of their U.S. counterparts from 30 years to a mere 8. "The world," he said, "may be startled at the crop yields in eastern Europe this year." Secretary Freeman, no critic of the managed farm economy, on his recent return from an 18-day tour of the Soviet Union, concluded brightly that "total production has risen considerably. They have the ability to feed their people." Days later came the bombshell of the Canadian deal.

The notable intelligence failure suggests that Agriculture Department officials comprehend the evidence of their own eyes no better than they do the true roots of productive capacity, whether at home or abroad. The truth is that Soviet agriculture is badly, and chronically, undernourished. Even Nikita Khrushchev, who year after year promises his people that food shortages soon will be a thing of the past, complains that his underlings are proving inefficient and urges all those who till the soil to redouble their efforts. To be sure, this year's crops were set back by summer weather which, even by Russian standards, was unusually hot and dry. Yet far more significant were mismanagement and misdirected energies, the hallmark of communism.

The Premier's exhortations for an all-out drive to improve production down on the farm will yield little fruit until the faithful party members in charge learn a few things about modern agriculture. Much of Moscow's farm machinery, for instance, today is idle for lack of spare parts. The Soviets, too, still are notoriously backward in the output and use of fertilizers. Nor have they kept pace with the growing U.S. practice of using ground water and portable systems of aluminum and plastic pipe to irrigate individual farms. What the Soviet man with the hoe lacks, above all, is the education and initiative of his American counterpart, and aggressive manufacturers and salesmen to tell him what technical ingenuity has wrought for his benefit. American farming, in short, is a vital part of the free enterprise system; the Soviet version is just another deadly aspect of a sterile slave society.

Under the circumstances, the West clearly has the superior bargaining power. Yet those industrialists, Cabinet officers, and Congressmen who last week called on America to be realistic about "changed world conditions" apparently are quite willing to yield that advantage without seeking a quid pro

quo. The impulsive Senator HUMPHREY, Democrat, of Minnesota, was the first to urge that the United States revise its "outdated" export policies. Senator MCGOVERN, Democrat, of South Dakota, promptly echoed his sentiments: "We desperately need to broaden our markets, and this is an opportunity to do so." On both sides of the aisle, other legislators (a majority from wheatgrowing States) took up the cry. Barron's emphatically disagrees. If this country wants to do business with the Communists, in grain or in any other commodity, it should insist on getting something of value in return—the raising of the Berlin wall for example, or the evacuation of Red troops from Cuba. Addressing himself to a different question, Senator GOLDWATER, Republican, of Arizona, stated the principle eloquently: "The argument impresses me, and I share with those who made it, a bewilderment at why it aids freedom to save the wounds of tyranny."

More than a century ago, certain basic differences between the contrasting ways of life were pointed up with uncanny prescience by that keen observer, Alexis de Tocqueville: "The American battles the obstacles of nature; the Russian those of man. The former combats the wilderness and savagery; the latter, civilization with all its implements. American conquests are won with the laborer's plowshare; the Russian triumphs with the soldier's sword. To attain his ends, the American relies upon personal interest and allows free scope to the unguided energy and commonsense of individuals. The Russian somehow concentrates the power of society in one man. The method of the former is freedom; of the latter, servitude." Surely this critical moment in history is no time for Americans, in pursuit of a quick dollar, to strengthen the cause of servitude and betray the freedom which is their birthright.

Mr. MUNDT. But, Mr. President, it is not only Barron's Financial Weekly which now sounds a stern note of caution to those who would engage us in a race with the free world to see which nation might most effectively stoke the fires of war and supply Communist Russia and China with the supplies they most badly need. From the very heart of America's farm belt an editorial appeared last week in a newspaper dedicated to our farming interests and serving a great farming population which carried the self-explanatory heading, "No Justification for Selling Wheat to Russia or Bloc Nations." It was written by the editorial staff of the Daily Plainsman of Huron, S. Dak., a great newspaper published in the tradition of a great newspaper family in our State. It appeared under a two-column heading on the editorial page of the September 20 issue of the Daily Plainsman. I ask that this editorial also appear in the body of the RECORD as a part of my remarks.

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

[From the Huron (S. Dak.) Plainsman, Sept. 20, 1963]

NO JUSTIFICATION FOR SELLING WHEAT TO RUSSIA OR BLOC NATIONS

Some may turn to the Holy Bible for justification of the sale of wheat by the United States to Russia and the Soviet bloc nations—"If thine enemy hunger, feed him."

Others consider the prospect of such sales in terms of hard dollars, dollars which the United States sorely needs in the face of a deteriorating balance-of-payments picture: The deficit for 1962 was \$2.2 billion and, at

the current rate, the balance-of-payments deficit is \$3.2 billion annually.

And then there are those who shout that the United States should not help mend the Soviets' Achilles' heel—when Khrushchev has declared "I will bury you."

Agriculture is the admitted No. 1 problem that has confronted Nikita Khrushchev since he took over as master of the Communist world a decade ago.

This same problem is also given as one of the reasons Khrushchev has sought the test ban treaty.

Russia needs a breather in its drive to military supremacy. It needs a breather to devote a greater portion of its national resources to domestic needs—and certainly the greatest domestic need is food.

Harrison Salisbury, a New York Times Russian affairs expert, wrote after a study of the Soviet agriculture last year:

"On the domestic front, Mr. Khrushchev has one great weakness—the failure to solve the Soviet food problem. Despite his most energetic efforts and the investment of enormous funds, energy and time, Soviet agriculture has not responded. There are periodic meat queues, milk shortages and egg famines."

Under Khrushchev's 7-year plan for agriculture, unveiled in 1958, agriculture production was to rise 70 percent by 1965. To meet this schedule, production should have risen 20 percent by 1961.

But what has really happened on the Russian farms since 1958?

The 1961 and 1962 wheat harvests in Russia were 115 million tons, up from the 100 million tons harvested in 1959 and 1960. Indications are, according to Department of Agriculture estimates, that less than 100 million tons will be harvested this year. If this is an accurate estimate, then it means that for 5 consecutive years the Soviets have had poor harvests. The last good crop year was in 1958 when the harvest was 125 million tons.

The flutter over prospective sale of wheat to Russia came about after Canada announced this week a half-billion-dollar sale of wheat to Russia. Canada will sell to Russia over a 3-year period 198 million bushels of wheat and the flour equivalent of 29.5 million bushels. The Russians in turn will ship to that thorn in the side of the Western Hemisphere, Cuba, 16.5 million bushels.

Jolly good friends those Canadians are. One of the ridiculous factors about this talk of selling wheat to the Russians is that no query has been received by the United States about such trade. Is it possible that this deal, which the New Frontier can be expected to start promoting, is a part of a plan by the Kennedy administration to get the Russians out of Cuba before the 1964 elections? There is a rumor in Washington that Kennedy and his New Frontiersmen are considering a \$10 billion loan to the Russians (with doubtful repayment) in exchange for the removal of Soviet troops from the Caribbean before November 1964.

Trouble on the farms in Russia—and underproduction or hunger means trouble on the farms—is trouble for Khrushchev. Hunger dims Khrushchev's popularity and darkens the enthusiasm for communism. The roly-poly Russian leader himself has said: "A dry spoon scrapes the tongue."

Khrushchev has some problems to fulfill—promises he made to the peasants and the city folks—about what Russians would be eating in the 1960's. These promises have sounded hollow to the Russians who must pay allegiance to Khrushchev—Russians who have learned to depend upon a bread and potatoes diet.

In 1958 Khrushchev boasted that by 1970 the average Russian would have 50 percent more food than the average American—a

boast that, based on Soviet agricultural accomplishments in the past 5 years, makes Khrushchev look like a phony braggart.

But what better way to increase Khrushchev's popularity with his people, what better way to inject new life into the Soviet citizenry's acceptance of communism, than to help fill their stomachs?

Observers of the Soviet agricultural scene have said that the real reason the farm problem has been chronic in Russia is that not enough capital investment has been directed to the farms.

Edward Crankshaw, British commentator on Soviet affairs, wrote in the New York Times magazine about a year ago: "Not enough capital investment has gone into agriculture, either in cash or in brains. And the reason for this is that it cannot be spared. It is needed for other things—above all, the development of Russia's war economy."

And is there any reason to think that in 12 months things have changed? Does the signing of the test ban treaty, which possibly may become the loop that will go around the free world's defense neck, indicate a lessening of defense preparation in Russia?

Khrushchev needs food to satisfy the people. He needs food to get maximum performance from his industrial workers—for can an undernourished worker maintain the tempo of a modern-day production line?

There is no evidence that the Russians have veered from their 20-year plan which places emphasis on the production of steel, coal, and oil, all necessary to wage war. There is no evidence that the Russians have reduced their headlong drive for space supremacy. And there is no evidence that the agriculture sector of the Soviet economy is receiving the capital nor brains to make it produce what is needed for a fully powerful nation.

Khrushchev has some of the fates of nature against him when it comes to solving the agriculture problem. The greater part of the Soviet Union's 504 million acres of tilled land lies farther north than Nova Scotia. In areas of Russia where the growing season is long, moisture is insufficient; and in areas where moisture is sufficient, the growing season is short. Russian farmers are lucky, observers say, to get two bumper crops out of five plantings.

With such an unpredictable agriculture, Khrushchev and his friends in the Presidium certainly welcome the Canadian gesture—the sale of wheat.

Three midwest Senators—Senator GEORGE MCGOVERN, Senator HUBERT H. HUMPHREY of Minnesota and Senator MILTON R. YOUNG of North Dakota—all urged this week a new look at U.S. policy on wheat exports to Russia.

"I'm for feeding the people, even if they read Karl Marx," HUMPHREY said.

With the Canadians and the Australians already selling to the Soviets and their bloc nations, the arguments runs that the United States might as well get a chunk of the wheat business.

But is it right, when the United States is footing the bulk of the defense bill for all of the free world, that allies like Canada and Australia should undercut the defense effort with wheat sales to the Communists?

Proponents of the sale of wheat argue that the sale of wheat has no bearing on the defense efforts of either the free or Soviet world, but this argument is hardly acceptable.

No nation ever fought a war on an empty stomach. Russia would be ill-prepared to fight a war with its food problems. If the United States helps fill those Russian and bloc nation stomachs, then our enemies can only be stronger.

Dealing with the Russians and their bloc friends would be an easy way to solve two

pressing problems facing the New Frontier—the problem of farm surpluses, and the problem of dollar deficiencies in the world trade.

But this expedient solution would certainly be costly to the freedom and security of the United States and the Western World in the long run.

DEATH OF SENATOR KEFAUVER— RESOLUTION

Mr. BURDICK. Mr. President, the mayor and Board of City Commissioners of Fargo—North Dakota's largest city—recently adopted a resolution expressing their heartfelt sympathy at the untimely passing of Senator Estes Kefauver.

As Mayor Lashkowitz said in his letter:

We, here in Fargo, N. Dak., felt particularly close to Senator Kefauver because of his many visits over the years in which he established strong and enduring friendships. We also recall with deep appreciation the efforts that he exerted in behalf of our city in 1957 when our community was stricken with the great tornado disaster that year.

Mayor Lashkowitz went on to say in his letter transmitting the resolution:

Senator Kefauver has left an indelible mark upon those who were privileged to know him. American history will record him as one of the genuine humanitarians of our time, a man who placed principle above political expediency in all of his public actions.

Mr. President, I ask unanimous consent that the resolution be inserted at this point in the RECORD.

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

DEATH OF SENATOR KEFAUVER—RESOLUTION

President Lashkowitz offered the following resolution and moved its adoption:

"Be it resolved by the Board of City Commissioners of the City of Fargo:

"Whereas the Honorable Estes Kefauver, distinguished senior U.S. Senator from the State of Tennessee, has passed on to his eternal rest, unexpectedly shocking and saddening the entire Nation and freemen everywhere; and

"Whereas the Honorable Estes Kefauver, during his lifetime, distinguished himself as the foremost fighter for good clean government and was renowned as a fighter for the rights of the individual human being without regard to race, color, or creed; and

"Whereas the Honorable Estes Kefauver waged a courageous lifelong battle against injustice and human suffering and fought continually for a better society for all mankind; and

"Whereas the Honorable Estes Kefauver, during the course of his distinguished career visited the city of Fargo, N. Dak., on many occasions and had earned the admiration, respect, and friendship of many citizens of our city including Mayor Herschel Lashkowitz, who in 1952 earnestly fought to advance Senator Kefauver to the Presidency of the United States and received the Honorable Estes Kefauver at a historic gathering in the Red River Valley near Buxton, N. Dak., at which nearly 30,000 people were in attendance, at which time Senator Kefauver convinced the people of this area of his knowledge and understanding of our problems and of his deep interest and concern for the well-being of this area; and

"Whereas in the year 1957, Senator Estes Kefauver earnestly and devotedly took the floor of the U.S. Senate championing the cause of disaster-stricken Fargo in its recovery efforts following the tornado disaster of 1957; and

"Whereas Senator Estes Kefauver at all times responded to the needs of those in distress wherever the call may emanate and served nobly, courageously, and at great sacrifice to his own health and personal comfort; and

"Whereas it is the considered feeling of the Fargo City Commission that Estes Kefauver has earned himself a secure niche in the history of our country as a great American statesman who served his beloved Nation and the cause of mankind with rare devotion and was indeed the very embodiment of the essence of American patriotism and was rightfully recognized as a friend of all mankind in the continuing human struggle for a better society for each and every individual human being no matter where he lives: Now, therefore, be it

Resolved, That the Fargo City Commission does hereby express their deep and profound sorrow and sadness upon the untimely passing of that great American statesman, the Honorable Estes Kefauver, who had endeared himself to the people of this area and the city of Fargo by his many acts of friendship and loyalty as manifested throughout the years; and be it further

Resolved, That this expression of sorrow upon the passing of our beloved friend, the Honorable Estes Kefauver, be spread upon the permanent minutes of the Fargo City Commission, and that certified copies be forwarded to the family of our dear friend, the Honorable Estes Kefauver, and that copies be furnished to the presiding officer of the U.S. Senate, the congressional delegation of the State of North Dakota for introduction into the CONGRESSIONAL RECORD, and also to the Governor of the State of Tennessee and the two U.S. Senators from the State of Tennessee, with the request that this resolution be called to the attention of the Tennessee Legislature and the press, radio, and television of the State of Tennessee."

Second by McCannel. On the vote being taken on the question of the adoption of the resolution Commissioners Markey, Oakey, Lashkowitz, and McCannel all voted aye.

Absent and not voting: Commissioner Hagen.

The acting vice president declared the resolution to have been duly passed and adopted.

HERSCHEL LASHKOWITZ,
Mayor and President, Board of City Commissioners, Fargo, N. Dak.

Attest:

M. C. FREMSTAD,
Deputy City Auditor.

ORGANIZATION AND OPERATION OF THE SENATE

Mr. STENNIS. Mr. President, recently the Senator from Georgia [Mr. TALMADGE], and the Senator from Pennsylvania [Mr. CLARK] appeared on the NBC-TV Network Show, "Today." In a very fine and lively fashion they discussed the organization and operation of the U.S. Senate, the committee assignments and the seniority system. Their timely discussion is worthy indeed and should have wider circulation.

I ask unanimous consent that a copy of these remarks be inserted in the RECORD as in the morning hour.

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

ORGANIZATION AND OPERATION OF THE SENATE

HUGH DOWNS. The U.S. Senate has repeatedly been described as the most exclusive club in the world—in fact, to some it is known as the club, or the inner sanctum. Last February, Pennsylvania's Democratic Senator JOSEPH CLARK rose on the Senate

floor to denounce this group. He defined it as the bipartisan Southern Democratic Republican and conservative coalition, which he alleged ran the Senate—he called it the establishment. The Senate establishment, he said, is almost the antithesis of democracy, what might be called a self-perpetuating oligarchy. Well, some of Senator CLARK's colleagues insisted the establishment exists only in the mind of the Senator from Pennsylvania—and not in reality.

Georgia's Senator HERMAN TALMADGE takes this stand, and our Washington correspondent, Martin Agronsky, has asked Senator CLARK and Senator TALMADGE to examine the establishment concept for us this morning. Martin?

Mr. AGRONSKY. Good morning, Hugh. Senator TALMADGE, let's begin with your examination of the establishment. Does it exist—or how do you think of it?

Senator TALMADGE. No, it doesn't exist. It reminds me of an old song or poem that I heard many years ago—"The other day upon the stair, I saw a man who wasn't there; he wasn't there again today—gee, how I wish he would go away."

Of course, we have 100 Members of the Senate. We're all paid the same salary. We have the same opportunity to speak; we have the same opportunity to vote; we have the same opportunity to make motions, and every Senator has an equal voice in the Senate. Now that's not to mean that some Senators do not have more influence than others. The Senate, of course, is like everything else. The more your judgment or your integrity is respected, the longer your length of service, the greater your knowledge—that Senator is likely to be more influential than the Senator who has been there a very short period of time. And I would suspect that it varies from issue to issue. In the Senate, for instance, perhaps Chairman FULBRIGHT of the Foreign Relations Committee would probably be the most influential Senator with reference to treaties. I would suspect that Senator RUSSELL would be the most influential Senator with reference to matters relating to the armed services. And to matters relating to urban affairs in the cities, I would suspect that our friend here, Senator CLARK, is one of the most influential Members of the Senate.

Senator CLARK. HERMAN, I'm interested at what you say, and of course, needless to say, I disagree with it. I'm reminded of what PAUL DOUGLAS said about the establishment. He reminded us of the medieval king who was said to have a very fine suit of clothes, and everybody was supposed to say to the king, "My, what a magnificent suit of clothes." One day a little boy stood up and said, "Why the king is naked—he hasn't got any clothes on at all." And I feel that way about the establishment. When you give it visibility, it becomes clear that it exists. Who is it—it's largely the chairmen of the most important committees, all Democrats, of course, and the ranking Republican members—the senior members. They come pretty close to running the important committees of the Senate—Appropriations, Finance, Armed Services, Foreign Relations. They're losing their control, because through the Democratic steering committee, which makes the committee assignments, and the Republican committee on committees which makes the assignments of the Republican Senators, they can put their dwindling troops where they'll think they'll do the most good, but they haven't got enough strength any more to control all of the committees, so those of us who are Kennedy men, or liberals, and there are some fine liberals in the Republican Party, are gradually creeping up on the establishment, and taking over.

But it still rules the roost in those important areas where it can kill the program of the President of the United States, through its undemocratic action, which

ignores party platforms, which to my way of thinking ignores the wishes of the constituents of many of the members of the establishment, and thus creates what I have called an oligarchy with slight overtones of plutocracy.

Mr. AGRONSKY. All right, Senator CLARK, could we make it a bit more visible? Who are they?

Senator TALMADGE. I would suspect, if I may have a word at this point—

Mr. AGRONSKY. Yes, indeed, Senator TALMADGE.

Senator TALMADGE. I would suspect that Senator DOUGLAS is also gazing upon the stair. Now the foremost exponent of this philosophy which my friend JOE espouses, and he wrote some remarks in JOE's book, "Senate Establishment," is the great liberal professor, James MacGregor Burns. He appeared on "Meet the Press" last December, and he said the basic thing wrong with our political system is that our Government was set up to be a divided Government with internal checks. On that same program, he says today it is imperative that we have a strong national government, but we still have the old constitutional checks.

Finally, when Professor Burns was asked bluntly if he wanted to give all power to the President, his reply was that he wanted to improve the Congress. In other words his idea was Congress should not say, "No," it should only say, "Yes." It should not be called an equal; it should be subordinate and amenable. Now the legislative power is vested in the Congress of the United States, and I think that is where it properly belongs, and I favor the retention of that power in the Congress, and I think that this attack is an attack against constitutional and representative government itself.

Senator CLARK. I have no quarrel with the first part of your statement, HERMAN, but my good friend, my point is that if you are going to have a system of checks and balances, and whether we like it or not, we've got it under the Constitution, each of those checks should be reasonably democratic, at least the legislature. And my quarrel with the establishment is that it has destroyed democracy in the Senate, and it has substituted oligarchy. Now, Martin, you asked me a minute or two ago who is the establishment—we have to distinguish between the establishment and the bipartisan coalition, which in many—but not all—instances have the votes for the measures which they propose. The establishment, to my way of thinking, are the leaders of the bipartisan coalition. I suppose the most outstanding one is my good friend, and HERMAN's colleague, RICHARD RUSSELL. He is really the uncrowned king of the establishment.

Mr. AGRONSKY. How does he exercise his powers—an uncrowned king?

Senator CLARK. Well, DICK is on pretty nearly all the important committees in the Senate. He is on the Steering Committee, he is on the Policy Committee, he is on the Appropriations Committee, he is on the Armed Services Committee, and then he sits in, in this very informal way, which we have in the Senate—there is nothing overt, there is nothing in writing, but they all confer together, to agree on sort of a policy. I am on the Steering Committee.

Mr. AGRONSKY. Well, doesn't he use his influence then, to persuade the other Senators, and if they wish to reject his influence, couldn't they?

Senator CLARK. Yes, of course, they could. But he has with him a number of people—most of them from the South—in the Republican Party, many of them from the Middle West, who have the same philosophy which he has. This is a philosophy which glorifies the status quo. This is a philosophy which is opposed to change. This philosophy has brought together with it through the device of seniority in the one-party States, a group of very conservative people who feel

the way he does. My objection to it is, not that they feel that way—that's their right—not that they get reelected, if they get reelected, God bless them—but that they exercise an undue influence on the practices, the rules, the procedures of the Senate, so that the weight of their vote is vastly more than the weight of mine.

Senator TALMADGE. What JOE's saying in effect is that the Senators don't exercise good judgment. Now each Senator votes his convictions on a particular issue. The so-called coalition changes every time there's a new issue before the Senate. I don't recall any time that the Democratic Party has ever voted as a unit in the Senate except on the organization of the Senate. I don't recall that at any time the Republican Party has voted as a unit in the Senate except in the area of civil rights. And they've done that on two different occasions. Now if there is an establishment in the Senate, JOE must be the chairman of the board, because he's on six different committees, Banking and Currency, Labor and Welfare, Rules and Administration, Special Committee on the Aged, Joint Committee on the Library, and the Steering Committee. Now I don't know another Member of the Senate that's on six different committees—there may be, but I don't recall offhand. Now, I agree with what Senator CLARK has said with reference to my distinguished colleague, Senator RUSSELL, in part. He's been in the Senate 30 years. He's made it his life's work; he's dedicated, he studies all the time; he works at his job—he knows the rules of the Senate better than anyone. He doesn't speak idly when he gets on the floor of the Senate. I think people have confidence in his judgment, and he has great persuasive powers.

But to have persuasive powers in the Senate doesn't mean that you are chairman of an oligarchy. It means that Senators accept your judgment to a greater degree than they do other Senators.

Senator CLARK. Let me make two comments, if I may, HERMAN. In the first place you can't vote your convictions unless you get a chance to vote, and Senator RUSSELL and your colleagues who are opposed to the whole civil rights program have been very effective through the use of the filibuster, to prevent us, who would like to vote on that question, from ever really voting on the merits. You just talk and talk and talk until we give up. Now earlier this year, 56 Senators went on record as being in favor of changing that filibuster rule which the establishment uses to prevent a vote on the merits, and yet because of peculiar rules of the Senate, for which the establishment is largely responsible, we never got a chance—we've 56 to change that rule.

Now let me say another word, more or less in a lighter vein, about your suggestion that I'm the chairman of the board. These committees I serve on are what I think are known in the local argot as turkeys—nobody really wants to serve on them.

Senator TALMADGE. Not by any means.

Senator CLARK. Please, I know you're going to let me finish here. When we came to the steering committee this year, we couldn't get anybody to volunteer to go on Banking and Currency—it was a vacancy—we had to shanghai young TOM MCINTYRE and put him on there. He wouldn't volunteer. Nobody wanted to go on Labor and Public Welfare; we had to take the President's brother, TEDDY KENNEDY, by the ears and say you're going to go on where your brother used to serve. Rules and Administration is a place nobody wants to go. The Special Committee on the Aging I'm resigning from, because, frankly, I don't think I can help very much, and the Joint Committee on the Library—boy, boy, boy, that sure influences national policy.

Senator TALMADGE. You are still extremely—I think those are very important committees. Now we have had an opportu-

nity to vote on your philosophy in the Senate. You've made a series of speeches, critical of the Senate to face matters up in the Democratic conference, and even on the floor of the Senate. And in the early part of the year when we were organizing the committees, you had a resolution to pack the Finance Committee, to increase the number from 17 to 21. Your vote lost on the floor of the Senate by 68 to 17. In other words, 75 percent of the Democrats voted against you, and 90 percent of the Republicans. You had a resolution to pack the Appropriation Committee—your point of view lost 70 to 12. Eighty-nine percent of the Democrats voted against you—89 percent of the Republicans voted against you. Now that, I think, clearly indicates that the Senate itself, both Democrats and Republicans, certainly don't accept your view on this matter.

Senator CLARK. What you say, HERMAN, is factually and entirely correct. I don't like that word "pack" because it goes back to the Supreme Court controversy. I prefer the word "unstack." I wanted to unstack those committees which are presently stacked, against the President of the United States and his programs. What I proposed in terms of increasing the size of the committees is to restore them to a size which they had a good many years ago when they were unstacked, and where the President had a fair shake.

However, I must say this. You're quite right about the vote. I took a bad licking. I like to think of it as the first battle of Bull Run.

Mr. AGRONSKY. Senator CLARK, may I ask you this. You said in your first speech, you referred in your first speech, to the 1913 so-called revolution of the U.S. Senate, in which a majority of the Members of the Senate overturned the seniority system, got rid of all the committee chairmen that they didn't like, restacked the committees—if you want to put it that way—and ran the Senate as they wished. What is there to prevent you this afternoon, going to the Senate of the United States, finding men of minds like your own, and doing exactly that this afternoon, if you could convince a majority.

Senator CLARK. One very important thing, Martin. I haven't got the votes. Some day I will have, and it may come as early as January of 1965, when in my opinion, President Kennedy, having been reelected, will find that he must intervene in this Senate fracas, in order to assure that his program gets a fair shake, else he will go down in history as the President who couldn't get his legislative program through. All we need to win is the leadership—not the establishment. We need the majority leaders—we've got the whip. It would be useful if we could get—

Senator TALMADGE. That's Senator HUMPHREY—

Senator CLARK. Yeah. If we could get the President pro tempore, but I'm afraid he won't—if the leadership had been with me, in January, I would have won. I'm distinguishing between the leadership, but MANSFIELD opposed me.

Mr. AGRONSKY. You are separating the President pro tempore, who is the Vice President of the United States, LYNDON JOHNSON, from the liberal—

Senator CLARK. No, CARL HAYDEN.

Mr. AGRONSKY. I see what you mean.

Senator CLARK. That is a separate office, Martin.

Senator TALMADGE. Of course what JOE was saying, in effect, the seniority system is all wrong. We ought to disregard it, after almost 200 years in the history of our Republic. I disagree with that. The seniority system of course is not perfect, but it is the best system we have. I think the longer a man serves in the Senate, the more knowledgeable and the more influential he becomes. I think that is true if he is working in a business. I do not think a man that takes a job for

NBC today is as qualified to run the business as the man who has had the job for 30 years. I think a man who has lived in a community for a long period of time is probably more influential than one who moves in there tomorrow. It is not perfect by any means, but there is no system that could be devised that would be perfect.

Senator CLARK. I think that you have—I am sure inadvertently somewhat misstated my views about the seniority system. I have no serious objection to the seniority system. Actually the establishment ignored it nine times in January, in order to put junior Senators, most of whom were in favor of the filibuster rule against cloture, in important committee positions, and ignored an equal number of Senators who had voted for cloture, who needed the positions for their reelection campaigns, but they did not get the jobs. Now, seniority, I think is fine, in the ordinary course, but I say seniority ought to be disregarded when those who would benefit by it are not really Democrats at all, in the sense that they follow the national platform, in the sense that they will support the successful Democratic candidates for Presidency, but who either opposed him in the election, or refused to support his program when they got back to the Senate.

Senator TALMADGE. May I quote a famous liberal, at this point—chairman of the Democratic conference, majority leader of the U.S. Senate. When Senator CLARK concluded his series of speeches, the majority leader said, "The Senator from Pennsylvania is within his rights when he tilts his lance and charges at the windmill of evils he perceives which exist in the Senate."

Mr. AGRONSKY. Well, gentlemen, I am afraid we are going to have to continue this debate on the floor of the Senate, and thank you both very much. Hugh?

Mr. DOWNS. Thank you, Martin, and gentlemen.

THE SLEEPING BEAR DUNES STORY

Mr. HART. Mr. President, the Public Lands Subcommittee of the Senate Interior Committee will soon take up in executive session the Hart-McNamara bill (S. 792) to establish in Michigan the Sleeping Bear Dunes National Lakeshore.

Particularly timely, therefore, is a series of three carefully documented articles on this proposal by News Photographer-Columnist Doug Fulton of the Ann Arbor, Mich., News. In these three articles the author does a brilliant job of summarizing the facts, giving the pros and cons, and managing it all in highly readable fashion. I am delighted that other Booth newspapers have seen fit to carry these articles in our State. In so doing they are performing a real public service. For many of their readers, this will be the first time that they have had access to the full story.

May I call to the attention of my colleagues two or three points which bear underlining. First of all, the author tells us that "many of those opposing S. 792 are still fighting the original bill, and have only a hazy idea of the elaborate safeguards written into this latest version." He points out that these safeguards against condemnation are much more strictly drawn and are more liberal—for the homeowner—"than with any of the other seashore laws passed by Congress." Significantly, Mr. Fulton notes that it is impossible to say how many people within the area favor the proposal "for most of them hesitate to speak up against the vocal and militant

opposition of the Citizens Council. Some who have done so have been subject to ostracism and boycott."

Do we need the Sleeping Bear area?

The thought of the thousands of acres already under State or Federal control in Michigan causes many people to wonder if taking another area is justified at all. But if these lands are examined, the question answers itself.

Mr. President, I believe it is important for all the Members of the Senate to have the information contained in this comprehensive series, and I therefore ask unanimous consent that the articles which appeared in the Ann Arbor News on September 16, 17, and 18, 1963, be inserted in the RECORD at this point.

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

[From the Ann Arbor (Mich.) News, Sept. 16, 1963]

NEW WIND SWIRLS THROUGH SLEEPING BEAR COUNTRY

(EDITOR'S NOTE.—As it has been for some years, the proposal to create a national lakeshore recreation area in northern Michigan's Sleeping Bear country is making news and stirring controversy. In a three-part series of articles starting today, Ann Arbor News Photographer-Columnist Doug Fulton provides detailed information regarding the proposals, the background, and the controversy. Prior to making his report, Fulton spent 3 days "prowling around" the Sleeping Bear area, talking with residents and looking at the country. He also read all of the 435-page official report of the Washington and Frankfort hearings on the issue.)

(By Doug Fulton)

Since the last glacier melted and moved northward, the winds of change have blown and swirled over the Sleeping Bear country.

Today these winds continue to work their magic over this magnificent dune which towers 460 feet above the waters of Lake Michigan at the base of the Leelanau Peninsula, the "little finger" of Michigan.

There is a new wind swirling around the Bear today. It is also a wind of change. But this wind is manmade. It is the wind of controversy.

There are, at present, several bills before Congress to turn Sleeping Bear and its environs into a national lakeshore recreation area to be administered by the National Park Service.

One of these bills (S. 792), introduced into the Senate by Senators HART and McNAMARA (an identical bill in the House, H.R. 4201, is sponsored by Representative NEIL STAEBLER), would encompass 77,000 acres of land, including not only the Bear, the Lake Michigan shoreline surrounding it, and the offshore island of South Manitou, but also Glen Lake and the surrounding high ridges which overlook some of the most beautiful scenery in the whole of Michigan.

This bill is the third revision of the Hart-McNamara proposal. The original bill caused such consternation among the people of the area and such resentment toward the National Park Service that it has been hard to get fair consideration of this proposal.

Many of those opposing S. 792 are still fighting the original bill, and have only a hazy idea of the elaborate safeguards written into this latest revision.

Another bill, H.R. 2400, was introduced this year by Representative ROBERT GRIFFIN. He represents the district in which the recreation area would be located.

At first, under heavy pressure from his constituents, Representative GRIFFIN was unwilling to admit the necessity for any kind of Federal project within the area. Grad-

ually, however, he came to realize the necessity of preserving at least a portion of the area and introduced a bill of his own.

The Griffin bill would encompass an area of 37,000 acres, principally along the Lake Michigan shoreline adjacent to the Bear. He would not take in any of the inland lake area, but in order to provide more land and shoreline, he would include North Manitou Island. This island, less spectacularly scenic than South Manitou, has about 14,000 acres and a shoreline of 22.5 miles.

Both Senator HART and the Park Service agree that North Manitou would be a welcome addition, but not at the expense of the inland areas.

It is the inclusion of these inland areas which has stirred the winds of controversy and provided the basic difference in the two opposing bills. This is a difference not only of area, but of philosophy. To understand it one must look at the history of the National Park Service.

The national park system in this country began with the desire to save for posterity some of our most beautiful scenery so that all of the people of the United States could enjoy it. This was a new concept in 1872, when Yellowstone National Park was dedicated and it was unique with the United States. Since then many other countries have studied the system and copied it.

Basically, these parks were areas of great beauty and were there only to look at. A few essential services (roads, camps, nature trails, naturalist-guides, etc.) have been added, but 95 percent of the total area is land left in its natural condition.

Some of these parks were established after men had already made inroads into the territory. Some of them had private holdings within the boundaries.

Because the concept of the national parks required that they be in their natural condition, it has been the policy to eliminate these inholdings whenever and by whatever means possible.

(The Park Service has not always been gentle in this respect, and as a result has incurred in some quarters a reputation as a land-grabbing bureaucracy. As a result of this reputation, a blue-ribbon committee of well-known conservationists has been appointed to an advisory board to help formulate policy for the National Park Service. Vice chairman of the committee is Dr. Stanley A. Cain, of the University of Michigan, who is also chairman of the Michigan Conservation Commission.)

Another category of lands administered by the Park Service is historic sites and monuments. These are small units and include buildings—such as Independence Hall—and historic sites—such as the Mesa Verde cliff dwellings.

In the last few years, necessity has forced the National Park Service to adopt a new category with entirely different rules.

It has long been recognized we have remaining few wilderness areas of the caliber of our national parks. But our population is expanding, our leisure time increasing, and our whole pattern of vacation and recreation is changing because of our new expressways and increased mobility. The demand for recreational facilities grew far faster than at any time in our history. And a look into the future suggested this need would increase.

In 1957, in the Eisenhower administration, Secretary of the Interior Fred Seaton authorized the National Park Service to conduct a nationwide survey of seashore areas. This operation was financed, not by the Government, but by the private donation of \$1 million from the Mellon Foundation.

The purpose of this survey was to pinpoint areas of national significance which might be developed for recreational purposes. Shorelines were emphasized in this survey because they had long been neglected as

recreational sites and were rapidly disappearing into private ownership.

(The report of the Outdoor Recreation Resources Review Commission, authorized by Congress to study the entire recreation problem in the United States, estimated that 90 percent of our shoreline is in private control and only 5 to 7 percent is available to the general public.)

The preliminary report of the Park Service designated 12 remaining shoreline opportunities, of which three (Sleeping Bear, Pictured Rocks, and the Huron Mountains) were in the State of Michigan.

This preliminary report recommended the further study of the Sleeping Bear area to include "nearly 30,000 acres and a shoreline of 35 miles." This survey was taken from the air, and that the report was made primarily from the results of aerial mapping.

A more detailed investigation, also made possible through private donation, showed the desirability of enlargement of the area from the original 30,000 acres to about 92,000 acres. This additional acreage made possible the inclusion of many extremely valuable natural features of the land and geological remnants which told the story of the effects of the glaciers on Michigan. It also allowed sufficient room for development of subsidiary features, such as roads, camp and picnic grounds, etc.

As the Park Service noted in its final report, "It is the unusual combination of scenic, scientific, and recreational features that gives national significance to the Sleeping Bear region."

The reports on these shoreline areas, however, while detailing their scenic and recreational features, outlined a few disadvantages. Some of the best areas had extensive developed areas within them. They were not wilderness areas, and were unsuitable for development as true national parks. But they were so valuable that a means had to be found to preserve them.

Out of all this came the concept of the seashore (or lakeshore) recreational area. Several of these areas already have been approved by Congress—Cape Cod, Point Reyes, and Padre Island. All presented problems with inholdings of one kind or another.

Most of the arguments and denunciations heard about the Bear area project were also heard in the Cape Cod dispute. It was a "land grab"—"the Park Service wants to take our homes"—"the inalienable right of a man to own private property is being abolished."

Fortunately the Cape Cod bill was given bipartisan support in both the State and national legislature (something that seems impossible to obtain, even on the smallest issues, in the State of Michigan), and the bill passed.

There has been little grumbling on the Cape after a year of operation as a seashore recreation area. Safeguards built into the bill have allowed people to keep their homes. And, with the Federal Government to enforce the provisions of local zoning, many residents apparently feel they are more adequately protected against overdevelopment than before.

The safeguards built into the Hart bill are even more stringent. The second paragraph of the bill specifically states that "In developing the lakeshore, full recognition shall be given to protecting the private properties for the enjoyment of their owners."

Senator HART has compromised on the original 92,000-acre proposal of the Park Service. Some individuals and organizations feel that even the 77,000-acre Hart bill will be too small, and have recommended more than 100,000 acres. Representative GRIFFIN, meanwhile, has introduced his bill calling for 37,000 acres.

But there is more than just an acreage difference in the bills.

Representative GRIFFIN's bill would be more in the line of a small national park,

even though he calls it a lakeshore recreation area. It would carefully avoid taking in most of the developed areas, even though this would mean the loss of valuable portions of the landscape. He feels the problems of administration of large areas of private homes would be too great. He believes that local zoning can hold the line against increased commercialization.

Senator HART, on the other hand, believes that private homes and public use areas can exist together if the total area is of adequate dimension. He is also concerned about the protection and development of the high ridges, the scenic overlooks, which surround the area.

One of these in particular, privately owned Miller Hills, has already been subject to repeated trespass and is in danger of uncontrolled erosion because of inadequate access roads.

Of the 10 scenic overlooks provided for in the Hart bill, only three are included in the Griffin proposal. Proponents of the Hart bill place great emphasis on these overlooks, pointing out that the whole landscape is dominated by them, and high-intensity commercialization of them would change the character of the whole area. The Park Service plans, if the overlooks are included within the boundaries, to build scenic drives to them.

Senator HART also fears the loss of important scientific and education features of the land if these are not included within the boundaries. One swipe of a bulldozer, he points out, could destroy evidence of glaciation that had been built for thousands of years.

Senator HART also points out the example of commercialization on the fringes of tourist areas such as has occurred in other parts of the country, and the futility of local zoning ordinances in coping with pressure from commercial interests.

[From the Ann Arbor (Mich.) News, Sept. 17, 1963]

DUNES ISSUE OBJECTIONS NOTED,
ANSWERS OFFERED
(By Doug Fulton)

What are the objections to a recreation area at the Sleeping Bear Dunes and how do the people of the affected area (at the base of the Leelanau Peninsula) feel about it?

It seems to be axiomatic, in our civilized world, that people, while desiring progress, resist change.

The people of the Bear are resisting this change, a change they know is coming and are powerless to stop, with all the resources at their command.

A citizens' council of area residents has spent more than \$25,000 to defeat the bills.

Many of the homeowners in the area (and the people who have summer homes on the inland lakes but are not resident the year round) are against any kind of Federal project.

Some of these residents feel that if there has to be a bill at all, they would rather have the Griffin proposal for 37,000 acres.

Others, concerned about their status if they are on the immediate outskirts of an area such as is proposed, would prefer the Hart bill, for 77,000 acres, to protect their homes against honky-tonk encroachment.

There are other residents who would like to see a Federal recreation area at the Bear. It is impossible to say how many are in this category, for most of them hesitate to speak up against the vocal and militant opposition of the citizens' council. Some who have done so have been subject to ostracism and boycott.

Those who favor the national lakeshore area point to the pressure already evident in the area of increased tourist business. Many of these people would prefer the status quo of an uncrowded tourist community, but they look ahead 20 or 40 years from now,

when transportation will be even more swift and cities to the south more crowded, and wonder just how long they can hold out before the onslaught.

They also point to the advantages of a planned increase in tourism. Speakers before the Subcommittee on Public Lands of the Senate spoke of unemployment in the area and the increased dependence of the economy on the tourist dollar.

But to get to some of the objections raised by the citizen's council and others testifying against the bill.

1. "It is the policy of the Park Service to eliminate all inholdings—our property will be condemned."

2. "We don't need a park here. Michigan already has thousands of acres of State forest and national forest and State-owned lands of all kinds which nobody is using. (At this point a highway map of Michigan is displayed showing large green areas designating public-owned land.) Why isn't this land developed for parks?"

3. "It will be too expensive. Estimates are that it will cost \$17 million."

4. "It's too far from the people."

5. "We already have a national park in Michigan and only 6,000 people visit that in a year."

6. The State of Michigan can do the job just as well without bringing the Federal Government into it."

7. "What about our schools and government units? If you take all this property off the tax rolls, how are we going to pay for our schools and services?"

8. "New construction in the area is almost at a standstill because of all the confusion about the park. You can't build a cottage on the lake because anything built after July 1, 1961, is subject to condemnation."

9. "People have the inalienable constitutional right to own property and to use it as they see fit."

All of these points have been answered in Senate hearings and elsewhere, but they are still being brought up whenever discussions of the bill occur. Taking them up in order:

1. It is true the policy of the Park Service is to eliminate all inholdings within the boundaries of the true national parks, but this would not be a national park. It would be a national lakeshore recreation area. And there is quite a difference in the two concepts. If only "lakeshore recreation area" had a shorter, or catchier, title, most of the confusion would die out.

Condemnation is severely limited in the Hart bill and is spelled out in detail.

To begin with, two separate areas are recognized within the boundaries. One of these is called the "inland lakeshore residential area." This is carefully plotted in the bill and includes about 2,500 acres (this could be increased to 3,500 by an advisory commission), primarily around Platte Lake, Little Platte Lake, Glen Lake, and Little Traverse Lake. This is the area in which most of the present development is concentrated.

The other area is simply called "lakeshore" and refers to the rest of the land within the boundaries of the Sleeping Bear Dunes National "Lakeshore."

Improved property within the "lakeshore" area, and any property within the "inland lakeshore residential area" is exempt from condemnation (and this is specifically stated in the bill) if it conforms to properly set up local zoning ordinances, or in the absence of such ordinances, if it conforms to the zoning standards set up in the bill. These zoning regulations are intended to protect the character of the lakeshore as it now is, and to prevent destruction of scenic values.

This private property which is exempted from condemnation can be deeded to one's heirs or sold to another party, subject only to the zoning laws. There is no time limit on this—it is in perpetuity.

Furthermore, in all cases of suspected violation of zoning, the burden of proof shall

be on the Park Service. Even if violation is proved, the violator must be given 60 days to conform to zoning before condemnation can be instituted. If he conforms, the property cannot be condemned.

These safeguards against condemnation are much more strictly drawn and are more liberal than with any of the other seashore laws passed by Congress. In fact, the Park Service feels some of them are too liberal and would like more power left in the hands of the director of the Park Service.

However, it should be remembered that Congress determines the limits under which the Federal agencies act, and the Park Service would be bound by the act as it eventually passes Congress.

2. The thought of the thousands of acres already under State or Federal control in Michigan causes many people to wonder if taking another area is justified at all. But if these lands are examined, the question answers itself.

Most of the State-owned land in question (about 80 percent) is acreage turned back to the State by individuals who could not or did not want to pay taxes on it. In other words, it was not worth keeping. Most of this tax-reverted land is marginal in worth and has little or no mass recreational value. Very little of this land, for instance, has water access.

Much of it is good for hunting, and some of it is used for timber production. It looks impressive on a State map, but only a large-scale map shows the true picture, for most of this land has extensive inholdings of privately owned acreage.

3. The cost of a project is of primary consideration, and when the figure \$17 million is raised, eyebrows go up with it.

But this figure is the total value of all the land within the boundaries of the proposed development. Obviously if you allow residences and commercial establishments (value of which is much greater than that of raw land) to remain, and buy only the unimproved land available within the area, the cost will be much less. It is estimated that the total appropriation for the purchase of these unimproved lands will not exceed \$5 million.

4. In order for a recreation area to be used, and thus be worthwhile, it must be close to those who will use it. For many years this was not true of Sleeping Bear. It was a long way from the centers of population.

But distances have become "shorter" in travel time in this modern age and there is every indication they will become shorter still. Twenty million people live within 300 miles (less than a day's drive) of the area, and this figure is increasing at a rapid pace. Already the new expressways hustle people northward at a clip undreamed of just a few years back.

5. Yes, Michigan does have a national park, Isle Royale, situated about 30 miles out into Lake Superior (a 5-hour ferry ride or an expensive air hop) is a true national park. It is primarily a wilderness area. There are no roads on the island, and it is primarily for those who can walk into the area and live off what they can carry on their backs, or boat around the edges. The season is short, and there are only two lodge hotels there. It is valuable for what it is—a wilderness area—but it is in no way comparable to the proposed development at Sleeping Bear.

6. Anyone who proposes to "let the State do it" just hasn't been reading the record. Last year our State parks turned away an estimated 100,000 campers because there was not enough room for them.

Eleven States have bonding programs in excess of \$50 million for parks and park improvements. Michigan was able to wheedle the legislature into approving a \$5-million bond issue a couple of years ago, and there are hopes that another \$5 million may be

forthcoming. But this cannot put the State where it should be in the parks program, since only \$1 million of this could be spent for land purchase.

State Representative Reimer VanTil, Republican, of Holland, chairman of the interim committee on State parks and public lands, estimated in a report issued in June of 1963 that Michigan needs a total of \$84,475,175 in park appropriations for the next 5 years.

Meanwhile the Province of Ontario in Canada beckons to the entire Midwest in its quest for the tourist dollar.

Ontario has been able to provide many services in its provincial parks that Michigan admires and would like to emulate. Almost every park has a nature museum, two or three full-time naturalists who lead guided nature walks (Michigan has a total of three naturalists for the entire State), evening nature films and lectures, and well laid out and spacious campsites.

All of these attractions have made Canada a vacationer's paradise and drawn many potential tourists away from Michigan. Most of these desirable services are not now offered in any Michigan park, but would be at Sleeping Bear under the National Park Service.

7. Actually the problem of removal of taxable property and the lowering of the tax base would not be as serious as it might appear. Only unimproved property would be bought by the Park Service, and this has the lowest value for taxes. But it might do harm, especially to the school district, until property values take the expected upturn that the impetus of a Federal recreation area should provide.

A section of the Griffin bill, however, provides that the Federal Government make payments to the local subdivisions in lieu of taxes for property removed from the tax rolls until the bonded indebtedness contracted before the area was established is paid off. This provision gives needed protection to the school district and suggests one area of compromise between the Hart and Griffin bills.

Many of the services now provided by the townships and the counties, such as roads, fire protection, and public safety, would be the responsibility of the Park Service. And it is expected that disbursements for these services by local government would lessen.

8. It is true that new construction in the Sleeping Bear area has dropped off considerably of late. People are waiting to see what Congress will do and which bill, if any, will be passed.

This cutoff date of July 1, 1961, in the Hart bill refers only to construction of unimproved property outside of the inland lakeshore residential area. New construction would be allowed on the inland lakeshore area under the provisions of the Hart bill as it now stands, but there is apprehension in the Bear country that this provision might be changed in the final draft of the bill by the Senate committee.

This fear has caused many people who were about to start construction in the area to hold off until the whole matter is settled.

This cutoff date, harsh as it seems at the present time, was put into the bill for a purpose. Cape Cod had no such cutoff date, and this cost the taxpayers millions of dollars of additional money when land speculators platted subdivisions in the area between the time the bill was proposed and the final time of passing by Congress.

9. The "inalienable right of the people" argument has been banded about in this country for a long time, and has caused more arguments per square word than any other phrase in history.

We like to think we are a people with almost unlimited freedom, but if we stop to ponder it, this is not the case. The more civilized we become, the more individual freedom we give up in order to exist in our complicated society. The good old days when every man's home was his castle, un-

impregnable from without, has disappeared. We have accepted the constitutionality of condemnation of private property for the public good in such areas as highways and urban renewal.

We have also accepted the limitations on use of our property by zoning and the laws of our community. Thus, we cannot make a bordello or opium den of our property, or start a glue factory in a residential area.

This is really all which is involved with the zoning principles set up in the Hart bill. Many people have commented about the clean appearance of the Sleeping Bear area and the total lack of honky-tonk commercialization in the area. The proposed zoning is directed toward keeping the area the way it is now.

[From the Ann Arbor (Mich.) News, Sept. 18, 1963]

SENATE UNIT HAS SAY ON DUNES

(By Doug Fulton)

Where does the Dunes project stand now? What is happening to the various bills? How soon will we know if we will have a Sleeping Bear National Lakeshore and, if we do, what sort of area will it be?

The answer to this lies at the present time in a Senate subcommittee. It is called the Subcommittee on Public Lands of the Committee on Interior and Insular Affairs.

The chairman of the subcommittee is Senator ALAN BIBLE, Democrat, of Nevada. Members are Senator CLINTON P. ANDERSON, Democrat, of New Mexico; Senator ERNEST GRUENING, Democrat, of Alaska; Senator FRANK E. MOSS, Democrat, of Utah; Senator LEE METCALF, Democrat, of Montana; Senator CARL HAYDEN, Democrat, of Arizona; Senator GORDON ALLOTT, Republican, of Colorado; Senator LEN B. JORDAN, Republican, of Idaho; and Senator MILWARD L. SIMPSON, Republican, of Wyoming.

This subcommittee has been holding hearings on the Sleeping Bear proposals ever since the introduction of Senator HART's first bill in 1961. The latest hearings took place in Washington, D.C., in March and April of this year. Later, the subcommittee toured the Sleeping Bear area and held a full day's hearing in Frankfort in July. The full report of these hearings is contained in a 435-page booklet issued by the committee.

From the testimony these men have heard, and the communications sent to them, they will recommend one of several courses of action: (1) that S. 792 (the Hart bill) be reported out to the floor of the Senate without change; (2) that the bill be reported out with certain changes recommended by the committee, or (3) that the bill be killed in committee.

The chances of passage on the floor of the Senate and a concurring vote in the House are good if debate can be scheduled. This might turn out to be quite a problem this year because of the anticipated filibuster of the civil rights bill and a flood of priority legislation already scheduled for debate.

Another roadblock to passage may lie in the reporting priority of bills by the subcommittee. It is understood the subcommittee is planning to report out the Canyonlands Recreation area bill before the Sleeping Bear bill, and this may have an adverse effect from a budget standpoint.

There is always a danger in trying to guess in what final shape a bill will emerge from committee. These committees are subject to many pressures, both from within and without.

It is known that one of the Senators on the subcommittee is dead set against the Sleeping Bear bill.

Senator SIMPSON, of Wyoming (a former Governor of that State), was recently elected to the Senate and put on the Public Lands Committee. He is against Federal intervention of any kind and is a strong critic of the National Park Service. At many times in

the hearings conducted on Sleeping Bear he voiced his prediction that "once the Park Service gets into the area, they'll take over. They will make—the Park Service will make—the most vexatious regulations in the area determined to procure the privately owned property. And eventually they will get it."

Senator SIMPSON stated in the hearings in Frankfort, "I hope the Congress will refuse to pass this bill * * * In fact, I would be against the passage of the Griffin bill. You don't need either one of them."

And yet Senator SIMPSON gave his support on the floor of the Senate (and even allowed his name to appear as cosponsor) to a bill introduced by Senator METCALF to "provide for the establishment of the Big Horn Canyon National Recreation Area" in Montana and Senator SIMPSON's own State of Wyoming. This was on August 15, more than a month after the hearings on Sleeping Bear.

On the other hand, Senator METCALF appears to be very much in favor of the Sleeping Bear bill. He stated in the hearings that "it would be better to have protection such as is provided in this bill (the Hart bill) for a large buffer zone rather than just take a strip of land along the lakeshore and then have all sorts of entertainment establishments such as are developing around our national parks—and I am not critical, but West Yellowstone is an example of what develops on the fringes of a park." West Yellowstone is in the Senator's own State of Montana.

The other members of the subcommittee have not committed themselves in any way publicly. From their line of questioning in the hearings one can tell that some of them are critical of certain portions of the Hart bill and that some changes probably will be made in the final draft.

It is extremely unlikely that the bill will be killed in committee. This same subcommittee has indicated its approval of the new Lakeshore and Seashore Area concept by reporting out the bills on Cape Cod, Point Reyes, and Padre Island.

What will undoubtedly come out to the floor of the Senate is some sort of compromise between the Hart and Griffin bills. One compromise almost certain to be made is Representative GRIFFIN's proposal of payment to school districts and local government units on lieu of taxes.

The question of size—whether 37,000 or 77,000 acres (or even larger)—is the most ticklish and will cause the most trouble in solving.

This problem, unfortunately has become tied up with politics. While the subcommittee was holding hearings in Washington, the Michigan Legislature, in what appears to be a straight-party vote, pushed through a resolution that "the proposed Federal recreation area * * * should be confined to that general area described in the National Park Service Report of 1959, 'Our Fourth Shore.'" (This report, as pointed out earlier, was made from aerial photographs and called for a park of about 30,000 acres.)

Many Republicans, however strongly support the larger area bill of Senator HARR, and are openly critical of the manner in which the resolution supporting the smaller area was passed in the Michigan Legislature. They point out that the resolution was read by title only and that their is a good possibility many members of the legislature did not know the exact provisions of the resolution. It has been noted, furthermore, that the resolution passed late at night and was one of a number of laws and resolutions put through hurriedly during a marathon session.

The issue has also become clouded by the insistence of many people that it be regarded as a battle between liberal and conservative—between the "little man at the local level" and the "power of the mighty

Federal bureaucracy." This undoubtedly will have an effect on the final form of the bill.

Most of the State and National conservation organizations have filed statements in support of the larger area bill.

These include the Michigan United Conservation Clubs, the Michigan Parks Association, the Michigan Natural Areas Council, and the Michigan Audubon Society on the State level, and the National Wildlife Federation, the Wilderness Society, the Sierra Club, and the National Parks Association, all national organizations.

Most of these point out the national significance of the area.

Roland Clement, staff biologist of the National Audubon Society, stated in his report, "I know of nothing else like it in the Eastern United States or Canada. The bluffs are much higher than the famous Martha's Vineyard, Mass., bluffs that have been great tourist attractions for years."

Statements against the proposal have been largely filed by area residents and the Citizen's Council.

It will be up to the Public Lands Subcommittee to sift through the testimony, the statements, and all the other evidence they have been given and report out to the floor what, in their considered judgment, is a bill that will best serve the interests of Michigan and the United States.

One "compromise" was suggested by Dr. Ira Gabrielson, president of the Wildlife Management Institute and one of the outstanding conservation figures in the United States.

He suggested that the citizens of Michigan accept all the land proposed in both the Hart and Griffin proposals. "No matter how much you set aside," he said, "it won't be enough 25 years from now."

ANOTHER VIEW OF COMMUNISM

Mr. SIMPSON. Mr. President, on this final day of test ban treaty debate—the day on which the United States becomes bound by this pact with communism—it seems appropriate that there be entered in the RECORD the views of a highly regarded expert on Communist affairs.

A current issue of U.S. News & World Report carries the text of a discussion with Zbigniew Brzezinski, head of Columbia University's Research Institute on Communist Affairs. The brief interview is most illuminating in that this acknowledged authority on the Soviet block regards the test ban treaty as much less than a "fundamental change in our relations" with the Soviets.

He also casts a jaundiced eye on the so-called Sino-Soviet dispute and feels that in some respects we have "swallowed the Soviet line." Although I personally do not concur in all of the speaker's postulates regarding the so-called Cuban crisis last October, I am nevertheless impressed with his candor and his departure from the customary stereotyped views of the Communist menace.

I recommend this article to my colleagues' attention, and I ask that it be printed in the body of the RECORD.

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

WITH TEST BAN TREATY, HAS KHRUSHCHEV CHANGED HIS WAYS?—INTERVIEW WITH AN AUTHORITY ON COMMUNIST AFFAIRS

(NOTE.—Why did Khrushchev suddenly make a nuclear deal with the West? Is he on our side now?)

(In this exclusive interview, one of America's leading students of communism takes a

close look at Russia's motives behind the test ban treaty. He also puts the Russia-China dispute in perspective, and tells what it means to the United States.

(Zbigniew Brzezinski is head of the Research Institute on Communist Affairs at Columbia University. His writings and lectures have made him a widely recognized authority on communism. He has been denounced by Moscow, most recently for an article on Russia which the Reds called "brazenly impudent.")

Question. Dr. Brzezinski, with this new nuclear test ban treaty, do you think that Khrushchev now will be taking a softer line?

Answer. I am hopeful that the test ban agreement will somewhat stabilize the situation, and that the Soviets will commit themselves to a more pacific policy. But this doesn't happen overnight.

We ought to realize that the Soviet Union has a certain continuity of purpose, and certain long-range interests, and certain underlying assumptions which don't change from day to day. And they don't change suddenly as a result of the signature of any treaty.

Question. Does that mean they never change?

Answer. They change over a longer period of time, to be sure, just as everything changes in the world.

Yet we in this country keep going through these phases in which we talk first about the Soviets being revolutionary, then about "good old conservative Uncle Joe," then Uncle Joe becomes a tremendous menace in retrospect, Khrushchev was a good guy, then he was an adventurer in Cuba, now he's a good guy again.

I must say, to anyone who works professionally in this field it's pretty discouraging to see these wild swings of public and press opinion in this country.

Question. Do you mean that this treaty won't bring with it a basic change in relations between the United States and the Soviet Union?

Answer. I think we ought to understand that the Soviet Union operates in long-range terms, that signing of the treaty involves a reassessment by the Soviets of the present world situation, and that this reassessment will have certain binding consequences for the next 3 or 4 years. But it does not represent a fundamental change in our relations.

I feel I ought to make it very clear that the Soviets think of the world as changing in terms of phases. There are revolutionary phases and there are quiescent phases.

Question. Are we now in a quiescent phase?

Answer. Yes, that's the Soviet assessment of the world scene, an assessment that imposes on them a certain broad strategy, that of peaceful coexistence.

Question. Why?

Answer. The crucial factor is the relative balance of power. If, in their judgment, that balance of power changes in their favor, that in itself would put us in a new phase, another revolutionary phase.

Changes come about like this: Khrushchev, I think, overestimated what he thought was a very effective—for him—balance of power last year. Ever since 1957, Khrushchev had felt that Soviet rockets, our overestimation of those rockets—the so-called missile gap—plus his effectiveness on the political-diplomatic front, would force us to yield.

In Cuba, he found that he had overextended himself, and he pulled back. Now, after that very painful reassessment, he's adopting this very different posture.

Question. Do you think the dispute with the Chinese was an important reason for the Russians getting into this treaty?

Answer. No. I think that by far the most important reason was the confrontation in Cuba, which forced the Soviets to realize that their military power was in-

adequate to the tasks which Khrushchev has set before the Soviet Union.

But I should add that I think the Chinese business did play a minor part in Khrushchev's decision. I would argue that the conflict with the Chinese closed off an alternative course of action for Khrushchev. It kept him from choosing the policy of what is called the national-liberation struggle—that is stirring up revolutionary struggles in Asia, Africa, and Latin America. The reason he didn't do that is the row with the Chinese. The national-liberation struggle is what the Chinese emphasize, and to have adopted it would have been to subordinate himself to the Chinese.

Question. Do you mean that it would have meant accepting the Chinese version of the world?

Answer. That's right. And, for that strategy, the Chinese are a better model. In this sense, the Chinese problem enters into the test ban decision in a secondary way, but not as a factor of prime importance.

Question. Are the Chinese really more offensive-minded than the Soviets?

Answer. Both are really offensive and revolutionary-minded. At the present moment, the Soviets, because they've accepted the quiescent phase, are less revolutionary than the Chinese. But, on the other hand, only a year ago in Cuba, the Soviets proved themselves more adventurous than the Chinese. So I think that we should not accept unquestioningly the Soviet labeling of the Chinese as warmongers. I think the Chinese have been very cautious.

Question. In what way?

Answer. In their handling of the Quemoy-Matsu situation, and again in their attack on India. There, China showed a rather uniquely successful combination of military power subordinated to political ends and subject to very effective political control. And the Chinese were quite right in arguing that their way is far more sophisticated and less dangerous in the world sense than adventures of the sort the missiles in Cuba involved.

Question. Have we actually been swallowing a Soviet line about the Chinese being so bloodthirsty?

Answer. Yes, to an extent. The Soviets have been dishing that out and the Chinese have, in a sense, made it easier for them by adopting rather crude and bloodthirsty formulations in some of their public statements. And it's true that the U.S. public has, by and large, swallowed this Soviet line, which does not, in fact, correspond entirely to reality.

Question. Will Khrushchev use this quiescent phase to try to alter the military balance of power in his favor?

Answer. He may do several things all at the same time. He will probably hope that the knowledge gained in recent tests will improve the Soviet military posture. There's always the unknown factor of a technological breakthrough on either side. But, beyond that, since he does not seem to be undertaking a crash program of military development, he may hope that diplomatic and political opportunities will open up, particularly in Europe, which would create new advantages for the Soviet Union.

Question. What, specifically, does he want to accomplish?

Answer. I think the danger is that Khrushchev is trying to maneuver us into guaranteeing the division of Europe, into recognizing Soviet hegemony east of the Elbe. He wants to maneuver us into more or less overtly favoring this division, thereby alienating our Western European Allies.

IF THE WEST RELAXES

Question. Speaking of Western Europe, is there now likely to be a military letdown on the part of our allies?

Answer. I think if the Soviets could achieve a relative weakening of NATO (North

Atlantic Treaty Organization) defense forces, or of the American commitment to the defense of Europe, particularly because of European-American tension, they would be happy. But, by and large, what bothers me so much about our attitude toward European problems is our failure to understand that the defense problem is no longer the primary problem.

Question. If it isn't defense, what is it?

Answer. There isn't any likelihood in the foreseeable future of the Soviet Union's launching an attack on Western Europe. The Soviets realize that such an attack would be tantamount to signing their own death warrant. Consequently, no one in Western Europe is preoccupied with that problem any more. But Europeans are preoccupied with their future political relationships with us and with the Russians. And here the United States, since the middle of the 1950's, has had nothing to offer.

Question. Is that what accounts for General de Gaulle's attitude in France?

Answer. I think De Gaulle is slowly and in a deceptive fashion—and you might remember he has said that deception is the art of leadership—moving in the direction of becoming the exponent of the new European policy. His very vague and misleading slogan of "Europe to the Urals" is not yet a policy, but at least it's a guideline indicating where Europe might head in the future. And he has suggested that America now is, in effect, a copartner with the Soviet Union in the division of Europe and that at some future point, Europe—under De Gaulle's leadership, of course—will have to move forward with proposals of its own.

Question. Do you think De Gaulle really believes he can bring Khrushchev into a European community—in effect, to change sides?

Answer. I think what De Gaulle has in mind is a very long-range historical process. In it, the Soviets, being repulsed by the Chinese, would have no choice but to become associated with Western Europe—they and the East Europeans, both.

Much would depend, of course, on the policy of the United States. If we would seem to be joining the Russians in defending the partition of Europe, that would create opportunities for the Russians to exploit Western European frustration with us.

Question. In this quiescent phase, is it necessary for the United States to maintain its military superiority over the Soviets?

Answer. Yes. I think it follows that, in the nuclear age, the defensive power on the world scene has to be stronger than the offensive one simply because the defender has to be able to absorb the first blow, and then respond.

In the past, in terms of military strategy, the defender could be weaker, because the cost of an offensive in casualties tended to be higher for the attacker than for the defender.

Question. There's no question that the Soviets remain in an offensive role—

Answer. If we look at some of the recent confrontations between the United States and the Soviet Union, such as Berlin, Cuba, and, indirectly, Laos, none of them was a matter of the expansion of our sphere of influence. It's the other way around. And, after all, it was less than a year ago that the Soviets forced us to the brink of war, "eyeball to eyeball."

Question. Would you expect that Khrushchev would now shy away from foreign adventures of the Cuba type?

Answer. Yes, I would be inclined to think that the Soviets will avoid a direct confrontation with the United States. But this does not mean that, if a favorable revolutionary situation arises—be it in British Guiana, elsewhere in Latin America, Africa—that the Soviets would not exploit it. They would—and they are exploiting such situations right now.

KHRUSHCHEV'S ERRORS

Question. Do you believe it's true that Khrushchev is the best Soviet leader from our standpoint, that we should go along with him because any successor is sure to be worse?

Answer. I think there are some things we should be grateful to Khrushchev for. We ought to be grateful for his mishandling of his relationship with the Chinese. We should be grateful to him for very effectively weakening Soviet control over Eastern Europe. We should be grateful for his introducing disarray into international communism by a lot of quite bumptious and sudden initiatives.

More seriously, though, I think it's very dangerous to conduct a foreign policy on the assumption that you have to help your opponent, especially since we know very little about internal politics among the Kremlin leaders. If there were open debate there, it might be different.

Also, I have never personally subscribed to the idea that, in recent years, there was a Stalinist alternative to Khrushchev. By and large, his policies have been endorsed by the party apparatus, and are favored by those most likely to succeed him.

SMALL BUSINESS ADMINISTRATION HELPS ALASKA TOURISM

Mr. BARTLETT. Mr. President, the Small Business Administration performs an important service. Many farms and communities across the country have benefited from its loans and studies.

As an example of the SBA at its best, Senators will be interested in an article entitled "How SBA Helps Vacation-Travel Business," published in the periodical the Travel Agent. In the article, Harold Brown, Special Assistant for Area Redevelopment, SBA, refers to most helpful studies the Administration has financed on the development of Alaska's great, unused vacation resources. Here is an example of how SBA has been helpful to the communities and business of my State and of how bureaucratic delay and redtape were not allowed to reduce the effectiveness of the vital SBA program.

I commend Mr. Brown for his article. I urge SBA to work with equal efficiency and skill in all its areas of endeavor.

Mr. President, I ask unanimous consent that the 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:

HOW SBA HELPS VACATION-TRAVEL BUSINESS: ADMINISTRATION IMPROVES SERVICES TO AGENCIES AND FACILITIES FOR CLIENTS BY TECHNICAL, FINANCIAL ASSISTANCE

(By Harold D. Brown, Special Assistant for Area Redevelopment, Small Business Administration)

Every now and then a travel agent asks us at the Small Business Administration, "How can you help the vacation-travel business when so much of it is big business?" My answer is that SBA helps a great deal because lots of the business, including travel agencies, is small.

The efficient travel agent strives to arrange for vacation clients comfortable journeys with pleasant scenery, appetizing meals and restful sleep en route to destinations that provide refreshing recreation. Such services, when obtained at prices within the clients' budgets, bring repeat or reference business.

By research, technical and financial assistance, SBA helps improve and expand both the services of travel agencies and the facilities their vacation clients use.

Since most travel agencies subsist on commissions from airlines, railroads, steamship lines and hotel and motel chains, which are big business, many assume that the SBA has no concern with their clients' comfort. More than once, I have heard a travel agent say, "But surely you can't help improve railroad travel!" Actually, SBA has arranged redevelopment loans for two small railroads, one in an area of a vanishing industry, another in a Great Lakes region of unspoiled natural beauty. While this help may not have improved railroad service greatly, it did provide travel agents having rail-fan clients with two more vacation attractions to which these clients can be referred.

As the older vacation resorts grow more crowded and more expensive, demand rises for the moderate-priced, off-trail vacation with a hobby interest. But as population grows, such retreats become scarcer. This poses for the travel agent a problem whose dimensions the Recreation Resources Review Commission has explored.

In a report to President Kennedy last year, the RRRC estimated that the 4.4 billion occasions on which Americans took part in outdoor activity in 1960 will, by 1975, have swelled to 6.9 billion. There remain spaces vast enough to accommodate the vacation throngs, Alaska, for example. One-fifth the size of all other States combined, with magnificent mountains, awe-inspiring rivers and forests and a fascinating Eskimo culture, the newest State, as a territory, was a place to which travel agents frequently referred discriminating clients.

But the cold war made Alaska a military bastion and statehood has intensified its economic problems. The vacation resources remain but the travel facilities are geared to the tastes of free-spending expense account executives, military personnel and highly paid seasonal workmen, "captive visitors," not vacationers.

Only after SBA awarded the University of Alaska a \$40,000 grant to research the State's unused vacation resources did operators of travel facilities become fully aware of a neglected opportunity. Now, slowly, with SBA financial help, facilities are being reoriented in a way that may make Alaska one of the greatest vacation States within a generation.

At Juneau, the capital, the Franklin Hotel has applied an \$85,000 SBA business loan to an expansion and improvement; at Valdez, the Beals Hotel employed a \$20,000 SBA loan for the same end. SBA makes these long-term, low-interest loans available for modernizing, converting and expanding small travel facilities, the research showing places of need.

SPORTS AND BRACING CLIMATE

Juneau, situated in one of the State's most beautiful settings, offers the vacationer fresh and salt-water fishing in a climate no less bracing in winter than summer. Valdez, at the head of a fjordlike arm of Prince William Sound, offers similar sports and the Western Hemisphere's most northerly ice-free port.

The SBA-supported research concluded that if Alaska is to gain the higher business income, tax revenues and employment locked up in its unused recreational resources, its travel facilities must provide not alone for the "captive visitors" but for more modest vacation budgets.

As travel agents know, competition is the surest means of bringing down prices. Loans of the type SBA approved for the Juneau and Valdez hotels help bring this about.

Some travel agents may also long for new careers but in SBA's experience the dedicated ones are content to serve travelers.

To plan a memorable recreational vacation for a client, then inspire the client to take it also requires creativity. But the growth of vacation travel, the spread of installment sales, the need for competitive advertising and the need for more working capital, generate problems. Available at SBA's 61 field offices are SBA-published aids which many travel agents have found helpful on these. Titles include: "Are You Selling Enough Service?"; "Can You Afford Installment Selling?"; "Improving Your Collections from Credit Sales"; "Using Weather Services in Your Business"; "Direct-Mail Advertising for Small Retailers"; "Advertising for Prestige and Profit"; "Gift and Art Shops"; "Bookstore Operations"; "Are You Making the Most of Your Store Windows?" and, most important: "Creative Thinking: a Common Sense Approach."

And for agents with gross yearly receipts not exceeding \$1 million who need funds to modernize or expand, or for working capital, there are available loans for a maximum of 10 years at 5½ percent yearly interest (4 percent in the more than 900 redevelopment areas). A number of agents have availed themselves of this help in solving problems of growth.

A married couple operating an agency and greeting card business in a Kansas City suburb opened two branches. A spurt of net sales from \$325,000 in 1958 to \$428,000 in 1960 left them short of working capital to finance installment collections. A 5-year, \$15,000 SBA loan, of which their bank took 25 percent, eased their difficulty. The couple pledged store fixtures and supplies as loan collateral. The business continues to expand.

Another, larger, Detroit agency operated by two brothers had net sales close to \$1 million and 1962 net profits of \$35,000. But airline requirements of semimonthly remittances left them also short of working capital. Their bank loaned them \$35,000 for 5 years, SBA agreeing to advance 70 percent of the loan balance whenever the bank requested; they pledged accounts receivable and property as collateral. Their sales have increased.

SBA does not act alone in financing facilities. Banks participate in about two-thirds of the SBA loans and the agency also lends funds to State and local development companies for their use in helping finance travel facilities. Also, SBA makes loans for these purposes in concert with other Federal agencies. The help is not limited to hotels and motels.

SBA HELPS TRAVEL

Ski lifts at Grand Rapids in the Sawtooth Mountains of northern Minnesota and at Sand Point in the Idaho Rockies are among recreational facilities recently built with this assistance. A unique vacation monument to the assistance is a redeveloped 25-mile steam railroad in Michigan's upper peninsula, skirting Lake Superior's wooded southern shore.

A \$150,000 SBA loan to a local development company made possible the Minnesota ski facility and on the \$150,000 financing of the Idaho ski installation, SBA was joined by the Rural Electrification Administration; a bank took a 25 percent share of each loan. The Area Redevelopment Administration largely financed the railroad's redevelopment. SBA investigating the project's feasibility and negotiating bank and other participations in the ARA loan.

On most of its own loans SBA charges interest of 5½ percent yearly, but this is reduced to 4 percent in redevelopment areas. Since all of the foregoing projects are in redevelopment areas, SBA's share in the ski lifts earns the lower, 4 percent, which was also ARA's rate on the railroad loan. REA charges only a 2-percent rate but banks par-

ticipating in these as in all such loans charged their regular rate.

Citing the low Federal rates, some critics call such financing "spending for the sake of spending," a charge that overlooks the fact that the loans are well secured, must be repaid, and that the financed projects benefit underdeveloped areas much in need of commerce and industry.

AGENTS HELP BUILD AREA'S STRENGTH

Travel agents may not realize it but every time they route a client to a vacation redevelopment area, they help build the area's and the Nation's economic strength. The Chamber of Commerce of the United States maintains that of the three means of economic development—industrial, agricultural and recreational—the third is the easiest and quickest. The National Association of Travel Organizations estimates the average tourist spends about \$10 daily, a figure which, in Alaska, mounts to \$17. Thus, as the University of Alaska study found, an Alaskan community which attracts only a few dozen vacation-travelers daily throughout the year has the equivalent of a manufacturing industry with a \$100,000 yearly payroll.

In a State with a highly developed vacation-travel industry such as New Hampshire, the industry's contribution to the economy becomes vitally important. An SBA-financed study by Dartmouth College into the New Hampshire vacation-travel industry showed that in 1960 it was responsible for \$249 million or 20 percent of the State's income, employing 30,000 persons at the summer peak and as many as 5,000 even in winter.

Another SBA-financed study, by the University of Maine, showed, however, that even in this highly developed vacation State recreational facilities may not be entirely adequate. Polled by the study's authors, Maine vacation visitors said that while they delighted in its scenery, ocean beaches, the friendly courtesy of its people and the flavor of its lobsters, they felt a lack of evening entertainment, perhaps due to a waning of the Maine summer theater.

SBA helps finance amusements also in vacation-travel regions, for example, drive-in film theaters in New England. It does so, not under a policy of "spending for the sake of spending," but because it knows the vacation-travel industry's potential for stimulating economic growth.

SMALL BUSINESS REMAINS WELLSPRING OF CREATIVE IDEAS, NEEDS AS MUCH OR MORE COMPETENCE THAN BIG BUSINESS

Travel facilities here and there may presently be overexpanded but, as the RRRC found, those for outdoor recreation generally are inadequate even for present requirements. Income as well as population is rising, vacations lengthening, and the demand for facilities surging. The RRRC forecasts that by 1975 highway travel will be doubled, air travel tripled, and facilities correspondingly burdened. The SBA loans help the small business sector of the vacation-travel industry prepare to carry the load.

If, then, there is little merit in the charge that SBA financing of vacation facilities is wasteful there is even less in the claim sometimes made that these loans to small operators subsidize the uncreative and incompetent. Actually, as SBA's experience has shown, small business remains, as always, a wellspring of creative ideas with the small firm that competes with big business needing as much or more competence than its big competitor.

But modernization and expansion, the best evidence of a facility operator's creative competence, takes long-term financing and, as the Dartmouth study of New Hampshire's small vacation-travel facilities found, this is often lacking when he is small.

In filling the lack, the SBA and other Federal loans often release creative energies that develop vacation-travel resources which might otherwise lie idle but which, when developed, add attractions to which travel agents' clients can be referred.

The decline of anthracite mining in central Pennsylvania left the borough of Ashland in need of new industry. The flourishing vacation business in the nearby Pocosinos gave Ashland's business leaders an idea. But an abandoned mine and the two streaks of rust that remained of the mine's three-quarter mile, narrow gage steam railroad were the town's only possible tourist assets.

However, walk-in anthracite mines are becoming rare, mine railroads even rarer. Banded together in the nonprofit Ashland Community Enterprises, the borough's business leaders approached ARA for a \$30,000 loan to help restore the two properties to operating condition as a vacation attraction. As ARA's fiscal agent, SBA was obliged to warn them that the project would first have to be proved feasible, security be pledged and other funds raised. Owing nothing but their idea, ACE members set to work.

Their search of nearby scrap-metal yards turned up a broken-down locomotive, snatched up at \$1,200, and the remaining vertebra of five mine cars, cajoled as a donation. Man-to-man interviews by ACE members with the owners of the mine and railroad right-of-way secured leases of the ground at nominal rents. Then, in a truly creative move, ACE announced that earnings from the enterprises would be dedicated to park and playground improvements, thus enlisting the community's wholehearted support.

Skilled foundrymen and machinists, hand-cast, and machined parts from which the locomotive was rebuilt, from the driving wheels up, to Pennsylvania's rigid safety specifications. Businessmen wheedled rails, ties, and spikes from dealers at cost or less on credit and cleared the right-of-way with borrowed bulldozers, then laid track, and spiked the rails.

When the line was completed in the summer of 1962, and its property valued to determine whether, as collateral, it would adequately secure the ARA loan of \$30,000, the locomotive alone rated an appraised market value in excess of that amount.

On the short opening runs of a brief 8-week season last autumn, the train carried about 15,000 passengers, nearly three times Ashland's population. The earnings went to reopen and restore the mine to the same high safety standards as the railroad and this summer it, too, is open and drawing vacation tours.

Here is an exhibit to which travel agents, seeking attractions of interest to educators and their charges, can refer clients without hesitation; the Pennsylvania Travel Development Commission, Harrisburg, has descriptive leaflets. Can anyone doubt the creativity and competence of the ACE promoters? We at SBA never have.

Group thinking readily generates such creativity but how does an individual travel agent achieve it? For a Boston widow, an advertising writer and travel agent, the process occurred during a week's cruise aboard the 70-ton two-masted schooner, *Alice S. Wentworth*, off the Maine coast two summers ago.

The salty breeze, the sun-drenched decks and occasional cozy nights at anchor in snug harbors—almost everything about the cruise delighted her except the plain, seafarer meals and the infrequency of the nights at anchor. Cooking was her hobby and she dreamed of longer voyages in more familiar Massachusetts waters where the ports are closer spaced. But the schooner's owner-master, content with his earnings from a 12-week season, laid

up the vessel each Labor Day for the winter. Content with the table fare also, he showed no inclination to employ a chef.

This summer, the *Wentworth* will be cruising the Cape Cod and Nantucket Sound waters of his lady passenger's preference for a longer, 15-week season and, if her plans go through, will spend the winter on windjammer voyaging in the Caribbean; also, the *Wentworth's* menu has improved. A little dissatisfaction sparked her to some creative thinking and a talk with the schooner's skipper: her savings and an \$11,000 SBA loan enabled her to meet his \$20,000 price for the vessel. He and his crew still man it but she is now not only its cook but its owner. The dissatisfaction and the loan created a new career for her.

A growing population, rising income and lengthening leisure confront the vacation-travel industry with a tremendous challenge. The Nation's continued health and strength depend on the ability of the industry, including its smaller elements, to provide enlarged recreational needs. From the record of SBA's operations, as here indicated, the agency has been alert in researching small business sectors requiring development and, where financial help is needed, in providing it.

WHO SHALL GUARD THE GUARDIANS?

Mr. GRUENING. Mr. President, an editorial "Who Shall Watch the Watchmen?" relating to an issue which should concern all Americans and particularly our Federal legislators, appears in the October 5 issue of the Nation. It alludes to the strictures which Senator PAUL DOUGLAS, our able and distinguished colleague from Illinois, and I have made concerning the Federal Maritime Commission and the Maritime Administration, which in our view had on different counts failed grossly in protecting the public interest.

I am happy to report, however, that as a result of our criticisms, the President has made a change—if not in the personnel at least by a shift of command. He has replaced Thomas E. Stakem, the former Chairman who was the only man on the Board with any experience in maritime affairs, and apparently dominated his colleagues on the Board, with Adm. John Harlee, another member of the Board. There are gratifying evidences that this change of command is producing a new outlook in the Federal Maritime Commission, and it is my sincere hope that this change will be thoroughgoing and will result in bringing about in these two agencies—the Federal Maritime Board and the Maritime Administration—the type of performance which was clearly envisioned by President Kennedy in his reorganization plan No. 7.

While it is too early to judge how effective this change is going to be, I feel encouraged by certain steps that have been taken in the last few weeks. I shall watch with interest, as will my fellow Alaskans and many other of our fellow Americans, to see whether this change for the better continues.

In my judgment, the performance of the regulatory agencies has an important bearing on the character of an entire administration. The regulatory agen-

cies are supposed to be the vigilant guardians of the public interest.

I ask unanimous consent that the editorial from the Nation to which I have referred be inserted in the RECORD at this point in my remarks:

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

WHO SHALL WATCH THE WATCHMAN?

A seasoned observer of the American political scene recently asked: "Do the regulatory agencies protect the public interest, or have the foxes been set to guard the chickens?" Senators PAUL H. DOUGLAS and ERNEST GRUENING would certainly answer the first part of the question in the negative, particularly insofar as the actions of the Federal Maritime Commission and the Maritime Administration are concerned. Mr. DOUGLAS (CONGRESSIONAL RECORD, July 15) noted that the balance-of-payments deficit for the first quarter of 1963 amounted to \$700 million, corresponding to an annual rate of \$2.8 billion (subsequently it has risen to about \$4 billion). He noted further that the U.S. trade balance on steel has declined by almost \$800 million since 1955, our imports having doubled and our exports having fallen to one-quarter. In part, this is the result of discriminatory maritime freight rates, a field which is under executive jurisdiction. While he is conferring with business executives on how to increase U.S. exports, the President might well look into this bizarre situation.

He will find that it costs \$33.35 to ship a ton of iron or steel pipe from a U.S. west coast port to Japan, but only \$18 in the reverse direction. The corresponding figures for angles, beams and girders are \$31.10, westbound, and \$15.50, eastbound. Eastbound between U.S. North Atlantic ports and West Germany the freight on pipes is \$51.25 per ton, westbound on the same route, \$18.75. In the case of 26 commodities other than steel which the Department of Commerce has designated as having substantial export potential, outbound rates are approximately 34 percent higher than inbound. There are also differentials in the other direction, examples being automobile shipments between West Germany and the United States and electrical goods between Japan and the United States; evidently a good deal of international conniving is going on, of which the American public knows next to nothing.

But the public is paying the freight, and not just figuratively. Maritime freight rates are set by international shipping conferences dominated by foreign flag lines, some of which are U.S.-controlled but prefer to pay their crews the lower wages permitted by the countries of registry. The Maritime Subsidy Board, which is under the Maritime Administration, which is under the Department of Commerce, has adopted as a general principle that subsidized lines should "comply with established applicable conference rates in any trade in which the subsidized lines engage." This applies whether or not the line is a member of the conference. Departures from this practice may be sanctioned, but the Maritime Subsidy Board will require the line to justify its noncompliance. Nonconformity would appear to invoke the risk of nonsubsidy.

Backing Senator DOUGLAS, Senator GRUENING not only found "negligence, indifference to the public interest, and shameful performance" in this particular situation, but also argued that the whole question of regulatory agencies "is one of the most vital issues which confront the American people." To which Senator DOUGLAS added: "I think there is a general tendency for the regulatory agencies . . . to become regulated and controlled by the very interests they were

set up to regulate and control, because the institutions whose rates and services they control have great economic interests involved." If the New Frontier is doing anything about that, the results are scarcely visible with the unaided eye.

VON STEUBEN DAY—SEPTEMBER 17

Mr. WILLIAMS of New Jersey. Mr. President, it is to New Jersey's great credit that in 1783 it gave one of the Revolutionary War's greatest generals a country house and land near Hackensack as a reward for his superlative military services in the cause of freedom. The gift was a life estate in the property, and Von Steuben later bought a fee simple interest. He was forced to sell it to the former owners when overwhelmed by the debts he had incurred in serving the Revolutionary cause. He had proposed to the Continental Congress that only his bare expenses should be paid while he served as a volunteer, that if his services should contribute to the eventual success of the American cause he would then be recompensed for his sacrifices in leaving Europe, but that if the cause should fail, or if his services should not prove beneficial, he would make no claim whatever. Eventually, in June of 1790 the new Federal Government granted him a pension of \$2,500 per year instead of the lump sum which he had expected.

What was the nature of the contribution made to the Revolutionary cause by Gen. Frederick William Augustus von Steuben? General Washington was so favorably impressed by his practical knowledge and experience that he asked him to serve as acting inspector general and to undertake the training of the Army. This involved great difficulty since Von Steuben spoke no English and was therefore obliged to act through interpreters. There was no time for the preparation and publication of a complete new drill manual. He therefore prepared his drill instructions in brief installments. These were translated into English and issued to the regiments as the drill progressed. He had the great good sense to rely additionally on the power of example. He formed a model company under his own skilled instruction which made such rapid progress that the imagination of the entire Army was fired by the example of its proficiency. Drill became the fashion, and within a few weeks the new drill, imparted day by day to the model company, spread throughout the Army.

It was perhaps the most remarkable achievement in rapid military training in our history. The value of Von Steuben's instruction was soon shown on the battlefield of Monmouth. There and thereafter throughout the war the Continental Army proved itself the equal in discipline and skill of the best British regulars.

When Von Steuben was preparing the installments of his famous drill manual he needed someone to illustrate it in order that there might not be the slightest doubt as to the meaning of his directions. He chose a young Frenchman who had been occupying himself at Valley Forge by drawing crayon portraits of officers and their wives. This was Pierre Charles L'Enfant, and Von Steuben's assignment to him was the first

real work he did as an American officer. One day L'Enfant would design forts and emplacements; later he would be New York City's principal Federal architect; finally he would create, as his permanent monument, his city in the wilderness, Washington, D.C. It was Von Steuben who first recognized his abilities.

Through his influence in converting the American Army into an effective and highly disciplined military force Von Steuben was an indispensable figure in the achievement of American independence. He performed an essential service that none of his contemporaries in America was qualified to perform.

On Von Steuben Day each year, I think that every American should once again be reminded of the name and achievements of this fine soldier and citizen.

AID FOR HIGHER EDUCATION—THE STUDENT PROGRAM UNDER THE NATIONAL DEFENSE EDUCATION ACT

Mr. JAVITS. Mr. President, the student loan program under the National Defense Education Act has made it possible for thousands of needy students to attend the college of their choice. Without this help they would not have been able to continue their studies. Increasing enrollments, however, have outstripped the total amount authorized by Congress in 1958. In the bill now before the Committee on Labor and Public Welfare, the total for conventional loans under NDEA would be increased from \$90 million a year to \$125 million for fiscal 1964, \$135 million for fiscal 1965, \$145 million for 1966, and \$150 million for 1967. It is anticipated that loan repayments may be of sufficient volume after 1966 to remove the necessity for fuller increases in the authorization. Aid for institutions of higher education, even beyond extension of NDEA, is very badly needed in the face of mounting enrollments, and I firmly believe that Congress must take positive action at this session.

I ask unanimous consent to have printed in the RECORD the newspaper article by Susanna McBee entitled "Drop in U.S. Student Loans Hits Area Universities Hard," which appeared in the Washington Post, September 22.

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

DROP IN U.S. STUDENT LOANS HITS AREA UNIVERSITIES HARD (By Susanna McBee)

Washington's colleges and universities have been hard hit by a cutback in funds they receive from the U.S. Office of Education for their federally supported student loan program.

At least some students have been unable to attend college because of the Government's involuntary reduction in the loan funds, which local institutions have been getting under the National Defense Education Act program, which started in 1958.

Other students have been directed by local colleges to State and private loan programs. A few, ineligible for such aid, are continuing their education "under extreme hardship," one official said.

The cutback, which has affected hundreds of other colleges across the Nation, results

from the fact that loan requests for the first time have exceeded the \$90 million available each year under the terms of the act.

INCREASE ASKED

This year requests have come to \$121,955,470. The administration, anticipating the increased demand, asked Congress this year to raise the \$90-million ceiling to \$135 million and to eliminate the current \$250,000 limit on loans that students at any one institution may receive.

Congress has not acted, but a House education subcommittee has approved the administration request. A Senate education subcommittee has voted to raise the student loan ceiling to \$125 million this year and \$135, \$145, and \$150 million in the next 3 years. Also, the Senate unit raised the institutional ceiling to \$800,000.

Loan requests are up nationally because more students are going to college—4.4 million this year compared with 4.2 million last year—and because more colleges are participating in the program.

Seventeen more colleges entered the program this year as a result of the repeal of the controversial non-Communist affidavit which has been required of college students seeking Federal loans. The 17 colleges were among 32 which had quit the program in protest against the affidavit.

DISTRICT DEMANDS

Nine District colleges and universities this year asked for \$1,464,609 in National Defense Education Act loan funds, a sum representing the gross needs of their students. The institutions got \$815,878, or 55.7 percent of what they sought. Last year these nine and two others that did not seek loans this year received \$1,078,154.

All colleges and universities in Maryland and Virginia received either what they requested, or the \$250,000 institutional maximum. However, three which received \$250,000 had asked for more. The University of Maryland sought \$426,600; Morgan State College, a predominantly Negro school in Baltimore, requested \$297,509, and Virginia State College, a Negro school in Petersburg, asked for \$351,561.

In Washington, dean of students, Armour J. Blackburn, of Howard University, said he knew of more than a handful of students who would have come to the university but could not because we did not have the loan funds for them.

Howard asked for \$247,198 in loan funds and received \$137,706. Last year it got \$181,904. Blackburn said Howard has directed some students to other loan funds.

GWU CUTBACK

George Washington University asked for \$178,314 in National Defense Education Act funds and received \$99,333. Last year it got \$147,850. Assistant Treasurer Maurice Heartfield said no student has been forced to quit school because of the cutback. (National Defense Education Act loans are repayable to 10 years.)

Georgetown University asked the Government for \$426,642 and received \$237,660 compared with \$250,000 last year. The Rev. Joseph A. Haller, university treasurer, said no student unable to get a National Defense Education Act loan has been forced out of school. Other loan funds and university resources have been taxed, however. The National Defense Education Act cutback came as a "bombshell," Father Haller said.

GWU has referred students to the United Student Aid Fund and to State loan programs, such as those in New York and New Jersey, which, like the National Defense Education Act, require only 3-percent interest and are repayable in 6 years.

Tom W. Sills, director of Student Aid of American University, said he called four local banks but could not get them to offer needy students long-term loans. He did refer them

to the other loan sources used by other local institutions after AU received only \$133,261 of the \$239,220 it requested in National Defense Education Act funds. Last year it got \$191,596.

This year the average National Defense Education Act loan at AU is \$770, which is more than the \$478 national average loan last year. "It costs about \$2,500 a year to go to AU; so a student with a National Defense Education Act loan still has to cough up a lot," Sills said.

Here is the way other District institutions fared:

District of Columbia Teachers College: Asked for \$5,400, received \$3,009; last year it got \$3,545.

Catholic University: Asked for \$317,685, received \$176,971; last year it got \$250,000.

Dunbarton College: Asked for \$6,856, received \$3,820; last year it got \$8,581.

Gallaudet College: Asked for \$13,500, received \$7,520; last year it got \$16,408.

Trinity College: Asked for \$29,794; received \$16,598; last year it got \$26,809.

Since the beginning of the National Defense Education Act program in 1958, about 490,000 students in 1,534 colleges and universities have borrowed about \$330 million. For each \$9 the Government contributes, the institution adds \$1 to its National Defense Education Act fund.

AMENDMENT OF THE RAILROAD RETIREMENT ACT OF 1937, THE RAILROAD RETIREMENT TAX ACT, THE RAILROAD UNEMPLOYMENT INSURANCE ACT, AND THE TEMPORARY EXTENDED RAILROAD UNEMPLOYMENT INSURANCE BENEFITS ACT OF 1961

Mr. MORSE. Mr. President, I move that the Senate proceed to the consideration of Calendar No. 489, H.R. 8100.

The PRESIDING OFFICER (Mr. RIBICOFF in the chair). The bill will be stated by title.

The LEGISLATIVE CLERK. A bill (H.R. 8100) to amend the Railroad Retirement Act of 1937, the Railroad Retirement Tax Act, the Railroad Unemployment Insurance Act, and the Temporary Extended Railroad Unemployment Insurance Benefits Act of 1961, so as to provide an increase in the creditable and taxable compensation, and for other purposes.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Oregon.

The motion was agreed to; and the Senate proceeded to consider the bill.

Mr. MORSE. Mr. President, the bill provides for an urgently needed repair of existing financial inadequacies in both the railroad retirement system and the railroad unemployment insurance system. The railroad retirement system, because a sharply contracting work force over the past decade has resulted in a contracted payroll, has developed an annual actuarial deficiency of \$77 million per year. This deficiency has been getting more pronounced as each year has gone by and has now reached a point where immediate steps must be taken to remedy it.

The factors which have caused these financial difficulties in the railroad retirement system have precisely the same effect upon the railroad unemployment insurance system with the result that it too has been suffering from a deficit over

the past few years. It has found it impossible to meet its current obligations out of its current revenues with the result that it has now developed a debt in excess of \$300 million and it lacks the means to repay this sum unless the measures provided in this bill are enacted.

In 1961 the President, recognizing the financial difficulties which were developing in these systems, directed the Railroad Retirement Board to reexamine the financial structure of the systems with a view to recommending legislative changes to overcome the deficiencies. The bill, H.R. 8100, is the result of an intensive effort over a long period of time to develop suitable and adequate means by which these systems can be restored to financial health.

For the railroad retirement system the bill would increase the taxable and creditable monthly compensation to \$450, revise certain military service provisions of the act, and increase interest rates on railroad retirement funds held by the Federal Government from its present obsolete level of 3 percent to a more realistic level of current market yield. All such obligations would be immediately converted to the higher rate. In addition the bill would retain the present 3-percent rate as a minimum guarantee or floor. In this connection it should be noted that for the past 7 or 8 years the Federal Government has gained at the expense of the railroad retirement system from paying only 3 percent on the special obligations in the railroad retirement account when it paid more than that on funds borrowed through general obligations.

For the railroad unemployment insurance system, the bill would improve the financial condition of the system by about \$20.3 million a year. This will soon eliminate the need for further borrowing of funds by this system and permit it gradually to liquidate the indebtedness of over \$300 million. This would be accomplished by increasing the maximum contribution rate to 4 percent without an increase in the taxable compensation and by certain provisions that would restrict somewhat the eligibility of employees only casually attached to the railroad industry as well as voluntary quits.

Mr. President, the bill was reported unanimously by the Committee on Labor and Public Welfare. The terms of this bill are the result of months of careful work by all of the interested parties, including the carriers and the brotherhoods and the Railroad Retirement Board. The bill was endorsed by the Railroad Retirement Board, was reported unanimously by the House committee and passed the House without a dissenting vote.

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

Mr. MORSE. I yield to the Senator from Ohio.

Mr. LAUSCHE. Do I correctly understand that at present the moneys of the Railroad Retirement Fund which are held by the Federal Government receive a rate of 3 percent interest?

Mr. MORSE. That is correct.

Mr. LAUSCHE. This bill, passed, contemplates raising that rate of interest to a level of the present average rate paid by the Federal Government, does it?

Mr. MORSE. That is correct. In other words, one of the contributing factors to the present distressed financial condition of the fund is that the Government is making money at the expense of the fund.

Mr. LAUSCHE. How much is the annual loss to the railroad retirement fund because of failure to get the going rate of interest?

Mr. MORSE. The annual actuarial deficit is \$77 million a year.

Mr. LAUSCHE. Does that include only the interest, or does it include other items?

Mr. MORSE. Contraction of employment in the industry has, of course, been one of the major factors contributing to the deficit.

Mr. LAUSCHE. To depart from the subject immediately before the Senate, let me say that I do not know whether the Senator heard my statement, of a moment ago, that I am offering to the appropriation bill an amendment changing the substantive law under which the Rural Electrification Administration is loaning money at 2 percent when the Federal Government is required to pay 4 percent. My question is: Is not the principle the Senator from Oregon is seeking to apply to the railroad fund the same as the principle I want applied to the rural electrification loans?

Mr. MORSE. In all frankness, I cannot answer the Senator's question until I make a study of the history and policies involved in the rural electrification fund. I would not give a curbstone reply to that question; it requires study.

Mr. LAUSCHE. Does the Senator from Oregon urge that the railroad retirement fund be paid the same rate of interest on the money the Federal Government borrows from it?

Mr. MORSE. That is my main reason for supporting this bill.

Mr. LAUSCHE. If my amendment to the Rural Electrification Act is based on the same principle, will the Senator from Oregon see any weakness in it?

Mr. MORSE. Not if it is based on the same principle; but the Senator is asking me to assume that it is based on the same principle, without my taking time to ascertain the public policy problems in connection with the rural electrification program. It may very well be that when we consider the history of the rural electrification program and the basis for the policy behind the 2-percent interest rate, I might think it is still a sound interest rate. But I am not going to commit myself in advance of that study.

Mr. LAUSCHE. I contemplate supporting the bill, because I believe that when the Federal Government borrows from the railroad retirement fund, it should pay that fund the same rate of interest that it pays on all the other money it borrows; but I believe that if the principle is applicable when the Federal Government is paying interest, it is likewise applicable when the Federal Government is collecting interest. It is

for that reason that I will press for the adoption of my amendment.

I thank the Senator very much.

Mr. DIRKSEN. Mr. President, will the Senator from Oregon yield?

Mr. MORSE. I am glad to yield.

Mr. DIRKSEN. I should like to ask whether the Treasury Department opposes this provision.

Mr. MORSE. As I was about to explain, the Treasury Department is opposed to the immediate conversion of the special obligations to the new market yield rate, as provided by the bill. It wants a 10-year period over which it will gradually roll over these obligations to the rate provided for in the bill, and it also wants to remove the 3-percent minimum-guarantee provision. The views of the Treasury Department have been thoroughly considered by the committee, and have been thoroughly considered by the House.

Let me tell the Senator from Illinois why our committee rejected the position of the Treasury. In the first place, on the question of whether, at the present time, the Government is making money at the expense of the railroad retirement fund, the answer is yes. I believe that procedure is wrong; I believe the railroad retirement fund should receive fair and adequate interest at the present time. As for removal of the 3-percent floor, the position of the Treasury is that at some time in the future the economic situation may be such that a 3-percent interest rate may be too high. Our answer is that we will cover that point when the time comes. However, there was a public-policy purpose for establishing the 3 percent in the first instance. When the railroad retirement bill was passed in 1937, it was passed, in recognition of the responsibility of the Federal Government, to help stabilize the railway industry of this country, because—as was brought out in our committee discussion of the bill—the railway industry is not merely a private industry; it is a private industry vested with a public interest, and all of us have a stake in maintaining a stable, and sound railway industry.

I need not point out to the Senator from Illinois, who comes from the hub of the railway industry, in Illinois, the great potential value of a going railway system to the defense of this country in time of national emergency. The Railroad Retirement Act was passed, in the first instance, to carry out what the Government considered a part of its obligation to maintain a stable railway industry. The minimum 3-percent interest rate was established from the very beginning as a necessary element in the development of a financially sound railroad retirement program.

We do not believe that this is the time for us to "take out the crystal ball" and prophesy what the situation on the minimum rate may be 10 or 15 years from now. If it ever should develop that there is any problem as to the minimum rate, it should be the responsibility of the Congress which is sitting at that time; and, therefore, we do not propose in any way to modify the 3-percent floor.

Mr. DIRKSEN. Was there any testimony to the effect that the fund is unsound from an actuarial standpoint?

Mr. MORSE. Oh, yes. The Chairman of the Railroad Retirement Board presented in detail the facts on that matter, and representatives of the carriers and representatives of the brotherhoods presented detailed reports and evidence that bore out the recommendations of the Railroad Retirement Board. These facts are not disputed by the Treasury. There is no question about the urgent and immediate need to get more money into this fund.

Mr. DIRKSEN. Then can there be any reason for Treasury opposition, other than that it does not want this impact on the budget to come in a single year, instead to spread it over a 10-year period?

Mr. MORSE. Treasury apparently fears that immediate conversion of the railroad retirement special obligations to the new interest rate will become a precedent for the readjustment of the obligations of other systems such as social security. We considered this point carefully in committee and rejected it. The committee's view—which appears at page 10 of the report—is that the procedures developed in this bill for the railroad industry are not applicable to the other systems and are not to be regarded as a precedent. The special factors characterizing the railroad retirement system as unique are clearly spelled out in the report.

Mr. DIRKSEN. One reason for raising this rate is set forth in an article—published in this morning's Washington Post. The article, which is entitled "The Uneconomy Bloc," was written by Rowland Evans and Robert Novak.

Mr. MORSE. I am familiar with the article.

Mr. DIRKSEN. They make it appear that no economy voices were raised with respect to this bill, because of the immediate impact on the budget. By that, I mean that in the article it is stated, "The fund is now actuarially unsound."

I have some difficulty following the logic of the article, because if a private company operated in this way, it would soon be haled before a court, or before the insurance commissioner of the State, to show cause why its operations should not be suspended.

Mr. MORSE. The article is inaccurate on three main grounds: It is inaccurate in its statement that no so-called economy voices have been raised in connection with consideration of this bill; and it is also wrong in its assertion that the bill sets a precedent in the conversion formula in the Social Security and civil service funds; and finally it is wrong in its conclusion that it would be sound economy not to enact this bill.

I assure the Senator from Illinois that this matter was worked over on both sides of the committee table. The Senator from Illinois—until recently a member of our committee—knows that in the Senate Labor and Public Welfare Committee there is always full discussion, on both sides of the table, of any controversial matter.

The Treasury position was thoroughly analyzed. We came to the unanimous conclusion that we had to reject it because of the actuarial unsoundness of the fund, and also because it was not

fair to impose the loss upon the Railroad Retirement Fund. We feel that the beneficiaries under the fund are entitled to the protection we are seeking to give them in the bill by making it actuarially sound.

Mr. DIRKSEN. If the Senator has no objection, in connection with my part of the colloquy I should like to have that article printed in the RECORD.

Mr. MORSE. I join in the request to have it printed at this point in the RECORD.

Mr. DIRKSEN. I ask unanimous consent that the article referred to 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 UN-ECONOMY BLOC

(By Rowland Evans and Robert Novak)

The congressional economy bloc, a noisy flock that keeps its good eye on the Treasury, was notably silent last week when, over administration protests, it voted to add \$55 million to the Federal budget for fiscal year 1965, starting next July.

The 1965 budget is the one now being prepared in the Budget Bureau. It is the budget that House Republicans and conservative southern Democrats are trying to force President Kennedy to pare to \$98 billion. The amendment to the tax bill by Representative JOHN BYRNES (Republican, of Wisconsin), now being debated in the House, would void the proposed \$11 billion tax cut unless the administration limits the 1965 budget to \$98 billion.

Granted \$55 million is the merest fraction of \$98 billion, but violent congressional debates have broken out over administration proposals that would spend far less than that. The House has haggled for hours, for example, over a puny few millions for the Voice of America or the foreign aid program.

The curious thing about the two bills that swept through the House last Tuesday without audible protest is that the administration was strongly on record against both of them. One dealt with the interest rate paid by the Treasury Department on money borrowed from the railroad retirement fund, the other with nursing-home care for veterans.

The first of these, in fact, may now have set a precedent for an extra \$33 million budget increase in the near future. This is the story:

For years, the interest rate paid by the Treasury on borrowings from the retirement fund has been 3 percent. The fund is now actuarially unsound. To help cure its deficiency, the administration proposed raising the interest rate to the going market rate on Treasury securities—now 3½ percent. The conversion would take place over a 10-year period, to minimize its effect on the Treasury—and the new budget.

What the House did, without a single administration Democrat or economy-bloc Republican raising a whisper of opposition, was to decree an immediate conversion to 3½ percent. The cost, automatic and unrecoverable: \$25 million.

If Congress now applies this immediate-conversion formula to the social security and civil service retirement funds, the 1-year cost to the Treasury would come to some \$330 million. The interest rate paid by the Treasury on borrowings from these two giant funds is now gradually rising to the going market rate, over a 10- and 15-year period respectively.

The other bill that slipped through the House under the nose of the economy bloc—or, more properly, with its enthusiastic help—was a \$42 million nursing home program for war veterans. Except for the merest handful, the veterans who will profit from this

congressional good will have disabilities totally unconnected with their wartime service.

The background on this bill is as follows: Under pressure from the politically potent veterans' lobby, the administration approved a \$12 million nursing care program limited to an additional 2,000 beds in existing Veterans' Administration hospitals.

The House Veterans' Committee doubled this and threw in for good measure a higher Federal subsidy to the States for State nursing care programs and extra outpatient care for veterans with non-service-connected disabilities.

Total cost: \$42 million, or \$30 million over the spending level recommended by the administration.

When these two bills came to the floor of the House and whisked through on a voice vote, only one question was raised about cost. The question-asker was Representative DURWARD HALL, a penny-pinching rural Republican from Missouri and an authentic economizer. But even HALL made no effort to stem the spending tide.

Last Tuesday's events in the House prove once more that Congress finds it easier to preach than practice economy. Although the economy bloc loves to admonish Presidents for "fiscal irresponsibility," it just can't bring itself to vote against an extra \$55 million—particularly if it profits railroad workers and veterans.

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

Mr. MORSE. I yield to the Senator from Massachusetts.

Mr. SALTONSTALL. Along the lines of what the Senator from Illinois stated, if the amount of the interest rate were not raised, would not the difference come from the taxpayers through a larger deficit in any event? It would come from them in one way or another.

Mr. MORSE. Eventually we would be required to replenish the fund or ask the retirees to take drastically reduced pensions, which would be unconscionable. The Senator from Massachusetts and I both know that no Congress would ever do that. Now is the time to plug the hole.

Mr. SALTONSTALL. The Government would pay in one way or another.

Mr. MORSE. That is the opinion of the Senator from Oregon.

I now yield to the Senator from Nebraska [Mr. HRUSKA].

Mr. HRUSKA. Mr. President, the amendments to the Railroad Retirement Act represented by H.R. 8100 deserve the support of the Senate. They are in the interest of the Nation's railway employee, railroad management, and most importantly, the American taxpayer.

It is good to note that the Senate is taking such prompt action on this bill. All of the parties concerned in the negotiations leading toward H.R. 8100 and the companion bill, S. 2056, are to be commended. The House of Representatives passed H.R. 8100 on September 17. Three days later it was reported to the Senate by the Committee on Labor and Public Welfare.

Officials representing the many unions whose members are employed on the Nation's railroads support prompt enactment of these amendments. As evidenced by the testimony, this legislation resulted from extensive conferences and meetings attended by representatives of the Association of American Railroads, the American Short Line Railroad Association,

and the Railway Labor Executives' Association.

Several important changes were made to eliminate certain practices which tended to weaken the unemployment compensation part of the law. Additionally, the retirement fund was strengthened. The Railroad Retirement Board has indicated that the fund is now running on a basis which involves an actuarial deficit of approximately \$77 million a year. Under the terms of the bill, the deficit will be reduced to about \$16 million a year, which is within acceptable limits of actuarial tolerance.

For several years the unemployment insurance system has borrowed money from the retirement account to make payments for benefits under the unemployment insurance system. The retirement system has advanced, through such borrowing, funds exceeding \$300 million. Under the proposed changes in the law such borrowings would not be necessary, and repayment of the amount utilized by the unemployment system could begin.

The proposed changes are somewhat technical in nature. At this time I want to state that this legislation has my wholehearted support. These amendments will bring financial stability to the fund and put it on a more businesslike basis. They recognize that there was a need to eliminate certain practices which were detrimental to, and caused a drain on, the unemployment compensation fund. It is for these sound reasons that the bill should be passed.

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

Mr. MORSE. I yield.

Mr. COOPER. I understand that the bill has the approval of the railway employees' organization.

Mr. MORSE. And the carriers. I should like to put it in this way: The details of the bill were developed with great care over a long period through the cooperation of all of the parties concerned. The representatives of the carriers and the brotherhoods cooperated fully with the Railroad Retirement Board. Each is now satisfied with the bill as unanimously passed by the House and as reported by the committee. As I said in my opening statement, the action was taken because the President of the United States called upon the Railroad Retirement Board to proceed to make a report in regard to the condition of the railroad retirement fund.

Mr. COOPER. The bill would increase the amount of compensation to the railway workers.

Mr. MORSE. It would increase the taxable and creditable compensation base from \$400 to \$450 per month.

Mr. COOPER. It would also increase the amount of interest that the Treasury would pay upon its obligations.

Mr. MORSE. That is correct. So that the record will be clear, I wish it clearly understood that the Treasury wanted to accomplish that result over a 10-year rollover rather than through immediate conversion and that plan was rejected.

Mr. COOPER. The bill would protect the payments which have been prescribed for the railroad employees.

Mr. MORSE. That is correct.

Mr. COOPER. I should like to make one further statement, and then I shall close. I had the privilege of serving for 3 years on the subcommittee with the Senator from Oregon when I was a member of the Committee on Labor and Public Welfare. I remember that for 3 years we struggled with the problem of bringing the fund into as sound a condition as could be done at that time. I am sure that since that time the problem arose as a result of the growing number of railroad employees who are out of work through automation and technological changes. I commend the Senator. I remember that when I had the opportunity to serve with him on the committee how diligently he worked to keep the fund sound in the interest of the employees and employers as well.

Mr. MORSE. The Senator from Kentucky was one of my colleagues on the Railroad Retirement Subcommittee of the Committee on Labor and Public Welfare. I thanked him then for the great help that he was to me. It is a matter of great regret to the senior Senator from Oregon that the Senator from Kentucky left the Committee on Labor and Public Welfare to accept another assignment in the Senate. I wish the Record to show again today that in my judgment, even though the Railroad Retirement Fund needs the improvement proposed in the bill before the Senate today, it is in as good condition as it is because of the many contributions that the Senator from Kentucky made to keep it sound.

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

Mr. MORSE. I yield.

Mr. LAUSCHE. On page 7 of the bill I notice a provision that—

The rate of interest on such obligations shall in no case be less than 3 per centum per annum.

Why has an exception been made to the going rate of interest? Is it proposed to compensate for past inequities?

Mr. MORSE. It was necessary to insert that interest rate at the beginning in order to provide a fund which would make it possible to meet the obligations that the fund had in the early days of the history of the act. But, further more—and I should like to be very frank with the Senator from Ohio—as I said to the Senator from Illinois a few minutes ago, it was also recognized at the time the Railroad Retirement Act was passed that the entire country had an obligation to the railroad industry because of compelling considerations of the public interest in its service, to set up a Railroad Retirement Fund to help stabilize the labor relations of the industry and to provide inducements to young men to enter into the railroad industry. As the Senator from Ohio knows, I am sure, since he comes from a great railroad State, the railroad industry has had manpower and automation problems facing young men who must make a decision as to whether or not they will go into that industry. The industry has had some problems in inducing qualified young men to go into the industry.

The railroad retirement fund has been one of the inducements that has made it possible for the carriers and the brotherhoods to obtain the necessary employees for the industry. It has been felt that the 3 percent floor was essential in order to guarantee to the workers and the carriers that they would have a sound fund.

A moment ago, in my discussion with the Senator from Illinois [Mr. DIRKSEN], I pointed out that the Treasury wants to remove that condition. Our answer to that proposal is that if the time comes when the 3 percent floor creates a problem that would justify any change in it, that subject ought to be taken up by the Congress at that time. We should not in future seek to take action today in regard to a set of facts that we know nothing about, that may arise 10, 15, or 20 years from now. However, there is no question that at the present time the 3 percent interest is not adequate and will not be adequate for quite some time.

Mr. LAUSCHE. The Treasury Department is saying that if we require the Government to pay the going rate of interest, that principle ought to apply all the way through, and that the floor of 3 percent ought not to be set as the minimum.

Mr. MORSE. The Treasury Department has made that statement from the standpoint of Treasury policy at the present time, but the Treasury Department is not taking into account the other consideration that the committee is emphasizing, namely, that throughout the history of the law the Congress has always considered a public policy question in saying that in any event it is going to pay the interest necessary to keep the fund sound. I should also emphasize the fact that had the Treasury been paying the going rate of interest since 1956, the railroad retirement account would be \$230 million better off than it now is. The Treasury has gained these special benefits at a time when the railroad retirement account has been undergoing financial difficulty. The bill fairly remedies this situation.

The PRESIDING OFFICER. The bill is open to amendment.

Mr. LAUSCHE. Mr. President, I send to the desk an amendment which, on page 7, lines 11 and 12, would strike from the bill the word "That the rate of interest on such obligation shall in any case be less than 3 percentum per annum."

The PRESIDING OFFICER. The amendment of the Senator from Ohio will be stated.

The LEGISLATIVE CLERK. On page 7, lines 11 and 12, it is proposed to strike the language appearing on lines 11 and 12, as follows: "That the rate of interest on such obligations shall in no case be less than 3 percentum per annum."

Mr. MORSE. Mr. President, we all understand the amendment. I have already spoken against the amendment. The Committee on Labor and Public Welfare unanimously recommends against the amendment. It would be disruptive at this time. I urge that it be rejected.

The PRESIDING OFFICER. The question is on agreeing to the amend-

ment offered by the Senator from Ohio [Mr. LAUSCHE].

The amendment was rejected.

The PRESIDING OFFICER. The bill is open to amendment. If there be no further amendment to be proposed, the question is on the third reading of the bill.

The bill (H.R. 8100) was ordered to a third reading, read the third time, and passed.

Mr. MORSE. Mr. President, I move to reconsider the vote by which the bill was passed.

Mr. MANSFIELD. Mr. President, I move to lay that motion on the table.

The PRESIDING OFFICER. The question is on agreeing to the motion to lay on the table the motion to reconsider.

The motion to lay on the table was agreed to.

LEGISLATIVE PROGRAM—EXTENSION OF CIVIL RIGHTS COMMISSION

Mr. MANSFIELD. Mr. President, in behalf of the distinguished minority leader, the Senator from Illinois [Mr. DIRKSEN] and myself, I send to the desk an amendment the purpose of which is to bring about, at the appropriate time—later in the week, not before Thursday—the extension of the life of the Civil Rights Commission.

The PRESIDING OFFICER. The amendment will be received and printed, and will lie on the table.

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

Mr. MANSFIELD. I yield.

Mr. JAVITS. I am glad to observe that the leadership has taken notice of the situation involving the expiration of the life of the Civil Rights Commission, which will occur on September 30. I am hopeful that action may be taken in time. The Commission has done extraordinarily fine work in alerting the country to the problems and in giving authoritative facts upon which to deal with them, making most intelligent recommendations. Its work is indispensable. I express my appreciation to the leadership for this action.

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

Mr. MANSFIELD. I yield.

Mr. KEATING. May I inquire when the amendment is to be considered?

Mr. MANSFIELD. Possibly Thursday of this week, but not before.

Mr. KEATING. It will be this week?

Mr. MANSFIELD. That is the anticipation of the leadership.

Mr. ELLENDER. What was that statement about?

Mr. MANSFIELD. The extension of the life of the Civil Rights Commission.

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

Mr. MANSFIELD. I yield.

Mr. SALTONSTALL. I join my colleagues in stating that I am glad the majority leader and the minority leader have submitted the amendment. I understand that without question it will be debated this week.

Mr. MANSFIELD. That is my understanding. Whenever I make flat com-

mitments, I hope Senators will remember that circumstances may arise over which I have no control; but that is our intention.

Mr. KEATING. Is the bill to which the amendment will be offered programmed for Thursday?

Mr. MANSFIELD. It is hoped and anticipated that it will be considered on Thursday.

Mr. KEATING. Will the Senate have completed consideration of the Defense Department appropriation bill and the Agriculture Department appropriation bill?

Mr. MANSFIELD. Yes.

Mr. KEATING. May I inquire whether the bill will be the first bill considered after action is completed on those appropriation bills?

Mr. MANSFIELD. All I can say is that it will be the first or one of the first.

Mr. KEATING. I express my gratitude to the distinguished majority leader, as well as the minority leader, for this action. It is imperative that action be taken this week. I hope that nothing will interfere with such action being taken.

Mr. MANSFIELD. I hope so, too.

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

Mr. MANSFIELD. I yield.

Mr. ELLENDER. To what bill is the Senator referring?

Mr. MANSFIELD. I have submitted an amendment to a bill which will be considered, which amendment seeks to extend the life of the Civil Rights Commission, scheduled to expire at the end of this month.

Mr. ELLENDER. To what bill would that be attached?

Mr. MANSFIELD. A private bill, H.R. 3369.

Mr. ELLENDER. What would that bill do?

Mr. MANSFIELD. It is titled "An act for the relief of Mrs. Elizabeth G. Mason." It is H.R. 3369.

Mr. ELLENDER. What is the importance of calling up that particular bill?

Mr. MANSFIELD. It is the only bill to which an amendment of this sort can be attached at this time. The life of the Commission expires on the 30th of this month.

Mr. ELLENDER. Mr. President, I have been planning for 3 weeks to be in my State on Friday. I hope the leadership will take that into consideration, because I am greatly interested in this matter.

Mr. MANSFIELD. We will. I understand and appreciate the Senator's concern.

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

Mr. MANSFIELD. I yield.

Mr. PROXMIRE. Before the debate on the nuclear test ban treaty began, there was some talk, at least, that S. 1915, to amend the Agricultural Adjustment Act, to encourage reduction of excess marketings of milk, might be considered. Consideration of the bill was postponed until after the nuclear test ban treaty was disposed of.

The bill was reported on August 23, 1963. There is a great deal of interest

in the bill all over the country, on the part of dairy farmers.

I wonder if the majority leader can give me any indication as to when that bill may be considered by the Senate.

Mr. MANSFIELD. I am delighted that the distinguished Senator from Wisconsin has raised that question. I have given some thought and consideration to it, along with the distinguished minority leader. It is anticipated at the moment that the bill will be considered during the second week of October.

Mr. PROXMIRE. The second week of October?

Mr. MANSFIELD. Which would be the week after next.

Mr. PROXMIRE. I appreciate that. It is good to have a specific date. I hope, if there is any possibility of moving it up for earlier consideration, that will be done. I would be grateful for that. All of us would like to have action as soon as possible.

Mr. MANSFIELD. If there is any possibility, I assure the Senator it will be done; but that is the plan at the moment.

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

Mr. MANSFIELD. I yield.

Mr. CARLSON. It will be necessary for me to be out of the city on Thursday, Friday, and Saturday of this week. Should the extension of the Civil Rights Commission be considered by the Senate, for action, I wish to have the RECORD show that, if present, I would support it.

Mr. MANSFIELD. I appreciate the remarks of the Senator from Kansas.

Mr. KEATING. Mr. President, I realize the problems the majority leader faces. He is very kind in trying to protect all Senators, so far as he can, with respect to votes; but this is typical of what is likely to happen when consideration of an important measure is left until the eve of a deadline. I hope the protection of Senators will not go so far as to cause delay in acting on the extension until after the life of the Commission has expired. The Commission deserves a vote of confidence for the work it has done and a green light for its future activities. It would be tragic if we allowed the Commission to go out of existence while there is still so much it can contribute to our efforts to deal with the civil rights problems confronting our Nation.

Mr. MANSFIELD. I would hope not. That is not the intention of the leadership. It is hoped to have it considered as early as possible, on Thursday, to allow sufficient time for debate and disposition.

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

Mr. MANSFIELD. I yield.

Mr. KUCHEL. I am obliged to be in California on Thursday. I should like to have the RECORD indicate that my vote in this Chamber has been consistently in favor of, first, the creation of the Commission and, second, the continuance of the Civil Rights Commission.

Mr. MANSFIELD. There is no question about that. The Senator's record is well known.

Mr. KUCHEL. I appreciate the Senator's statement. I believe the over-

whelming majority of Senators in both parties favor a continuation of the Civil Rights Commission—indeed, making it permanent. Unless extended debate by a few Senators should intervene, I have no hesitation in saying to my friend the majority leader that the Commission will be continued in a matter of moments.

Mr. MANSFIELD. There will be debate.

Mr. KUCHEL. If there is such a problem, I say to the majority leader that I will cancel my trip and return to Washington.

Mr. MANSFIELD. I would not advise that.

Mr. KUCHEL. I thank my able friend.

VISIT TO THE SENATE BY GERMAN FOREIGN MINISTER GERHARD SCHRÖDER

Mr. FULBRIGHT. Mr. President, the Senate is honored today by having as its guest the Foreign Minister of West Germany, Gerhard Schröder, one of the leading members of the Government, a man in whom we all have great hope and confidence. It is an honor to have him visiting us. He is a member of the German Parliament as well as of the Cabinet.

Mr. Schröder is one of the rising lights of the new German Government. As all Senators know, there will be a transition, since the great leader of Germany since the war, Chancellor Adenauer, has announced he will retire on the 15th of next month.

We are happy to have Mr. Schröder with us. I know we are all pleased to see him. I hope all Senators will have an opportunity to meet him.

[Applause, Senators rising.]

Mr. JAVITS. Mr. President, I have had an opportunity to visit with the Foreign Ministers of the German Federal Republic in Bonn, and have met with Mr. Konrad Adenauer, Mr. Gerhard, and others. I take the floor to note it is a historic event when the Foreign Minister of a great part of Germany can be received in the Senate Chamber, considering our history, which we all understand. It is symptomatic of the great feeling we have about the essentiality of receiving Germany fully into the community of nations and for our hopeful confidence that, under her leadership, Germany will play the role, not of destruction but of construction, which is so adaptable to the power, spirit, and determination of our people. I think it is uniquely symptomatic of the feeling of our people that Herr Schröder is received in the Chamber of the Senate of the United States.

The PRESIDING OFFICER. The Chair extends a hearty welcome to our distinguished visitor, in behalf of the Senate.

DEPARTMENT OF DEFENSE APPROPRIATION, 1964

Mr. MORSE. Mr. President, I move that the Senate proceed to the consideration of Calendar No. 481, H.R. 7179, making appropriations for the Department of Defense for the fiscal year ending June 30, 1964, and for other purposes.

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

The LEGISLATIVE CLERK. A bill (H.R. 7179) making appropriations for the Department of Defense for the fiscal year ending June 30, 1964, and for other purposes.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Oregon.

The motion was agreed to; and the Senate proceeded to consider the bill, which had been reported from the Committee on Appropriations, with amendments.

REPORTED VISIT BY TITO OF YUGOSLAVIA WITH PRESIDENT OF THE UNITED STATES

Mr. LAUSCHE. Mr. President, I received a letter from a constituent in Ohio. In part the letter deals with a reported visit of Tito to the United States. In the letter are contained statements so appropriate that I feel they ought to be read into the RECORD of the Senate. The Ohioan writes as follows:

The newspapers report that Tito will visit our President in Washington or New York in October.

For the Democrats in Yugoslavia and Americans of Yugoslav origin who believe in and love America as the protector and defender of human rights and democracy this will be again a dark event. Why honor a man who murdered his people, after the war in peacetime, only because he considered them actual or potential political adversaries? Why honor him now when he is one with Khrushchev again? Is this really necessary for the defense of the interest of the United States? These and similar questions will torture many loyal citizens and friends of America.

Those words are soundly spoken. I do not subscribe to the visit of Tito to our country, knowing that peremptorily after the war for political reasons he put to death Mihailovitch and put to death more than a hundred thousand Croats, Serbs, and Slovenes. He is not the type of man whose character and morality fit him to be honored by our country and especially not by our President.

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

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. SMATHERS. Mr. President, I ask unanimous consent that further proceedings under the quorum call be dispensed with.

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

DEPARTMENT OF DEFENSE APPROPRIATIONS, 1964

The Senate resumed the consideration of the bill (H.R. 7179) making appropriations for the Department of Defense for the fiscal year ending June 30, 1964, and for other purposes.

Mr. RUSSELL. Mr. President, before making a statement with respect to the bill, I send to the desk an amendment to a committee amendment, which I ask

to have stated, and on which I ask for action.

The PRESIDING OFFICER. The amendment to the amendment will be stated.

The LEGISLATIVE CLERK. It is proposed, on page 16, line 9, in the committee amendment to strike out the figure "\$2,962,794,000" and insert in lieu thereof "\$2,931,094,000".

Mr. RUSSELL. Mr. President, this amendment would reduce the appropriation for procurement of equipment and missiles, for the Army, by \$31,700,000. Since the Committee on Appropriations considered the bill, information has come to me that a review of the Army's aircraft requirements most likely indicated that the \$31 million requested for obligation during the fiscal year 1964 would not be required.

In the event it should develop that this sum is required, of course the matter can be adjusted in conference, but I should like to have the amendment agreed to before the bill is perfected.

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

The amendment to the committee amendment was agreed to.

Mr. RUSSELL. Mr. President, I ask unanimous consent that the committee amendments, as perfected, be agreed to en bloc, that the bill as thus amended be considered as original text for the purpose of amendment, and that no points of order be considered waived.

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

The amendments, as perfected and agreed to en bloc, are as follows:

On page 2, line 10, after the word "addition", to strike out "\$125,000,000" and insert "\$100,000,000", and in line 12, after the word "and", where it occurs the second time, to strike out "\$65,000,000" and insert "\$50,000,000".

On page 2, at the beginning of line 23, to strike out "\$37,000,000" and insert "\$30,000,000"; on page 3, line 1, after the word "from", to strike out "the Navy stock fund and", and at the beginning of line 2, to strike out "\$110,000,000" and insert "\$90,000,000".

On page 3, at the beginning of line 20, to strike out "\$175,000,000" and insert "\$20,000,000"; in line 21, after the word "from", to strike out "the Air Force stock fund and", and in line 22, after the word "and", to strike out "\$35,000,000" and insert "\$10,000,000".

On page 4, line 8, after the word "to", to strike out "maintain an average" and insert "attain an end".

On page 5, at the beginning of line 14, to strike out "\$240,300,000" and insert "\$242,800,000", and in line 18, after the word "to", to strike out "maintain an average" and insert "attain an end".

On page 7, line 15, after the word "Government", to strike out "\$3,361,000,000" and insert "\$3,375,643,000".

On page 8, line 19, after the word "exceed", to strike out "\$7,400,000" and insert "\$7,800,000", and in line 24, after the word "Government", to strike out "\$2,905,000,000" and insert "\$2,919,200,000".

On page 9, at the beginning of line 16, to strike out "\$191,000,000" and insert "\$191,650,000".

On page 10, line 23, after the word "Government", to strike out "\$4,341,000,000" and insert "\$4,370,000,000".

On page 12, line 20, after "(including aircraft)", to strike out "\$176,600,000" and insert "\$180,800,000".

On page 16, at the beginning of line 9, to strike out "\$2,958,894,000" and insert "\$2,931,094,000".

On page 16, line 21, after the word "plants", to strike out "\$2,877,445,000" and insert "\$2,928,845,000".

On page 17, at the beginning of line 10, to strike out "\$2,080,089,000" and insert "\$2,068,089,000".

On page 19, at the beginning of line 2, to strike out "\$3,328,900,000" and insert "\$3,395,075,000".

On page 19, line 18, after the word "things", to strike out "\$2,129,490,000" and insert "\$2,141,990,000".

On page 20, line 11, after the word "amended", to strike out "\$871,299,000" and insert "\$878,299,000".

On page 21, line 16, after the word "law", to strike out "\$1,363,141,000" and insert "\$1,391,141,000".

On page 22, line 6, after the word "law", to strike out "\$3,416,146,000" and insert "\$3,483,376,000".

On page 43, line 6, after the word "of", where it appears the first time, to strike out "25" and insert "20".

On page 43, after line 7, to strike out: "Sec. 539. Of the funds made available in this Act for repair, alteration, and conversion of naval vessels, not to exceed \$352,752,400 shall be available for such repair, alteration, and conversion in privately owned shipyards."

And, in lieu thereof, to insert: "Sec. 539. Of the funds made available in this Act for repair, alteration, and conversion of naval vessels, at least 35 per centum shall be available for such repair, alteration, and conversion in privately owned shipyards: *Provided*, That if determined by

the Secretary of Defense to be inconsistent with the public interest based on urgency of requirement to have such vessels repaired, altered, or converted as required above, such work may be done in Navy or private shipyards as he may direct."

Mr. RUSSELL. Mr. President, in its consideration of H.R. 7179, the Department of Defense appropriation bill for fiscal year 1964, the Senate Appropriations Committee recommends an appropriation of \$47,371,407,000. This is an amount that is \$289,398,000 over the House allowance of \$47,082,009,000; it is \$1,642,830,000 under the budget estimates of \$49,014,237,000 for fiscal year 1964; and is \$978,675,500 under the appropriation of \$48,350,082,500 for fiscal year 1963.

The funds recommended do not include appropriations for military construction, family housing, military assistance, civil defense, nor for the increase in pay of military personnel, all of which will be considered subsequently. In regard to the military pay raise, it can be stated that funds are included in this bill for the pay of military personnel. When the act authorizing this increase becomes law, it will be possible to pay personnel from these funds. However, at a later date, it will be necessary to consider a supplemental request to provide a sufficient amount to implement the pay increase during the latter part of the fiscal year.

It is estimated that \$900 million will be required to meet the increase for the remainder of fiscal year 1964.

Broken down by organizational component, the funds in this bill will provide—

For the Army, \$12,148,806,000.

For the Navy, \$14,424,088,000.

For the Air Force, \$18,547,840,000.

For defense agencies, \$2,250,673,000.

Mr. President, I ask unanimous consent that there appear at this point in the RECORD, a tabulation giving a breakdown of the appropriation for fiscal year 1963, the budget estimates for 1964, the House allowances and the Senate Committee recommendations by appropriation title and by organizational component.

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

Summary of appropriations

Title	Appropriations, 1963 (to date)	Budget estimates, 1964	Recommended in House bill, 1964	Amount recommended by Senate committee	Increase (+) or decrease (-), Senate bill compared with—		
					Appropriations, 1963	Budget estimates, 1964	House bill
Title I—Military personnel	\$12,962,690,000	\$13,235,200,000	\$12,848,200,000	\$12,850,700,000	-\$141,990,000	-\$384,500,000	+\$2,500,000
Title II—Operation and maintenance	11,688,724,500	11,792,237,000	11,678,337,000	11,741,030,000	+52,305,500	-51,207,000	+62,693,000
Title III—Procurement	16,647,110,000	16,724,800,000	15,666,472,000	15,795,447,000	-851,663,000	-929,353,000	+128,975,000
Title IV—Research, development, test, and evaluation	7,021,588,000	7,262,000,000	6,889,000,000	6,984,230,000	-37,328,000	-277,770,000	+95,230,000
Total, titles I, II, III, and IV	48,350,082,500	49,014,237,000	47,082,009,000	47,371,407,000	-978,675,500	-1,642,830,000	+289,398,000
Distribution of appropriations by organizational component:							
Army	11,637,874,000	12,579,628,000	12,095,563,000	12,148,806,000	+510,932,000	-430,822,000	+53,243,000
Navy	15,176,832,000	14,966,300,000	14,369,838,000	14,424,088,000	-752,744,000	-542,212,000	+54,250,000
Air Force	19,482,917,000	19,178,400,000	18,365,985,000	18,547,840,000	-935,077,000	-630,560,000	+131,905,000
Defense agencies	2,052,459,500	2,289,909,000	2,250,673,000	2,250,673,000	+198,213,500	-39,236,000	0
Total, Department of Defense	48,350,082,500	49,014,237,000	47,082,009,000	47,371,407,000	-978,675,500	-1,642,830,000	+289,398,000

Mr. RUSSELL. Mr. President, for the Army, the funds provided are to support a military end strength of 975,000, of which 960,000 are for the 16 combat-ready division force structure and 15,000 are for testing the air mobility concept. That is better known as the report of the Howze committee. For the Army Reserve components, the authorized strength is 700,000, although latest indications are that this figure will be very difficult to achieve. The Army's active aircraft inventory includes 6,323 aircraft—3,428 helicopters and 2,895 fixed-wing aircraft. Funds recommended will procure approximately 1,600 additional aircraft to further increase the Army's mobility concept.

For the Navy, the funds provided will support 670,000 active duty personnel and 190,000 Marines, plus about 171,000 Naval and Marine Reserves in paid drill status. An active fleet of over 870 ships and more than 7,400 operating aircraft are programmed. The bill also contains funds for the construction of 31 new ships, plus 203 service and landing craft and 36 conversions of vessels. Funds for the construction of six Polaris submarines are included. When these are completed, 41 ballistic missile-firing submarines will be included in the fleet, each carrying 16 missiles. Over 600 new aircraft will be bought in 1964.

For the Air Force, the funds provided will support 860,000 active duty personnel, plus 133,000 in the Reserve components in paid drill status. In addition, approximately 12,500 aircraft and 53 missile squadrons will be maintained. Over 960 new aircraft will be purchased in 1964. The acquisition of large planes to improve airlift capability is emphasized. Our strategic retaliatory capabilities include 650 manned bombers on 15-minute ground alert, and over 200 operational Atlas, Titan, and Minuteman missiles on launchers. This force is rapidly expanding as additional Minutemen enter the operational inventory. The 1964 program includes another 150 Minuteman missiles, raising the total in inventory and production to 950.

I should like now to discuss the more important changes the committee has made in the bill as it came to us from the House.

TITLE I. MILITARY PERSONNEL

For title I, military personnel, the committee recommends appropriations totaling \$12,850,700,000. This is \$384,500,000 under the budget estimates and \$2,500,000 over the House allowance.

The only major change in this title is the committee's recommendation dealing with transfer authority from working capital funds. The budget requested transfer authority of \$300 million and the Senate committee has recommended approval of that request. The House had provided an additional \$247 million in such authority in lieu of new obligatory authority. Thus the committee's action makes \$247 million less available in these appropriations. It is hoped that the Services can absorb all of

this reduction, but, if this is not possible, the requirements for pay of military personnel may necessitate a later review. I wish to stress, however, that the action of the committee does not in any manner affect the proposed military strengths, as contained in the President's original budget.

The increase of \$2,500,000 over the House is to enable National Guard personnel to attend various Army training schools.

TITLE II. OPERATION AND MAINTENANCE

For title II, operation and maintenance, the committee recommends appropriations totaling \$11,741,030,000 which are \$51,207,000 under the budget estimates; and, \$62,693,000 over the House allowances.

For "Operation and maintenance, Army," the committee restored \$14,643,000—\$3,500,000 for maintenance of non-combat vehicles; \$1,500,000 for field exercises, which the Chairman of the Joint Chiefs emphasized as of the highest importance; and \$9,643,000 for unspecified House reductions, for which the Department indicated real need because of a variety of price increases and other new requirements since the formulation of the budget.

The only increase over a budget estimate in this title is for "Operation and maintenance, Army National Guard," for which the subcommittee recommends \$180,800,000, an increase of \$4,200,000 over the budget estimate. Of the increase, \$3,200,000 is for the National Guard technician program, which was substantially cut during the budget review, and \$1 million is for the procurement of repair parts required for the equipment National Guard units are receiving from the Army on an "as is" basis.

For "Operation and maintenance, Navy," the committee recommends a restoration of \$14,200,000—\$3 million for the correction of design deficiencies on operating ships related to surface missile and equipment rework, and \$11,200,000 of unspecified reductions made by the House and needed by the Department to finance new requirements since the budget was submitted.

For "Operation and maintenance, Air Force," the committee restored \$29 million—\$5 million for the maintenance of noncombat vehicles and \$24 million for unspecified House reductions. Of this latter, \$7.2 million is to finance a classified project which was not included in the original budget request.

TITLE III. PROCUREMENT

For title III, procurement, the committee recommends appropriations totaling \$15,795,447,000 which are \$929,353,000 under the budget estimates; and \$128,975,000 over the House allowances.

The major increases over the House allowances are: First, \$3,900,000 for the procurement of instrument trainer helicopters for the Army; second, \$51,400,000 for the procurement of Navy aircraft; third, \$66,175,000 for the Air Force aircraft procurement program; fourth,

\$12,500,000 for the Air Force missile procurement program; and, fifth, \$7 million for other Air Force procurement.

In addition, in "Shipbuilding and conversion, Navy," the committee recommends a net reduction of \$12 million from the House allowance. This is made up of a restoration of \$8,500,000 in labor and material cost increases, and the disallowance of \$20,500,000 for the construction of a roll-on/roll-off vehicle and cargo ship. The requirement for this ship is presently being evaluated, and the committee believes funding should be deferred pending the results of the study.

TITLE IV. RESEARCH, DEVELOPMENT, TEST, AND EVALUATION

For title IV, "Research, Development, Test, and Evaluation," the committee recommends appropriations totaling \$6,948,230,000 which are \$277,770,000 under the budget estimates; and \$95,230,000 over the House allowances.

A major portion of the decrease in the budget estimates reflects a 3-percent general reduction in all research appropriations made by the House. The committee has recommended concurrence in this reduction, with one exception involving \$7,230,000 for a classified secret project.

The major increases over the House are: First, restoration of \$5 million for the Army's LANCE missile systems; and, second, restoration of \$23 million of the House reduction of \$59,600,000 in "Research, Development, Test, and Evaluation, Army," based on the utilization of fiscal year 1963 funds appropriated for the Advent communications satellite program. It is the recommendation of the committee that the Department be authorized to use \$23 million of these carryover funds for the Department of Defense communication satellite program, and that the balance of \$36,600,000 be used to finance a portion of the fiscal year 1964 Army research program.

Mr. President, I ask unanimous consent to have included at this point in the RECORD an excerpt from the committee report pertaining to the Department of Defense communication satellite program.

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

DEPARTMENT OF DEFENSE SPACE COMMUNICATIONS SATELLITE PROGRAM

Following the cancellation of the Advent space communications satellite program the Department of Defense established the Department of Defense space communications satellite program, which has as its objective the establishment of a communication system using orbiting satellites in space working electronically with surface stations to provide a worldwide system that is not dependent upon ground relay points or long-haul radio links. The present plan calls for a space component, for which the Air Force is responsible, of 24 to 30 satellites in circular polar orbits at an altitude of 5,000 to 12,000 miles. This component is referred to as the "medium altitude random orbit system." The Army has the responsibility for the development of the related ground

facilities. The Defense Communications Agency (DCA) is responsible for coordinat-

ing the program. The funding of the program is set out in the following tabulation:

Appropriation	Department of Defense request, original	Department of Defense request, alternate	House allowance	Senate committee recommendation
R. D. T. & E., Army.....	\$30,200,000	\$30,200,000	\$19,594,000	\$19,594,000
R. D. T. & E., Air Force.....	52,300,000	52,300,000	50,731,000	50,731,000
R. D. T. & E., Defense agencies.....	3,500,000	3,500,000	3,395,000	3,395,000
Total, new obligational authority.....	76,000,000	76,000,000	73,720,000	73,720,000
Utilization of fiscal year 1963 advent funds.....	59,600,000	44,600,000	None	23,000,000
Grand total, fiscal year 1964 program.....	135,600,000	120,600,000	73,720,000	96,720,000

In authorizing the use of \$23 million of available fiscal year 1963 Advent funds the committee does not take a position on the advantages of the presently planned medium altitude random orbit system over a synchronous orbit system. The determination as to the type of system to be developed is a matter for the Department of Defense.

Mr. RUSSELL. Mr. President, the third item of increase is \$60 million for the mobile medium range ballistic missile. The budget estimate for this item was \$143,100,000, of which the House allowed only \$43,100,000. The Department of Defense did not seek restoration of the House reduction of \$100 million. However, the Chairman of the Joint Chiefs of Staff, in his appearance before the committee, indicated that the Joint Chiefs felt that the development of this weapon should proceed. The committee concurred in the views expressed by the Chairman of the Joint Chiefs of Staff, but felt that a total of \$103,100,000—an increase of \$60 million over the House allowance, would be adequate for this program during the remainder of the current fiscal year.

Mr. SALTONSTALL. Mr. President, will the Senator from Georgia yield?

Mr. RUSSELL. I yield.

Mr. SALTONSTALL. I believe I am correct in saying—I think the Senator from Georgia will agree—that the Department of Defense did not ask for this \$60 million, or any part of it. Nevertheless, when General Taylor asked for it, the Secretary of Defense wrote the chairman, the distinguished Senator from Georgia [Mr. RUSSELL], a letter saying that if the money were appropriated, he would spend it.

Mr. RUSSELL. That is substantially correct. It should be said that the Department asked for the money in the first instance, in the original budget. It asked for the entire \$143.1 million. But after the House reduced that amount by \$100 million, the Department of its own accord did not include this item in its appeal. When the Secretary was asked whether he would use the money for this purpose, and for this purpose only, if it were restored to the bill, he stated he would use it. Acting on that statement, the committee restored \$60 million of the \$100 million reduction made by the other body.

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

Mr. RUSSELL. I yield to the Senator from Michigan.

Mr. McNAMARA. The Senator referred to an item of \$5 million in title IV, under Army Research, Development, Test, and Evaluation.

The Defense Appropriations Act, as passed by the House, recommended under this title a reduction of \$5 million for the development of the Lance missile system.

This missile system presently is under development by Ling-Temco-Vought Co. at a Government-owned plant in Warren, Mich.

However, in its report on the bill, the House committee stated that the evidence "did not entirely convince" it that costs at the Warren plant would be equal to or less than those at other facilities of this company.

I was pleased to observe that the Senate Appropriations Committee, in considering the Department of Defense appropriations bill, recommended restoration of the \$5 million for the Lance system.

The Senate report notes:

The committee was advised that this reduction would result in stretching the period of development of this weapon which would involve a cost increase of \$11,500,000.

From the information available to me on comparative costs and the effect of a \$5 million cut in appropriations, I believe the Senate committee has acted wisely in recommending restoration of the funds.

I sincerely hope the Senator from Georgia will be able successfully to defend the Senate's position on this item in conference.

Mr. RUSSELL. Let me say to the Senator from Michigan [Mr. McNAMARA] that witnesses on behalf of the Department of Defense earnestly insisted that to do this work in Warren, Mich., would result in very substantial savings in time and money. That is what prompted the action of the committee; and I shall, of course, undertake to represent the position of the Senate to the best of my ability in conference with the House.

Mr. McNAMARA. I thank the Senator from Georgia very much.

Mr. HAYDEN. Mr. President, will the Senator from Georgia yield?

Mr. RUSSELL. I am very glad to yield to the distinguished chairman of the Committee on Appropriations.

Mr. HAYDEN. Mr. President, the distinguished senior Senator from Georgia has referred to the committee's recommendation with respect to funds for the continuation of development of the mobile medium range ballistic missile. As he stated, the President's budget included \$143,100,000 for this weapons system. The House bill included only \$43,100,000, and the Senate committee has recom-

mended \$103,100,000, an increase of \$60 million over the House amount.

Mr. President, in the Department of Defense Subcommittee I offered the amendment to restore these funds. I am happy that both the subcommittee and the full Committee on Appropriations have adopted my amendment. I offered this amendment, because, first, the mobile medium range ballistic missile will provide the United States with an extremely accurate nuclear weapon to fill the range gap now existing between the Army's 400-mile Pershing and the Navy's 2,500-mile Polaris. Its mobile concept will present any potential enemy with a most difficult weapon to defend against. The value of this weapon has been emphasized by the Secretary of Defense and the Chairman of the Joint Chiefs of Staff, speaking for the Joint Chiefs; the Supreme Allied Commander in Europe; the U.S. commander in chief, Europe; the U.S. commander in chief, Pacific; and the U.S. commander in chief, Alaska. It has been clearly established, Mr. President, that there is a need for this weapon.

My second reason for offering this amendment stems from my responsibility as a member of the legislative branch of the Government. I have always felt that the Constitution imposes on the legislative branch the real responsibility of providing for the common defense. In recent years, Congress has indicated its desire to meet this responsibility by providing substantial funds for the continuation of long-range manned bombers and the development of a manned strategic system to replace our aging force of B-47, B-52, and B-58 bombers. I regret that the executive branch has not seen fit to utilize funds the Congress has specifically provided for these purposes.

After voting for ratification of the nuclear test ban treaty, I think Congress must be especially aware of its constitutional responsibility in the field of national defense. Mr. President, we all hope that this treaty will be the first step toward a more peaceful world; but I submit that now is not the time to slow down our defenses. Mr. President, the history of our great country provides us with some advice that is most appropriate at this time, which is—simply stated—"Keep your powder dry."

Mr. President, I ask unanimous consent to have printed in the RECORD a letter I wrote to the Secretary of Defense on the matter, and his reply.

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

U.S. SENATE,
COMMITTEE ON APPROPRIATIONS,
August 27, 1963.

HON. ROBERT S. McNAMARA,
Secretary of Defense,
Department of Defense,
Washington, D.C.

DEAR MR. SECRETARY: On August 20 the Deputy Secretary of Defense, Mr. Gilpatrick, and the Chairman of the Joint Chiefs of Staff, General Taylor, appeared before the Department of Defense Subcommittee of the Senate Committee on Appropriations in support of the Department's request for restoration of certain reductions made by the House of Representatives in the Department of Defense Appropriation Act, 1964 (H.R. 7179).

Secretary Gilpatric, in discussing the impact of the pending nuclear test ban treaty, said:

"Clearly, this is not the time to relax our defense effort, to stretch out needed defense programs, or to delay essential defense legislation."

General Taylor, in commenting on the Department's failure to request restoration of the House reduction of \$100 million of the \$143.1 million requested for the mobile medium range ballistic missile system (MMRBM), said:

"If the \$100 million reduction is now restored, it will make possible the availability of an operational MMRBM as planned. If the Senate confirms the reduction, it will mean the loss of approximately 12 to 18 months in the ultimate operational readiness even if next year the decision is taken to proceed with the development of the missile."

As I read General Taylor's statement it would seem that we are stretching out a needed defense program—the very thing that Secretary Gilpatric said we should not do at this time.

I would appreciate your providing answers to the following questions with respect to the mobile medium range ballistic missile program (MMRBM):

1. Was the decision not to proceed with phase II development based solely on the House reduction of \$100 million in the request for funds?

2. If the Congress provided the full amount requested in the budget for the MMRBM, would the Department of Defense proceed with phase II development?

Inasmuch as the Department of Defense Subcommittee is expected to take action on the pending Department of Defense appropriation bill in the very near future, I would like to have the answers to these questions as soon as possible.

Yours very sincerely,

CARL HAYDEN,
Chairman.

THE SECRETARY OF DEFENSE,
Washington, September 6, 1963.

HON. CARL HAYDEN,
Chairman, Committee on Appropriations,
U.S. Senate.

DEAR MR. CHAIRMAN: In your letter of August 27, 1963, you requested answers to the following two questions in regard to the mobile medium range ballistic missile (MMRBM) program:

1. Was the decision not to proceed with phase II development based solely on the House reduction of \$100 million in the request for funds?

2. If the Congress provided the full amount requested in the budget for the MMRBM, would the Department of Defense proceed with phase II development?

The answer is "yes" to both questions.

I would like to assure you that if the \$100 million is restored to this program, it will not be reprogrammed to other activities. An early indication of likely congressional action is required in order that we can determine whether we should continue the long leadtime developments as currently planned or initiate phase II development.

Sincerely,

ROBERT S. MCNAMARA.

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

Mr. RUSSELL. I am glad to yield to the Senator from Wisconsin.

Mr. PROXMIRE. Mr. President, at a later date I shall offer an amendment to cut the amount for the mobile mid-range missile back to the House figure level; but at this point I should like to ask the distinguished Senator from Georgia, who is in charge of the bill,

whether it is true that the reason the letter was written as it was by the Department of Defense was that a prime reason given by the House for reducing the requested amount to \$43,100,000 was that—as stated in the House committee report:

Testimony indicated, and the committee believes, that if the \$143,100,000 requested for the MMRBM were to be appropriated, efforts would be made to reprogram much of the money to other functions.

So the House position was that, in view of the recent history of this matter, if the full amount were appropriated, it would not be used. The answer was that at least they would not use it for another purpose. However, the objection originally made by the House still applies, to the extent that it has validity—namely, that at the present time the Defense Department does not seem to be prepared to spend all of this money in this particular area, on the development of this particular weapon.

Mr. RUSSELL. I am sure the Senator from Wisconsin read correctly from the report of the committee of the other body.

The Department did not very enthusiastically request the committee to restore this item. I read from the letter we received:

I would like to assure you that if the \$100 million is restored to this program, it will not be reprogrammed to other activities. An early indication of likely congressional action is required in order that we can determine whether we should continue the long leadtime developments as currently planned or initiate phase II developments.

As I recall, the reduction made by the House eliminated all funds except those to be used for the guidance, command, and control system of the missile. If the Senate, in its wisdom, sees fit to increase the House item, it would extend the research development beyond the command control and guidance system of the missile.

Mr. PROXMIRE. Yes, indeed. The only point I wish to make now is that the House did take the position that, on the basis of its experience, the money probably would not be used, and would be reprogrammed. The action of the Defense Department clearly knocked out the reprogramming objection, but may have left the possibility that the money will be spent.

Mr. RUSSELL. It did leave that possibility; but the latter part of the paragraph I read very clearly indicates that they will proceed with the program if Congress increases the appropriation.

Mr. PROXMIRE. I thank the Senator from Georgia.

Mr. RUSSELL. I may add that the Secretary of Defense did not commit himself in any way as agreeing that he would put it into procurement; but he did testify that he would put it into research and development.

Mr. HAYDEN. Mr. President, will the Senator from Georgia yield?

Mr. RUSSELL. I am very glad to yield to the distinguished chairman of the Appropriations Committee.

Mr. HAYDEN. I wrote the Secretary of Defense a letter in which I spe-

cifically asked him about this matter. I read his reply:

THE SECRETARY OF DEFENSE,
Washington, September 6, 1963.

HON. CARL HAYDEN,
Chairman, Committee on Appropriations,
U.S. Senate

DEAR MR. CHAIRMAN: In your letter of August 27, 1963, you requested answers to the following two questions in regard to the mobile medium range ballistic missile (MMRBM) program:

1. Was the decision not to proceed with phase II development based solely on the House reduction of \$100 million in the request for funds?

2. If the Congress provided the full amount requested in the budget for the MMRBM, would the Department of Defense proceed with phase II development?

The answer is yes to both questions.

I would like to assure you that if the \$100 million is restored to this program, it will not be reprogrammed to other activities. An early indication of likely congressional action is required in order that we can determine whether we should continue the long lead time developments as currently planned or initiate phase II development.

Sincerely,

ROBERT S. MCNAMARA.

Mr. PROXMIRE. I thank the Senator from Arizona very much. I think the reprogramming statement is clear. The other one is confused; or, at least, at best it is not as clear.

Mr. RUSSELL. Mr. President, I recur to the items involved in research development. The last restoration made by the committee was as follows:

Fourth. Restoration of that portion—\$7,230,000—of the House general reduction of 3 percent applicable to a classified project would not be hampered by the 3-percent reduction.

LANGUAGE CHANGES

The committee has recommended only three significant changes in the language of the bill.

The first deals with the strength of the Army Reserve Components. The Defense Department Appropriation Act for 1963 and the President's budget for 1964 included provisions stating that the Army Reserve and the Army National Guard "shall be programmed to attain an end strength" of 300,000 and 400,000, respectively. However, the House version of the bill altered these provisions to read "to maintain an average strength" of these numbers. Since the committee does not believe that the Army Reserve or the Army National Guard could possibly maintain an average strength of 300,000 and 400,000, the two provisions were amended so as to restore the language of last year's act. We therefore restored these provisions in the exact language that was used in last year's bill to achieve an end strength of the respective numbers stated.

Mr. President, the second language change recommended by the committee involves the allocation of repair, alteration, and conversion work on Navy vessels between the Navy and privately owned shipyards. The Department of Defense Appropriation Act, 1963, and the President's budget for fiscal year 1964 included a provision whereby at least 35 percent of such work was to be allocated

to private shipyards. This provision included the required flexibility to meet any emergencies. The House bill provides that "not to exceed \$352,752,400" shall be available for such work in privately owned shipyards. The sum is 35 percent of the total included in the budget for repair, alteration, and conversion work. While the provision places an absolute ceiling on the amount of work which can be allocated to privately owned shipyards, the House committee, in its report and in the debate on the floor of the House, indicated that it was the intent of the committee that the provision be administered in the same manner as the Navy had administered the 1963 provision. For this reason, and the fact that the House provision does not provide complete flexibility, the subcommittee recommends the deletion of the House provision and the insertion of the 1963 provision.

That provision includes the necessary flexibility to enable the Secretary of Defense to deal with any emergencies. An escape clause is provided which would permit the Secretary, as a practical matter, to utilize that provision.

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

Mr. RUSSELL. I am glad to yield.

Mr. KEATING. I wish to discuss that very point with the Senator, if this is an appropriate time to do so.

Mr. RUSSELL. Now would be satisfactory as any other time.

Mr. KEATING. As the Senator perhaps knows, more than 12,000 workers are employed at the Brooklyn Navy Yard. From what might be termed a parochial point of view, it is a subject of great interest that nothing be done to interfere with the operations of that shipyard to any greater extent than has taken place to date.

From a wider national point of view, the need for the Navy yards to continue in their unhampered and undiminished operations is also a serious one. The Navy yards have the necessary skilled workers, and it is almost impossible to get these people together again once they are scattered.

The section as it has been changed from the House language by the Senate committee causes me some concern. The first part of the section would establish virtually what has become known as the 35-65 formula. I wish to inquire of the Senator from Georgia what is intended by the proviso. Is it intended that we should give to the Secretary of Defense the power to go beyond the provision in the law for giving work to the public yards if the national interest so requires? In other words, what is the purpose of the proviso as it is stated in the bill?

Mr. RUSSELL. Mr. President, it is very evident from reading the language of the bill that the Secretary of Defense could go either way. He could either go above the 35 percent for the private yards or below the percentage provided for the shipyards that are operated by the Department of the Navy. But the purpose of the language and the understanding that we have with the Depart-

ment of Defense is that it will not exceed the stated 35 percent to be utilized in the private yards unless there is some emergency in which the Navy yards could not handle the work.

As the distinguished Senator from New York knows, the point has been a subject of controversy, study, and discussion for a number of years. A great many studies have been conducted over the years.

It has been concluded that the work can be done about 10 percent cheaper in the private shipyards than in the Navy yards. That is a great tribute, in a way, to our competitive system of private enterprise. Ships—and in some cases better ships—are built in the private yards for 10 percent less than it would cost to build them in the Navy yards. It is not much of a tribute to bureaucracy and efficiency that that record has been achieved all down the line, but it would reflect very favorably when compared with other instances of Government construction.

We need the Navy yards. No one wishes to close the Navy yards. As the Senator from New York has pointed out, in the case of a great national emergency we would have a fine reservoir of trained skill and talent to embark on such a shipbuilding program as might be necessary. I do not believe the Senator from New York need entertain any great fears that the provision will adversely affect the Brooklyn Navy Yard or any other yard operated by the Department of the Navy. The bill for the fiscal year 1964 contains almost \$100 million more for ship repair, alteration, and conversion than the bill for 1963. So there is only a remote possibility that there would be any reduction in the work that is done at the Brooklyn Navy Yard during fiscal year 1964.

Mr. KEATING. I am glad to have that assurance. I wish the distinguished Senator from Georgia were sitting in the Department of Defense and could give that assurance as an executive of that Department. We would miss him here, but we have not been able to get from the Secretary of Defense or those in authority any assurance remotely comparable to what the Senator has just indicated. There has been a falling off in employment at the Brooklyn Navy Yard over the years. It has been gradual, but there has been quite a drop in employment. It is a subject that naturally concerns us.

Will the Senator yield so that I may address a parliamentary inquiry to the Chair with regard to the section to which I have referred?

Mr. RUSSELL. Before the Senator propounds his parliamentary inquiry, I should like to say that while I was convinced that the language does not require it, there would not be any misunderstanding between the Appropriations Committee and the Department of Defense with respect to that item.

I point to the history of 1963, in which year that provision was not utilized. The Department thought at the time of the preparation for the Cuban crisis that it might be necessary to utilize that provision, but even in that emergency it did

not go above the 35 percent set forth in the language of the bill for the current year.

Mr. KEATING. I am a little concerned with the reverse of that situation; namely, to what extent the provision would set a ceiling on the operations in the navy yard. I would like to address an inquiry to the Chair.

Mr. RUSSELL. I am glad to yield for that purpose.

Mr. KEATING. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. KEATING. Would section 539 of the bill be subject to a point of order as being legislation on an appropriation bill? I refer to page 43 of the bill.

Mr. RUSSELL. Mr. President, before the Chair rules, I point out that the amendment deals with the explicit language which comes to us from the House of Representatives. If there is any one well-established rule, it is that if the other body deals with any subject in any legislative respect, that opens up the entire subject so that the Senate can deal with it. There can be no question about the first part of section 539.

I do not think that anyone—not even the Senator from New York—would insist that the language was not pertinent and legislatively correct. The other language is germane to it, because it raises a question as to the method whereby the Secretary of Defense could enforce the provisions of the first part of the section.

I hope the Senate will not be diverted from consideration of the bill for a long discussion of the parliamentary aspects of this matter.

Mr. KEATING. If the Senator will yield further, I am inclined to agree that the first part of the language, prior to the proviso, is covered by existing legislation, and probably would not be subject to a point of order. But the proviso is new matter and not covered by existing law, and might be subject to a point of order. That is not to say that I would wish to press the point of order until I had interrogated the distinguished Senator further. I feel, however, that in order to know what is the proper procedure to follow, I ought to have guidance from the Presiding Officer as to whether the portion following the word "provided" would be subject to a point of order.

The PRESIDING OFFICER. If the question raised by the Senator from New York is as to germaneness, that would have to be submitted to the Senate for a vote, without debate.

Mr. KEATING. The point of order would have to do with the question of whether it involves legislation on an appropriation bill.

Mr. RUSSELL. Mr. President, I think the ruling by the Presiding Officer is eminently correct, from my knowledge of parliamentary procedure. This has to do with the method of controlling the limitation. I think it is germane. Such a question would be submitted to the Senate, and the Senate would vote. In my opinion, it is definitely germane.

The PRESIDING OFFICER. Has the Senator from Georgia raised the question of germaneness?

Mr. RUSSELL. I certainly would raise it, if the Senator submitted a point of order. If the Senator submits a point of order, I shall certainly raise the question of germaneness.

Mr. KEATING. Do I correctly understand that it is the ruling of the Chair that if the question of germaneness were raised that would dispose of the question of the point of order, made on the ground that there is no basic legislation?

The PRESIDING OFFICER. It would take precedence over it.

Mr. KEATING. So only if the Chair ruled that the language is germane would there be a question of whether it was legislation on an appropriation bill?

The PRESIDING OFFICER. That is not correct.

Mr. RUSSELL. No; it is the other way around. If the Senate voted it was not germane, the Presiding Officer would rule it out of order, very properly. If the Senate voted that it was germane, the point of order would fall.

Mr. KEATING. Let me put it another way. If the question of germaneness were raised, would that mean that the question of whether it is legislation on an appropriation bill could not be pursued?

The PRESIDING OFFICER. If the language is germane, it is in order. That is the simplest way to state it.

Mr. KEATING. If it is in order, then no point of order can be raised that it involves legislation on an appropriation bill?

The PRESIDING OFFICER. That is correct.

Mr. RUSSELL. That is correct.

Mr. SALTONSTALL. Mr. President, will the Senator from Georgia yield?

Mr. RUSSELL. I shall be glad to yield, but I do not know whether the junior Senator from New York has concluded his inquiry.

Mr. KEATING. That is perfectly all right.

Mr. RUSSELL. I yield to the Senator from Massachusetts.

Mr. SALTONSTALL. Mr. President, both Senators from New York are realistic. They wish to get business for the Brooklyn Navy Yard, I believe. I am in the position of having a Navy yard and a private shipyard in my State.

Mr. KEATING. New York also has private shipyards.

Mr. SALTONSTALL. New York also has a private shipyard.

As a practical matter, the provision, as it was written by the Senate committee, was put in after careful consideration a year ago. This year, the Senate committee, under the leadership of the distinguished Senator from Georgia, has modified the language provided by the House, to put it back on the exact percentage basis provided last year.

It is my understanding that the Secretary of Defense did not exercise his privilege of changing the work, as the Senator from Georgia has said. This was worked out last year practically on a 35 percent basis. We eliminated the figure, because we thought the percentage basis

was more fair, in view of changing amounts. It is easier to figure on a percentage basis than on the basis of an exact number of dollars.

I recommend sincerely, from a realistic point of view, that the question not be pursued as to whether the language is or is not germane. I would wholeheartedly support the Senator from Georgia in the statement that it is germane as a proviso to the language, stating how the money should be spent.

I hope that both Senators from New York believe this is the best provision that can be devised, from the point of view of the division of work as between the Navy shipyards and the private shipyards.

Last year Admiral Anderson, from the Navy, said that he personally took an interest in this problem, and that he personally believed the Navy could work under the provision. The Navy did work under the provision and allowed practically a 35 percent limit.

Mr. RUSSELL. I interpolate the comment that there are other reasons why the language should be approved by the Senate. It was quite satisfactory last year—so satisfactory that it was included in the budget sent to the Congress this year by the Department of Defense. When the Department made up its program for the year, it included the language which was provided last year. The Senate is asked to concur not only with its own language, evolved by the Senate committee last year, but also the language in the budget.

If section 539 had not been in the bill as it came from the House, the point of order against the entire provision undoubtedly would be a good one. The House moved into this area. That, therefore, gives us, as an equal legislative body, the right to provide language with respect to the use of the funds.

Mr. KEATING. We have heard the ruling on the question. The House report refers to it as legislation. We have heard the preliminary ruling. I shall have to decide later whether to pursue that question.

Is the language in italics in the Senate bill the language which was in the bill passed last year?

Mr. RUSSELL. It is identical, word for word, letter for letter, "i" for "i" and crossed "t" for crossed "t."

Mr. KEATING. With the existing law?

Mr. RUSSELL. That is correct. That is the law under which we are operating at the present moment.

Mr. KEATING. In the hearings on this language, was there evidence as to what was meant by "inconsistent with the public interest based on urgency of requirement"?

Mr. RUSSELL. I do not know that we went into that question in detail this year. I must confess that I was not able to attend the hearing on the one day when this item was heard in detail. There are contenders on both sides—and there have been since the building of *Old Ironsides*—on the question of whether to build such ships in the Navy yards or to build them by contract. There are always witnesses on both sides.

There is no question as to the tacit understanding between the committee and the Secretary of Defense that he will not give more than 35 percent to the private yards unless in case of an emergency, when the public interest is involved.

Mr. KEATING. I am disturbed that the Senator stresses that they will not give more than that percentage to the private yards.

Are there conditions under which less than that could be given to the private yards?

Mr. RUSSELL. No. At least 35 percent shall be available for the private yards unless the Secretary of Defense decides it is in the public interest, based on urgency or requirements, to have the work done in a Navy yard. We have tried to arrive at an agreement on the basis that 35 percent of the work will be done in private yards and 65 percent in the Navy yards. A figure like that cannot be frozen down to the last dollar, as the House undertook to do, when it provided exactly but much more money must be spent in private yards. There must be some administrative leeway and flexibility. It is in this bill.

I do not think the Senator can point out where revolutionary action has been taken that affected either the private or the Navy yards.

From my standpoint, and, I dare say, from the standpoint of a majority of Senators, we would like to see more than 35 percent done in the private yards, because the work is done so much more economically there.

It has been stated that work of an equal or better quality, in the repair alteration and conversion of ships, can be done for about 10 percent less in the private yards than in the Navy yards. So this provision is really in the interest of the Navy yards.

Mr. KEATING. My understanding is that it is more of a geographical matter than a question of private or public yards.

Mr. RUSSELL. I do not think that is true. Last year the Senate approved a provision, which was supported vigorously by the Senators from New York, eliminating the 6-percent differential for the west coast, as I recall, in the construction of ships there.

Mr. ELLENDER and Mr. JAVITS addressed the Chair.

Mr. RUSSELL. The Senator from New York has been on his feet for some time. I yield to him first. Then I shall yield to the Senator from Louisiana.

Mr. JAVITS. Mr. President, I am devoted to the private enterprise idea, as the Senator knows. It is a fact that a differential in economy exists. It is also true that the Navy yard personnel are absolutely indispensable as a standby. They are the support for the whole system in the effort in which we are engaged.

My colleague from New York [Mr. KEATING] has stated the case with considerable justice. Though there is an added cost to a standby operation, it is partly due to the fact that occasionally the Navy yards have to do jobs which are "gold plated" of particular delicacy, and therefore their costs are increased.

The way the Navy calculates cost of Navy yards—which is a big point—is such that if a court of inquiry, as it were, were to investigate it, that differential would be eliminated.

However, what the Navy yard people are always worried about is not so much that their share is to be increased, but that their share will go down in the choice jobs which keep employment at a stable number. Their morale is always being shattered by the rumor that there are to be cuts or that the operation is to close down. Therefore, there is a good deal to be said for fixing a percentage of allocation of the work.

But what my colleague has given voice to, to which I add, is that the flexibility which has been provided should be a recognition of the function of the Navy yard and its essentiality in the maintenance of work skills, which are as essential as the physical equipment. Officials in the Department should be aware that the committee has in mind an allocation of 65 percent of the work for the public yards as a ceiling, rather than a floor.

That is what is inherent and implicit in what we are trying to project on the Senate floor today—the feeling that the 35 percent, having been arrived at as a rough measure of justice, is really a ceiling in the sense that the Secretary must worry more over whether those yards are to be given more than 35 percent, rather than less than 35 percent.

Mr. RUSSELL. I doubt that conclusion. As I said at the very outset, I think it is realized by all that while the Navy yards show a higher cost, they are an indispensable reservoir of skilled manpower that the Nation might be called upon to use at a critical time in the Nation's security. Nobody wishes to lose skilled workers. Nearly \$100 million more is provided for conversion for fiscal 1964 than there was for 1963. That should be somewhat reassuring to those who work in the Brooklyn Navy Yard.

Moreover, the Brooklyn Navy Yard has no monopoly on rumors that the installation is to be closed down. Such rumors prevail throughout the entire country. Someone will start the gossip, not only in construction plants and facilities, but in our own military posts, that they are all to be moved out, and the installation is to be closed down. Such rumors occur periodically. Occasionally the lightning strikes. A few years ago a post was closed in my State. I am still receiving mail criticizing that rather drastic action.

Mr. JAVITS. What the Senator has stated today is very fair, in an effort to state the ground rules, which on the whole will be effective. I did not want my remarks to be taken as critical; but we wanted to make a case on the basis that when the Secretary has to decide the question, he will decide it, and the appropriate officials should know how we feel about it.

Mr. RUSSELL. I understand how the Senators from New York feel. Involved in the bill are 12,000 constituents who depend on the yard for their bread and butter.

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

Mr. RUSSELL. I yield to the Senator from Louisiana.

Mr. ELLENDER. As the distinguished Senator from Georgia has said, I have been very much interested in this provision. Last year extensive hearings resulted in an agreement to the proviso now in the bill. Some time ago Ernst & Ernst, a national certified public accounting firm, was employed by private shipyards to make a study of comparative costs between private shipyards and naval shipyards. The firm concluded in its report that shipwork performed in Navy shipyards was determined to be 20 percent to 28 percent more costly than at private shipyards.

The Navy, too, was concerned about this and appointed Arthur Andersen & Co., a certified public accounting firm, to make a similar study. This national firm concluded that for three main categories of Navy shipwork, private shipyard costs are below those of naval shipyards by the following differentials: Conversions, 8.3 percent; repairs, 10 percent; new construction, from 15.2 percent to 31.4 percent.

All the evidence produced by these two surveys indicated that work can be done more cheaply by private enterprise.

I would be inclined to go further than what the committee has done. Yet I can see the necessity for keeping Government yards open and having skilled workers available at all times, in the event of need.

It will be recalled that over the years we have maintained our merchant marine through the use of subsidies. We are today paying heavy subsidies for the construction of ships to sustain our merchant marine. Through this provision in the bill we have an opportunity to do so, whereby we can keep some of these shipyards open and busy and at the same time save the Government a great deal of money.

I would be the last Senator to vote to do away with any Government-owned shipyards. I know they are necessary. However, it strikes me that the proviso which has been put in the bill protects both private and naval shipyards. I am sure it also protects the American taxpayer. I do not want to go into too many details, but let me say to my good friend from New York that he will remember that the Navy canceled a contract which had been awarded to the Brooklyn Naval Shipyard. It caused quite a furor. When the contract was canceled and let to a private concern, it saved the Government from \$30 to \$35 million. That sort of thing should be done wherever possible. The leeway given to the Secretary of Defense in the bill is salutary. It is up to him to see to it that these things are done properly. In my opinion, he should be permitted to withhold the award of contracts when the amount would be such as to be injurious to some of the large Navy yards. I believe everyone is protected by the provision which has been included in the bill.

Mr. KEATING. Mr. President, I must comment on the remarks of the distinguished Senator from Louisiana. The

figures he has given on the cancellation of the contract and the saving to the Government have been challenged by the Brooklyn Naval Shipyard. It is claimed there that a great many charges were made against it which should not properly be the subject of a charge for ship construction.

The Senator has referred to the Arthur Andersen Co., which I understand to be a very reputable concern. What I am about to say is not intended in any way to cast any aspersions on the reputation of that firm. They were employed by the Navy to make a survey. It has been charged that they were at the same time paid a retainer by the Newport News Shipbuilding & Dry Dock Co., a private shipyard. I made inquiry of the Secretary of the Navy whether that was true. I received the rather astonishing reply that the Bureau of Ships did not know whether the Arthur Andersen Co. was paid such a retainer.

The reputation of this firm is very high. I am told that the Andersen firm recognized the problem and was reluctant to take on the assignment for the Government. This undoubtedly reflects credit upon them. However, I do believe that it leaves in the minds of many the question of its ability to reach an objective analysis if in fact—and we do not know—at the same time the firm was being retained by private yards to make the survey.

Mr. ELLENDER. That might have been the case. However, as I understand, the Navy employed that firm, and no charges were made against it to the effect that any of the figures were faked.

Mr. KEATING. Oh, no.

Mr. ELLENDER. Their report indicates the finding that I have quoted. The quotation is from the report itself. The report is verified and confirmed by the report of Ernst & Ernst. It strikes me that the reports are not very far apart, when we consider all three differentials that were mentioned in connection with the Arthur Andersen Co. report. The average saving to the Government would probably be about 20 to 28 percent. The conclusions do not differ greatly.

Mr. KEATING. All of them are based on the question of what is charged against a job or as a part of the general expense of operating a shipyard. This is a naval installation. I am not an accountant, but much depends on how much is charged against admirals and other personnel who may have duties there but also have duties in other operations of the Navy.

These are things that I am unable to evaluate. And incidentally the General Accounting Office has also refused to evaluate them. They were forcefully brought to my attention by those who operate the shipyard as being factors which have not been properly taken into account by the accounting firms.

Mr. ELLENDER. I do not want to criticize any particular shipyard, but we do know that individual officials, like the Under Secretary of the Navy, Hon. Paul B. Fay, have spoken on this subject. The Under Secretary, on July 13, was very

critical of the Boston Naval Shipyard, at Boston, Mass. That is of record. He said:

Boston is among the highest costing of the east coast naval shipyards. I want to get this message across to you. This yard's workload is not going to stand unless productivity is up.

This lends credence to reports made by the Andersen Co. and by Ernst & Ernst. That is all I am trying to put before the Senate. It strikes me that the language which was drafted by the committee last year was fair. When the committee met this year I offered the amendment, so that there would be the same provision in the pending defense bill as was in the bill last year. As the Senator from Georgia has said, it is very fair. I hope the Senate will retain it in the bill.

Mr. KEATING. As I understand the Senator from Georgia, it was the feeling of the committee that to use specific figures, as the House did in its language, was not desirable, because it was not known what might be spent in connection with a particular item. Is that correct?

Mr. RUSSELL. That is one aspect. I may also say that where there are bids, anyone would be rather hard put to try to come out even with \$352,752,400. We did not think it was reasonable to place the operation on a dollars-and-cents basis, because such a requirement would make it exceedingly difficult to administer the law. We felt that the provision that was put in the bill last year had been fairly satisfactory. It will not please all people, but we thought it was a wise provision to have in the bill.

Mr. KEATING. Was the figure based, in general, upon the 35- to 65-percent formula?

Mr. RUSSELL. I believe it was, because last year the House did the same thing. It was exactly 35 percent. That is about right, because the total in the bill is \$1,007,864,000 for ship repair, alteration, and conversion this year. One of the staff members advises me that that is 35 percent.

Mr. KEATING. I am under no illusions as to what would happen if the question of germaneness were submitted to the Senate on the basis of the unanimous report of the Committee on Appropriations on this measure. I shall not pursue the subject in that manner, because I am certain that such an effort would not be successful.

Mr. RUSSELL. I would hope the Senator from New York would not be successful in such an undertaking.

Mr. KEATING. The Senator from Georgia has been most courteous and gracious in answering questions, and has made it clear that this situation was seriously considered by the committee. I hope the colloquy will be useful if the Secretary of Defense, or more specifically the Bureau of Ships, has any problem in the future. I hope also that this proviso will not be used for the purpose of depriving public yards of a fair share of employment. This they rightly should have, both from the standpoint of the people employed there and also from the

standpoint of the national interest, to keep the Navy yards functioning at all times as an integral and effective part of our national defense.

Mr. RUSSELL. This problem has been an issue ever since I first came to Congress. When I came here, I was assigned to the old Naval Affairs Committee, prior to the Unification Act. The question has been discussed from year to year ever since I became a Member of Congress. I am sure it was hoary with age before I came here.

I have been in a position to view the problem objectively. Georgia has some coastline, and has some yards that work on private shipping; but we have no private yards that have contracts with the Navy or yards operated by the Navy.

I feel that this arrangement is the fairest possible, until a clear example of abuse is brought before us. If the practice is abused, I am quite confident that the Senate will not be kept in ignorance. It will be kept in ignorance only until the Senators from New York can come to the Chamber and give notice. I hope the Senate will be put on notice if Senators feel that their State has been badly injured and its people relegated to second-class citizenship. Because they have a vested interest in the Brooklyn Naval Shipyard, if it is affected we will know about it.

This provision has been in effect for 15 months, including the 3 months of the present fiscal year that have already expired. Until there is some abuse that is quite evident, I think it is the part of wisdom to stay with this provision, because it has been tried, and we know how it works.

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

Mr. RUSSELL. I yield.

Mr. JAVITS. I think the problem has been well clarified. I thank the Senator again. I appreciate the graciousness with which he has handled the matter.

I refer to the memorandum of amendments which is furnished to the Committee on Appropriations. At the bottom of page 276, a statement was made by Representative Ford, in the debate in the other body, as follows:

As the chairman, the gentleman from Texas [Mr. MAHON], indicated, we have the assurances from the Secretary of the Navy that the Navy will live up to the 35-65 split. There is no mistake about these assurances.

Representative Ford then went on to say that the best thing to do, therefore, was to set the figure at \$352 million, because the House had problems of parliamentary procedure about setting the percentage, and that these funds are important. He said:

Under section 539, as it passed the House, under no circumstances can the allocation to private yards exceed \$352,752,400.

Since the item has come to the Senate, we have, possibly, an escape clause. The point my colleague from New York and I have tried to make to the Senator from Georgia—and he has been very helpful—is that, notwithstanding the fact that perhaps a little flexibility is given to the Secretary to take care of grave problems, national emergencies,

and so forth, the fundamental intent remains the same: that the proviso will not be used for the purpose of trying to expand the 35 percent, but that the House feeling as to how this problem ought to be handled remains the feeling in the view of the Senate.

Mr. RUSSELL. I said earlier, I believe in the first statement I made on this subject, that there exists a tacit, not an explicit, understanding with the Department of Defense that this procedure will be followed, except in most extraordinary circumstances.

Mr. JAVITS. The Senator from Georgia has a custom of telling interesting stories. I should like to tell him one from my experience.

There was a great Federal judge in Wilmington, Judge Neilds, who has gone to his reward. I tried many cases before him. He was famous for looking at a lawyer and saying, "Counselor, if you stop now, I am with you."

Mr. RUSSELL. I assure the distinguished Senator from New York that if he refers to me as the counselor, I am willing to stop.

Mr. JAVITS. No; I am the counselor.

Mr. KUCHEL. Mr. President, will the Senator from Georgia yield?

Mr. RUSSELL. I yield.

Mr. KUCHEL. I should like to cite to the able Senator what the House committee, in part, reported:

The legislative history clearly indicates that the intent of section 539 is to continue the 35-65 formula of allocating repair, alteration, and conversion work between the private and Navy shipyards with the necessary flexibility to cover those emergency situations requiring immediate repair and alteration of naval vessels in Navy shipyards.

The Senator has been scrupulously accurate in his description of the situation.

I should like to ask him if it is the intention of the distinguished Senator from New York to pursue this subject any further than this interesting colloquy?

Mr. KEATING. No; it is not the intention of the Senator from New York to press the point of order.

Mr. KUCHEL. I thank the Senator.

PRIVATE SHIPYARDS AND NAVAL SHIP REPAIRS

Mr. McINTYRE. Mr. President, I regret that section 539 appears in the bill. That section has been eagerly sought by the private shipbuilding interests of this country to guarantee them 35 percent of conversion, alteration, and repair work required on naval vessels. This requirement is not in the best interests of the private shipyards or our national system of naval shipyards or the sound administration of the Department of Defense.

THE DECLINE OF AMERICAN SHIPBUILDING

Section 539 is bad medicine for the ills of our domestic shipbuilding industry. No matter how good its intentions, they are the sort that pave the road to oblivion. It is anticompetitive in effect, guaranteeing the commercial yards that no matter how slipshod their work, Government will continue to send work to them. Its impact upon quality control, overall competitiveness, and the alertness of management is easy to foresee.

Our shipyards are already woefully far from the competitive strength which the realities of international trade require. The United States, which once built ships for the world, now sends its shipping in foreign vessels and buys its merchant ships from overseas. In a time of acute concern for our international balance of payments this is an intolerable situation. The Congress must not permit this industry to degenerate into an even more flabby condition by spoonfeeding it a fattening guaranteed subsidy diet of naval repairs.

NAVAL SHIPYARDS AND NATIONAL READINESS REQUIREMENTS

A moment's reflection will confirm my belief that seapower was a critical element in resolving the Cuban confrontation last October and in exerting the influence of the United States in southeast Asia. These actions required maximum flexibility and readiness. It is therefore astonishing to me that we should come so close to overlooking the critical role of the naval shipyards in maintaining the readiness the times so urgently require. When work is not in fact urgent, or the close tolerances and exacting specifications of the naval shipyard establishment need not be met, or when the stability of a work force is not important, then let us turn to the commercial yards by all means. The naval shipyards are integrated into the system of command and stand in readiness to meet the exceptional demands of modern defense. These are vital ingredients of the national security which should not be sacrificed to keep any domestic commercial interest happy.

ADMINISTRATIVE FLEXIBILITY IN THE DEPARTMENT OF DEFENSE

At the end of the Second World War, the private yards received about 10 percent of naval repair and conversion work. During the Eisenhower years that figure was raised to 25 percent without any statutory requirement. Last year, with what I consider to be lamentable shortsightedness, the private shipbuilding interests secured a 35-percent level. This figure was not set in response to an assessment of defense needs but reflects instead some judgment as to what the commercial shipyards require in order to stay solvent. That seems to me to bypass the authority of the Defense Department and the Secretary of the Navy. In the event of a serious labor stoppage, for example, work simply could not be assigned to the commercial yards. I can see no useful purpose in so severely circumscribing the authority of the Secretary of Defense and the Secretary of the Navy. Consequently, Mr. President, I wish to record my opposition to section 539.

Mr. RUSSELL. Mr. President, if we have exhausted the debate on this item, I shall proceed to the third language change made by the committee.

Mr. COOPER. Mr. President, I do not wish to delay the Senator, but may I ask him two or three questions?

Mr. RUSSELL. I am glad to yield to the Senator from Kentucky.

Mr. COOPER. Today the Senate gave advice and consent to the nuclear test ban treaty. The Senator from Georgia

well knows, because he attended all the hearings, that the Joint Chiefs of Staff gave approval to the treaty, but placed certain conditions on their approval. Among the conditions were: that research and development facilities be maintained; that adequate funds be provided for underground testing; and that nuclear capabilities be maintained and expanded.

Mr. RUSSELL. Most important, that the effort be undertaken to perfect detection devices. That is one area in which we are proceeding at the present time.

Mr. COOPER. I assume funds are made available in the bill for the Atomic Energy Commission to fulfill a part of these requirements. Does the pending bill contain funds sufficient to carry out the operations in accordance with the conditions set forth by the Joint Chiefs of Staff?

Mr. RUSSELL. I could not state categorically that funds are available in the bill in amounts that were regarded by the Joint Chiefs of Staff as being completely adequate for all these purposes; but the bill provides substantial amounts for each of such purposes.

Funds are provided for the nuclear detection program and the satellite program. Two items have been referred to, for which funds are provided in the bill.

Funds are included for the Defender antimissile systems and the Nike-X, which is called Sprint by some of the agencies of the Department of Defense.

Of course, we have it.

Mr. COOPER. Is it the one which was discussed in closed session?

Mr. RUSSELL. That is correct. I could not say categorically that there is provision of an amount equal to the one the Joint Chiefs of Staff said they would need; but there is a provision for a substantial sum with which to pursue the completion and perfection of the four safeguards that the Joint Chiefs have laid down. Funds for the operation of laboratories carried in the Atomic Energy Commission appropriation.

Mr. COOPER. I am sure the Senator has expressed his position many times; but it would help if we were assured that these funds would be provided.

Mr. RUSSELL. If any responsible person in the Department of Defense or any responsible scientist could show where any additional funds can be profitably expended in the pursuance of any one of these four safeguards, which I regard as essential to our security, in view of the military implications of the treaty, I would not wait on a budget estimate, but I would undertake, in connection with the first supplemental appropriation bill that came along, to make a fight for them—regardless of whether we would win it.

Mr. SALTONSTALL. Mr. President, will the Senator yield for an observation?

Mr. RUSSELL. I am glad to yield to the Senator from Massachusetts.

Mr. SALTONSTALL. I hope it will be of assistance.

Mr. RUSSELL. I am sure it will be.

Mr. SALTONSTALL. I would say that, according to my memory, not 1 cent was cut from any of the space or

atomic energy program items. There was a cut in research funds—which we carried through, because the Secretary of Defense stated he could get along with it, and that he would do his best to get along with the amount we gave him for research.

I am advised that the Executive has submitted a supplemental estimate for funds with which to maintain these preparations for testing, so there would not be unwarranted delay in the tests if resumption became necessary.

Mr. COOPER. As I understand, the House voted to appropriate \$1,932,228,000 less than the budget estimate; the Senate committee voted \$1,642,830,000. Does the Senator from Georgia consider this, then, an actual continuing cut in the estimates, or a postponement which will have to be made up later, in the supplemental bill?

Mr. RUSSELL. Complete frankness requires that I inform the Senator from Kentucky that \$247 million was provided by the House by transfers in lieu of appropriations. The Senate committee restored these funds to the working capital accounts which may provide an austere budget in military personnel.

The distinguished Senator from Massachusetts has pointed out to me that last year we spent \$467 million for the support of military housing. The appropriation for the fiscal year 1963 includes that figure; but it really is not a saving, because we shall have before us a military construction bill, and it will include funds with which to construct military housing. So, in good conscience, I cannot claim that this is actually economy, in the form of reducing spending, because, in addition, there are other programs, including civil defense, on which such items will be brought forward. But this does not relate to committee action on the budget estimates.

Mr. COOPER. I realize that; and the Senator is always very frank in making the explanations. But as regards the items in this appropriation bill, would the Senator say they do constitute a reduction in amounts of the budget estimates insofar as these particular items are concerned?

Mr. RUSSELL. Yes, indeed; the bill constitutes a reduction in the amounts of the budget estimates.

Mr. COOPER. In the amount stated.

Mr. RUSSELL. Yes, a total reduction of \$1,642 million.

Mr. COOPER. Yes. This does not mean, of course, that there will be any actual reduction in the spending this year, does it?

Mr. RUSSELL. I would think there will be some reduction in spending this year, but I do not believe it would be very substantial.

Mr. COOPER. It would not approximate the amount of this cut, would it?

Mr. RUSSELL. Oh, no; indeed not. In this age of revolution in weaponry, where something new is developed almost every day, and sometimes are withheld pending tests or some other evaluation of a particular weapon, there is a tremendous carryover of funds; and this cut would not bring about that much of a

reduction in the actual spending—even though I could not give the Senator the exact figures. But I am sure there will not be that much reduction in the actual expenditures this year.

Mr. COOPER. I know the Senator has explained these items or will do so. I find that the major increases voted by the Senate committee are in five items: In the procurement of aircraft and missiles, Navy—\$51,400,000; in the procurement of equipment and missiles, Army—\$3,900,000; in aircraft procurement, Air Force—\$66,175,000; under title IV, in research, development, test, and evaluation, Army—\$28 million; and in those functions for the Air Force—\$67,230,000.

Five items which chiefly carry the burden of the increases voted by the Senate committee over the House allowances.

Mr. RUSSELL. Yes; and I can explain any of them in detail. Generally speaking, I undertook to state the procurement items. For example, in discussing the Army procurement, I said that the aircraft inventory includes 6,300 aircraft, and that the funds recommended in this bill will procure approximately 1,600 additional aircraft. I undertook to do likewise for the Air Force and the Navy. There were two or three smaller procurement items which I did not discuss in detail.

Mr. COOPER. In considering research, development, test, and evaluation—first, as carried on by the Army; and, second, as carried on by the Air Force—can the Senator state at least generally, if not in detail, for what purposes the increases were voted?

Mr. RUSSELL. The increase over the amounts voted by the House?

Mr. COOPER. Yes.

Mr. RUSSELL. As I said, there is \$5 million for the Army's Lance missile system; and we restored \$23 million of the House reduction of \$59 million in research and development for the Advent communications satellite program, which is a matter of primary importance; and in the case of the Air Force, \$60 million of Air Force fund was for the mobile medium-range ballistic missile, which we have discussed at some length on the floor.

Mr. COOPER. I thank the Senator from Georgia very much. I do think it is very appropriate when he says this bill, and other bills, if necessary, will provide the funds that the Joint Chiefs of Staff and others have said will be required in the event of ratification of the nuclear test ban treaty on which the Senate gave its advice and consent.

Mr. RUSSELL. I can assure the distinguished Senator from Kentucky that insofar as it lies within my power, there will be no reduction whatever in any funds that are necessary to carry out all the safeguards under the treaty. In fact, I believe if we do press for them as vigorously as we should, they will cost us a substantial sum of money. But now that we have entered into this treaty—and I hope my vote against it was completely wrong, and will prove to be the most monumental mistake of my career—we must be more diligent than ever in preparing to make our tests, because our testing is now frozen, and we can-

not resume testing until we have a clear, definite, and unimpeachable record of testing on the part of one of the signatories to the treaty.

Mr. COOPER. I thank the Senator very much.

Mr. JAVITS. Mr. President, will the Senator yield for another question on the National Guard?

Mr. RUSSELL. I yield.

Mr. JAVITS. I call to the Senator's attention page 5, line 18, of the bill. I note that the committee has stricken out the words "maintain an average," which is the language in the previous law with relation to the strength of 400,000 for the National Guard, and inserted "and attain an end strength."

Mr. RUSSELL. Yes.

Mr. JAVITS. That language raises a question. Of course, I know that none of the Guard units is now up to that strength. They are far from it. Nonetheless, there is a question which they are asking us as to whether the words "attain an end strength" mean that the 400,000 figure is a continuing ceiling throughout the fiscal year, or whether it means that at the end of the fiscal year 1964 they must have no more than an end strength of 400,000. The difference is in the dynamics in which these questions operate. They may be overstrengthened temporarily in the course of a year. They may be understrengthened. The question is whether the test applies throughout the fiscal year or whether the words of art—"attain an end strength"—which seem to me very clear mean that under the fiscal year they shall have attained a strength no greater than the ceiling.

Mr. RUSSELL. I consider the meaning of the language to be as the Senator from New York has construed it.

I do not think that they will be able to attain that end strength. With the Senate language in the act this year, the Guard and the Reserves were not inhibited in their activities in the slightest degree by it. As the Senator has said, they are now far below that level. They are somewhat farther from the goal than they would have been had not the Guard units been called up and completed their term of service during the Berlin and Cuban emergencies. To be frank with the Senator, I believe the question is moot, because I do not believe they will be able to attain even the end strength of 300,000 for the Reserves and 400,000 for the Guard.

Mr. JAVITS. I believe the planning officials in the office of the Adjutant General are deeply concerned. The Senator has answered the question clearly and adequately. I thank the Senator.

Mr. RUSSELL. The third language change recommended by the committee pertains to the payment of indirect costs in connection with research grants to nonprofit and educational institutions.

That is a question that has been before the Congress for a considerable period of time. The Department of Defense Appropriation Act, in 1963, contained a provision which provided that the indirect costs of these grants could not exceed 20 percent of the direct costs. The budget for 1964 has not included that provision.

The President's budget recommended the deletion of the provision in its entirety. However, the House bill provides for a limitation of 25 percent on such costs. It was the view of the committee that the experience during fiscal year 1963 clearly indicates that a limitation of 20 percent on these indirect costs is reasonable, and the committee recommends that the House proviso—section 538—be amended to restore the language in the current act. The committee's recommendations on the item were not unanimous, but were thoroughly discussed and considered in both the subcommittee and the full committee. I point out to the Members of this body that it would still be necessary to go to conference with the other body on the bill.

REDUCTIONS MADE

Speaking generally about the funds provided in the bill, I know that there are those in this body who would wish to reduce the appropriations further. There were some in the committee who wished to do so. Speaking for myself, if we could do so safely, I would like to reduce those funds substantially.

I know that in appropriations of this magnitude there is always the question as to whether still greater reductions can be accomplished.

In view of the definite testimony of Secretary McNamara that he had already deducted from the requests of the Department approximately \$12 to \$13 billion, and the fact that the bill is below the budget, I do not believe that we can safely further cut the bill. I know that we all want to provide an adequate national defense.

I personally do not believe that a further cut is in the best interest of our country. We all want to provide an adequate national defense. We all want to eliminate unnecessary expenditures. In the judgment of the majority of the committee—and we have given this much thought—any further general reductions might well impair the efficiency of our military machine, might well cut into the muscle of our fighting forces, our production of needed ships, missiles, and aircraft, and, most important of all, might curtail or prevent the development and perfection of new weapons.

As I have indicated previously, substantial reductions have been made.

In military personnel, the committee has reduced the total by \$384.5 million.

In maintenance and operation, which is admittedly a tight area, the total has been reduced by a little over \$51 million.

In procurement, a reduction of over \$929 million has been made.

In research, development, test and evaluation, a reduction of almost \$278 million has been accomplished.

The bill is about \$978 million under last year's appropriation, although as I stated a few moments ago, a large part of that amount, \$467 million, is in the area of military family housing, which will be considered at a later date.

These are not the only reductions which have been made. During the course of our investigations, I asked the Department of Defense to furnish a tabulation as to what action the Secretary

of Defense and the Bureau of the Budget had taken on the requests made by the military departments. The tabulation, which appears in our hearings, indicates that the President's budget reduced the service requests by about \$12,750 million.

Before it was reduced, the budget was most austere. The reductions have augmented that austerity.

Officials of the Department of Defense have frequently repeated that this is an austere budget. We have augmented this austerity by a considerable amount. As a matter of fact, in some areas, the Department of Defense has indicated that additional funds may be required in order to maintain our military strength, which the committee has insisted not be reduced.

The members of the committee have for months been engaged in searching scrutiny of the bill, seeking other possible soft spots where reductions might be made. In my opinion, if there are any soft spots, remaining in the bill, I do not know where they are.

Mr. PROXMIRE. Mr. President, will the Senator yield on that last point?

Mr. RUSSELL. I yield.

Mr. PROXMIRE. I wish to stress and underline what the Senator has been saying. Last year this same defense appropriation bill was roughly \$49 billion. Is that correct?

Mr. RUSSELL. Almost that.

Mr. PROXMIRE. This year, even if an additional \$467 million is included for military housing—and even if \$900 million is added for the increased military pay—which, of course, would not necessarily increase military defense by that much—the result will still show this appropriation bill at least \$200 million or \$300 million under the same appropriation of last year. Is that not correct?

Mr. RUSSELL. I think that is almost correct, probably around \$100 million. An appropriation for the \$900 million will be necessary in a subsequent bill to provide for the pay increases for the military personnel. I do not agree with the Senator that it will not add to defense. It will add greatly to defense because it is an inducement to our trained and more efficient people to remain in the military service.

Mr. PROXMIRE. The Senator is undoubtedly correct. In the long run it may not result in a large increase in cost, because of a smaller turnover.

The President of the United States said that defense, space, and interest on the national debt were the only three areas of the budget in which there would be an increase in spending; yet in this major defense appropriation—this certainly is the major defense appropriation—the figure is lower than the appropriation for 1963; is that not correct?

Mr. RUSSELL. A lesser appropriation?

Mr. PROXMIRE. Below the appropriations for 1963.

Mr. RUSSELL. Yes.

Mr. PROXMIRE. As I have said, this is the major appropriation bill.

Mr. RUSSELL. It is as large as all the others.

Mr. PROXMIRE. We are spending less, not more, in the defense area.

Mr. RUSSELL. And that is being done despite the fact that there have been constant increases in costs of one kind and another. The blue collar workers have been awarded substantial increases. The wage boards have allowed increased labor costs. Of course, this was justified by a comparison with wages in private industry. There has been a constant increase in cost in respect to practically every item of procurement, in addition to compensation of personnel, both civilian and military.

Mr. PROXMIRE. Is it not also true that with the exception of an increase—and the amount is very small, about \$6 million, for the National Guard, perhaps for the first time in a long time, the Appropriations Committee has been at or below the administration request for all the scores of items with respect to which the administration made requests?

Mr. RUSSELL. The only items in the bill which are above the budget total \$6.7 million for the National Guard. This is to permit the National Guard to carry on its training program with the Regular Army, and to maintain the number of technicians essential to the training of the Guard and the maintenance of the Guard equipment; and \$1 million for repair parts for equipment that was handed down by the regular establishments "as is." It is absolutely necessary to have some spare parts to put that equipment in a workable condition.

Those items, three in number, aggregate \$6.7 million. They represent the only items in the entire bill as to which the committee exceeded budget estimates.

Mr. PROXMIRE. The budget was made up on the basis of the Secretary of Defense having reduced the requests of the Army, Navy, and Air Force by \$12½ billion. Then Congress reduced the remaining request, in the authorization process, by another \$1 billion. There has been a further reduction in the bill, both by the House and by the Senate committees in the present appropriations process. Although the Armed Forces asked for some \$63 to \$65 billion, the budget is substantially below the \$49 billion appropriations for last year.

The Senator from Georgia deserves much credit for his part in this operation, both in respect to the authorization process and the appropriations process. We have a far stronger defense this year than ever before. It is because the Secretary of Defense and the Congress, led by the Senator from Georgia, have done a superb job of keeping costs down.

Mr. RUSSELL. I thank the Senator from Wisconsin. It has caused me great concern for several years to be unable to locate more items in the bill which the Congress could eliminate.

This certainly is a tribute to Secretary McNamara. In the past 2 years it has become more and more difficult to find any items in the bill which could be cut without impairing the safety of the country. The Secretary has given Congress an exceedingly tight budget.

In the authorization bill we reduced the items for research by 3 percent. That does not sound like much, when dealing with billions of dollars. I had a very interesting conference with the

Secretary on that subject. He pointed out the difficulties he would encounter in absorbing the 3-percent cut as to research items. He finally agreed to undertake it. He had me nearly talked out of it. The bill had not been passed at the time. Finally he said that he was willing to undertake it; and he did.

The Secretary has shown himself to be a careful man with a dollar. It is becoming more and more difficult each year to find items we can safely dispense with while still maintaining the security of the United States.

I thank the Senator for his observation.

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

Mr. RUSSELL. I yield.

Mr. ELLENDER. A while ago I rose to do what my good friend from Wisconsin has done, namely, to highly compliment my good friend from Georgia for the manner in which he conducts not only consideration of the bill before the Senate, but also the hearings in the committee. The Senator gave everyone ample opportunity to present his views, and I believe that an excellent piece of work was done.

I realize that Secretary McNamara has rendered conspicuous service in reducing the amounts in the bill, as compared to last year; yet the bill does not contain five items which will have to be considered later by the Congress. The first is the item of \$900 million for increased military pay. There is an item for military construction, \$1,232 million. The item for family housing, which has not been considered, will amount to \$734,400,000. The item for civil defense will amount to \$300 million. For military assistance the request is \$1,480 million.

If we should add these amounts to the figures included in the bill, the total amount for our defense at home and abroad would be somewhat more than \$52 billion.

I realize that it is rather difficult, in connection with a bill as large as this one, to select any particular category in which to effect reductions. When the committee was in session considering the bill I made an effort to further reduce funds for research and development. It is my judgment—I may be in error—that we are spending entirely too much money in this field.

In 1953 the Defense Department spent \$2.8 billion in research. Today it spends \$9.2 billion. The amount spent for all other research in 1953 by all other agencies in the Federal Government was \$269 million. Today that amount has gone up to \$5.8 billion. Today for all research—including military, space and everything else—we are spending nearly \$15 billion a year. It seems to me that expenditure of such a huge amount lends itself to waste because the human resources needed to handle such a vast amount of research are simply not available. Because of a lack of proper coordination, there is doubtless much duplication.

I recommended that since overall reduction in research and development could very well be 5 percent instead of

the 3-percent cut the committees enacted. My good friend from Georgia, with his usual eloquence, convinced the committee that I was mistaken. He had the great advantage over me, in that he had spoken to Mr. McNamara and Mr. McNamara had said that he considered the 3-percent cut at one time to be excessive but, after discussion with the Senator from Georgia, he felt he could do a fair job even if the appropriation were reduced by 3 percent.

I still contend that there are sufficient reasons for a 5-percent reduction. I believe that savings can be achieved by the elimination of these programs having a very low priority. I also believe that programs which offer only marginal benefits could be curtailed as could the closing of unproductive and duplicative facilities.

I express the hope that Mr. McNamara will continue to study these research programs in the future so that some day we will see some real savings to the American taxpayer in these expensive programs.

I invite the attention of Senators to the long list of research projects that are being considered by the Defense Department. The Defense Department alone is spending, of this \$50 billion, a little over \$7 billion in research. NASA is spending almost \$3 billion in research.

I feel confident that there is much duplication. As I noted when the Appropriations Committee was considering this bill, much of this money is being spent to maintain and sustain colleges all over the country. There is a large expansion program in that field.

As was brought out, and as the record will show, a regent from Princeton University admitted that, except for the fact that that great university received money from the Federal Government for research, not only to pay teachers and to do research for the Government, but to construct buildings and to maintain the school generally, Princeton University could not operate on its own. The same thing holds true for many other universities. This, to my mind, is a misuse of research funds. The Congress never intended that this program would end up as a modified aid to education program.

What I do not like too well about the research program is that most of the money is contracted. It is farmed out. Little effort is made to have researchers in our own Government departments do the work.

I express the hope that Mr. McNamara will look further into the huge expenditures for research and development and, in his wisdom, be able to prune some of the expenses and spend much less than what has been provided.

Mr. RUSSELL. Mr. President, I shall now resume my statement and I shall decline to yield until I have concluded the statement.

I do not wish to discuss at length the point the distinguished Senator from Louisiana has raised. I do not think there is any doubt about the fact that private contracts have been awarded for research and development. Some of these contracts have been in force for 7, 8, or 9 years. They are not new con-

tracts. We have spent immense sums under those contracts.

The Senator did not raise the question he raised in committee, that we could cut these programs still further, because private industry would undertake to do some of the research.

I pointed out that we cannot expect private enterprise to spend large sums of money researching for the Polaris submarine, or building a new tank, or methods of delivering an atomic bomb, because there is only one purchaser for an article of that kind, and that is the Defense Department.

While there is bound to be some waste in any program involving this amount of expenditure, Mr. McNamara has made a good start. He will never be able to eliminate the last dime of waste, but I think he has made a good start and is undertaking to make the Department economy conscious, which is the most important step forward he could take.

These research sums are large, but, in my opinion, they are essential to the maintenance not only of our national security, but of world peace. If we do not keep our research program going and have the most modern weapons, better in quality and larger in number than those of any potential enemy, the world will be engulfed in a global war.

While there has been some waste in research funds, and undoubtedly will be in the future, they involve items that private enterprise will not touch. We could not expect any company in this country, however large it may be, to build electronic equipment to detect missiles which might come into this country, because the only possible purchaser is the Department of Defense.

I understand a motion by other Senators will be made later to further reduce the research item, and I will not address myself to this matter now. I want to bring my address to a conclusion.

"OVERKILL" THEORY

In a related vein, we have heard a great deal recently about the so-called "overkill" theory. Statements from the Department of Defense indicate that this is based on erroneous assumptions. Our hearings contain a full explanation of the fallacious concepts from which this stems. During the committee hearings, I queried the Chairman of the Joint Chiefs of Staff about this "overkill" theory. General Taylor first discussed at length the criteria used to establish our strategic requirements and then stated:

I sincerely hope that considerations of this question of so-called "overkill," important as it is, will not be allowed to affect this particular budget. I can assure you that the Secretary of Defense has required the military authorities in the Pentagon to justify every strategic weapon supported by this budget and that he has looked with a critical eye at the application of the factors which I mentioned above. There is not a strategic weapon in this budget which does not have the unanimous support of the Joint Chiefs of Staff.

What General Taylor has said about the concurrence of the Joint Chiefs of Staff applies equally to the civilian heads of the Department of Defense.

I assume that, in the years to come, there may be a leveling off of our missile production, but regardless of this, we must not let down our defensive guard by considering reductions which are founded on erroneous basic premises.

Mr. President, the United States asks nothing of the world but peace and friendship. Our people are the most peace-loving of the earth. But circumstances have demanded that we build and maintain the greatest and by far the most expensive military force the world has ever known. This is not a force for conquest. It is designed to maintain world peace. If war must come, we seek to have the means to assure that we will be able to maintain our freedoms.

During the long hearings on the test ban treaty which the Senate has just ratified this morning, witness after witness warned against an unjustified spirit of optimism as to the future designs of Soviet Russia. We must heed these warnings. We must combat any spirit of euphoria and negligence, and resolve anew every morning to depend upon the only sure protection—and that is our own military strength—to enable us to enjoy the American way of life and maintain our freedoms.

Under our system, the price of freedom in the way of military organization will remain high for the foreseeable future. But the things that we seek to insure are never found at the bargain counter and our civilization is without price, and I have never doubted that our people are willing to pay a very high annual premium on an insurance policy on which they can rely for their security.

Only we—the United States of America—have the strength, the power, and the resources to stem and throw back the tide of global subversion.

If we let down our guard, if we weaken these defenses, the complex series of arrangements and treaties with other lands will fall apart and we shall certainly have war. The next war which is general in nature will proliferate into a global war.

I submit that in the long run it is the true policy of economy to maintain a strong enough force to deter aggression.

I cannot conclude without thanking the members of the committee, who assisted so earnestly and capably in the conduct of the hearings, for the help that they have provided in the formulation of the bill that is before the Senate. I believe the bill is sound, particularly in its two primary objectives: to provide an adequate defense for our country in the year 1964, and to prepare a base for an even stronger military posture in the years ahead.

Mr. SALTONSTALL. Mr. President, as the acting minority member on the Defense Appropriations Subcommittee, I commend the Senator from Georgia, as I have done many times in the past, for the thought, care, and fairness with which he presented this very substantial bill.

Mr. RUSSELL. I thank the Senator. However, I can assure him and the Senate that I rely very heavily upon the Senator from Massachusetts. He is as

much responsible for the makeup of the bill as any other Member of the Senate.

Mr. SALTONSTALL. I very much appreciate what the Senator has said. I have respect for the Senator, and I work with him. Together we solve many problems.

At the outset I should like to offer my congratulations to the senior Senator from Georgia who as chairman of our subcommittee handling the defense appropriation for fiscal year 1964 has done an outstanding job. I think the measure he has presented is an excellent bill which I believe adequately covers our national defense needs for this fiscal year. There is only one area where I differ with our chairman and I will go into that later in my remarks and will point out where I believe a further reduction can safely be made in this measure.

Although the totals of this bill compare favorably with the defense appropriation for 1963 there are several points which should be recognized. The 1963 measure carried \$467 million for military housing which is not included in this bill. The House made a reduction affecting the personnel funds in the net amount of \$247 million, and it is very likely that some part of this amount will have to be made up in a supplemental appropriation. There is pending in the Congress the military pay bill which we hope will soon be passed and this will cost an estimated \$900 million for the balance of this fiscal year. These funds will have to be included in a supplemental bill.

In these remarks I have covered the major features of title I of the bill, except an item of \$2.5 million for the National Guard. This will permit the National Guard to send officers to training schools. The National Guard has made a very convincing case of their need to send men who are trained in State officers candidate schools to the various specialized schools to round out their training.

Turning now to "Operation and maintenance, title II," the Senate bill is \$62.6 million over the House bill, and is \$51.2 million over the budget estimate. Substantial restorations were made here by the Senate committee and these dealt mainly with the maintenance of non-combat vehicles of the Army and the Air Force. The maintenance of these so-called motor pool vehicles was cut sharply by the House on the basis of a GAO report which highlighted efficiencies in the Navy and corresponding deficiencies in the other two services. It is the opinion of the committee that the cut made by the House was too deep and hence a 50-percent restoration was made. The House made large "unspecified reductions" and in these one-half of the cut was restored for the Army and the Navy. In the case of the Air Force the \$24 million of the \$32.3 million reclama was included. Money for the Army field exercises, for Navy missile rework, for Navy logistic support, totaling \$5.5 million was voted by our committee; \$3.2 million was added for the National Guard for hiring technicians and \$1 million for repair parts which the National Guard requires.

Before speaking of procurement let me touch on title IV which provides funds for research development engineering and test. We are \$37.328 million under the 1963 level and \$277.7 million under the budget estimate. We have made restorations which put us \$95.23 million over the House bill. We included \$60 million for the mid-mobile-range ballistic missile—MMRBM. We were persuaded by the testimony of General Taylor, who spoke eloquently of the need for the funds to continue with phase 2 of this project. Also, in separate letters to Senator RUSSELL and Senator HAYDEN, Secretary McNamara stated that he had evaluated this project and felt that the money was needed and would be spent for this missile development. There was one other large item which I feel should be commented on at this time. Much testimony has been taken relative to the need for a defense communications satellite. The House report stated a preference for one of the two types being considered. Dr. Brown and his military and scientific advisers testified on this matter and their testimony did not bear out the House conclusion. I feel that the \$23 million which we have included should be used in the most efficient way to give this Nation the best military communications possible in the years ahead.

In considering title II, the procurement account of this bill, I should first point out areas where we have restored money cut out by the House action. For example, we restored 50 percent of \$17 million requested by the Department of Defense as an allowance for overages for labor and material costs in the shipbuilding program. It will be recalled that in the past, up to several years ago when the shipbuilding program ran into difficulty over increased material and labor costs, the Navy sought additional appropriations to pay these contract costs. Now the Department is setting aside a fund out of which these can be paid as they arise. The committee restored \$3.9 million for the purchase of training helicopters for the Army which are considerably cheaper than the combat-type helicopters now used in training. Also, the committee restored one-half of the Department's reclama for the Intruder—EA-6A—an electronic equipped plane, badly needed by the Marines for reconnaissance purposes. Also, the Navy's reclama for \$11.7 million for jet trainers and \$10.2 million for navigational trainers was allowed. The committee voted \$25 million for the C-141 aircraft, and a like amount for the RF-4C Phantom aircraft, and also an allowance of \$16.175 million was voted for the HC-130E, an air rescue plane to be utilized by the Air Force for air-sea rescue, as well as in support of the NASA Apollo project.

The House bill contained an item of \$20.5 million for the construction of a roll-on roll-off cargo vessel. The Army has been vitally interested in such a vessel for some time and, as a matter of fact, has been conducting this summer competitive tests to determine the efficiency of such a vessel when compared with those available in the modern merchant

marine. Since the results of these tests will not be available for some time, it was decided that this vessel could be deferred pending the outcome of the tests.

The work on the defense budget is commenced about 18 months before Congress acts on the defense budget. Of course there are many changes in programs during this time. These changes are taken care of by reprogramming of defense funds. In fiscal 1963 there were 148 requests, totaling \$5.4 billion. Eight of the largest requests for reprogramming in 1963 totaled \$2.2 billion, and each of these was greater than the reduction I suggest. Where so much money is ultimately reprogrammed from the original budget, it seems possible to cut approximately \$157 million from procurement. It is safe to say that reprogramming actions for fiscal 1964 funds will follow much the same pattern as in 1963. If we take to conference this reduction, our total action will still be \$132 million over the House bill, and can be considered in conference along with the additions and deletions our committee has made.

I now call up the amendment I introduced yesterday which is designed to reduce this bill by approximately \$157 million. The net effect of my amendment is to defer expenditure for certain items for another year. Such deferment of items may take place in any event during the year through reprogramming actions. The services may have certain projects delayed in favor of others of a higher priority. This amendment has the effect of deferring 1 percent of the items in the procurement account. I believe this is a wise course and in calling up my amendment I earnestly seek the support of all my colleagues.

Mr. President, I should like to highlight a few items in the appropriation, as I see them.

Although the appropriation bill as now submitted is less than the budget estimates, it must be remembered that the reduction of \$247 million is a reduction in salaries, and much of it may have to be put back; at least a part of it may have to be put back.

The housing item was contained in last year's bill, but is not in this year's bill. Last year housing amounted to \$467.3 million. I understand that the bill this year, which will come to us from the House, will contain an item of more than \$700 million. That is for housing and maintenance, and is a separate item.

The military pay bill will be considered in conference tomorrow. That will require approximately \$900 million more to be added to the defense appropriation bill. The amounts for housing and maintenance of \$700 million, and \$247 million for personnel, will have to be added ultimately.

In addition, there is an amount of \$2.5 million for the National Guard, for training schools. That is above the amount recommended by the House. A substantial amount, approximately \$900 million, will have to be added when the pay increase bill becomes law.

Under "Operations and maintenance," the second account, the principal reductions were in two categories. The main-

tenance of noncombat vehicles is an item which we felt the House had cut too deeply. We restored half of the amount. We also restored about half of the "Unspecified reductions" of the House throughout "Operations and maintenance."

We also restored a small amount for Army field exercises; and for the National Guard, \$3.2 million for technicians, and \$1 million for repair parts.

The Senator from Georgia and the Senator from Louisiana have discussed research and development. We cut it substantially, by 3 percent, from the amount the Defense Department had asked for. Mr. McNamara said he hoped he would be able to operate with this amount.

We added one amount, to which the Senator from Wisconsin has already referred. It is \$60 million for the MMREB, the midmobile range ballistic missile program. This was done at the request of General Taylor, Chairman of the Joint Chiefs of Staff, and was agreed to by Mr. McNamara.

Under procurement, there has been a restoration of 3 types. The committee recommended restoration for naval aircraft totaling \$51.4 million over the House allowance. Some additional funds were also recommended for the Air Force; \$25 million for the C-141 aircraft, and \$25 million for the RF-4C aircraft, and also \$16.17 million for an air rescue plane to be used in NASA operations.

These are the substantial items which have been increased in the procurement account.

Mr. President, I wish to call up an amendment at this time. It is at the desk. The amendment would reduce the procurement account by 1 percent. I offer the amendment.

The PRESIDING OFFICER. The amendment will be stated.

The LEGISLATIVE CLERK. On page 21, between lines 7 and 8, insert the following:

Each amount appropriated in this title is hereby reduced by 1 per centum.

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

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. SMATHERS. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

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

Mr. SALTONSTALL. Mr. President, on my amendment, I ask for the yeas and nays.

The yeas and nays were ordered.

Mr. SALTONSTALL. Mr. President, the amendment I have just offered provides for a reduction of 1 percent in each of the procurement items for the Army, Navy, Air Force, and Marine Corps.

As found on page 35 of the committee report, the total in the budget for "Procurement" was \$16,724,800,000. That amount was later reduced by \$314,300,000. The House made additional reductions of \$744,028,000.

The Senate then restored \$128,975,000, making the total amount of the appropriation \$15,795,447,000.

In this year, when the budget is so substantial and there are so many items of procurement, I believe there is an opportunity to save at least 1 percent of the huge amount of \$15,795,447,000.

Two years ago, in the 1962 budget, the House reduced the overall appropriations for procurement by 2 percent.

I should like to call this fact to the attention of the Senate: The budget is prepared by the Department of Defense approximately 18 months before it is submitted to and acted upon by Congress. Consequently, during that period of time there are many changes and requests for reprogramming. For example, in fiscal year 1963 there were 148 requests for reprogramming, amounting to \$5.4 billion. In other words, the Department of Defense found it necessary to change the original budget estimates for procurement by \$5.4 billion in 148 different items.

Of these 148 items, about half were for procurement reprogramming. Eight of the largest requests for reprogramming in the 1963 budget amounted to \$2.2 billion; and each of these was greater than the reduction, I suggest, at the present time. This 1-percent reduction in \$15,700 million will be approximately \$157 million.

The Senator from Georgia, in presenting the bill today, stated that the Senate committee voted to reduce this procurement item of \$15,795 million by \$31 million, so, pursuant to the committee's action, the Senate has voted to make a reduction of \$31 million. It seems to me that this \$157 million reduction is, comparatively, a very small percentage reduction—although large in terms of dollars—when we consider the overall amount. I wish to emphasize, in presenting the amendment, that the military departments have to make up their budgets early; and, as a consequence, subsequently they must make many changes. In the fiscal year 1963 they made changes amounting to \$5.4 billion. Certainly \$157 million is a very small amount when compared to that total.

This year, with the new weapons coming into the inventory, there certainly will be a number of requests for reprogramming, as in the fiscal year 1963.

In order to present a realistic appropriation bill this year, in as small an amount as we can, I hope this amendment will be accepted.

I agree with the Senator from Georgia that Secretary of Defense McNamara is doing a very able and efficient job in making certain that the money we appropriate is more efficiently spent. I have every hope that a reduction of 1 percent in this procurement item, in addition to the 1-percent cut voted by the House, will make for even greater efficiency.

The bill as reported by the Senate Appropriations Committee called for \$289 million more than the House version did. The distinguished Senator from Georgia has cut that back by \$31 million, so that the overall appropriations voted by the Senate committee now stands at \$258

million more than the amounts the House voted. If we now cut out \$157 million, by means of this amendment, we shall have provided approximately \$101 million more than the amount the House voted.

In working out the differences in conference, this amendment, which reduces the amount the House voted, will give our conferees "something to go on." The Defense Department will still have enough money with which to carry on in the current year. This amount will be sufficient to keep up our defenses, do all the research that is required, and take care of all four of the safeguards the Joint Chiefs set forth in their unanimous statement with relation to the nuclear test ban treaty.

Mr. President, I hope this amendment will be adopted.

Mr. RUSSELL. Mr. President, I regret very much that the distinguished Senator from Massachusetts, who is my collaborator on the Appropriations Committee, has seen fit to offer this amendment. He is a very experienced legislator, and he knows how to dress up his amendment in very appealing guise.

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

Mr. RUSSELL. I am glad to yield.

Mr. SALTONSTALL. Will the Senator permit me to say that this was the only difference we had; and we agree to have a difference on this item.

Mr. RUSSELL. We did, on the insistence of the Senator from Massachusetts; yes.

Mr. President, we are dealing now with military hardware and with modern equipment—with the purchase of tanks; the purchase of the new type rifles to be issued to the Army; the purchase of the Pershing missiles, to be used tactically; the purchase of the Minuteman missiles and the Polaris missiles; and the purchase of ships, submarines, and the actual weapons that will be in the hands of our troops. Those are what we are dealing with in this item.

Mr. President, we have already reduced this item \$82,363,000 below the 1963 appropriation. Including the item taken out when the bill was presented, we have reduced it \$961,053,000 below the budget estimate for 1964. So, in dealing with the vital matter of military hardware, our appropriation is practically \$1 billion below appropriation for the current year and the very tight budget submitted by the Department of Defense.

I understand how alluring it is to say, "Oh, this is just 1 percent, just 1 percent. A 1-percent cut is a very minor one, and it can be absorbed." It does sound almost infinitesimal when dealing in terms of percentages. But the House has already voted to reduce this item by 1 percent; and, in addition, we have reduced it by approximately \$800 million. So when Senators consider this "1-percent" amendment, they should realize that in addition to the reduction of \$161,053,000 under the budget, this amendment would make a further reduction of \$157,637,000.

Therefore, Senators should not be deceived by this 1-percent amendment. It

would amount to an additional reduction of \$157,637,000 in the funds for the procurement of military hardware. I do not believe that should be done at this time.

Many references are made to "euphoria." I do not want the distinguished Senator from Massachusetts to be overcome by "euphoria" before the Russians have even ratified the nuclear test ban treaty.

Mr. SALTONSTALL. Mr. President, will the Senator from Georgia yield?

Mr. RUSSELL. I am glad to yield.

Mr. SALTONSTALL. It seems to me that the references to the word "euphoria" came entirely from the Senator's side of the aisle.

Mr. RUSSELL. Perhaps so; but it is a disease which all the witnesses who testified for the test ban treaty regarded as highly dangerous—as almost a communicable disease. All of them testified, "Watch out for euphoria."

So when the Senator seeks to have this reduction superimposed on those already made in the funds for the purchase of military hardware, I can but advise him what he, at least, can do—which is to consult his judgment and his conscience, and decide just how much he has been taken in by "euphoria."

This is a tight budget, Mr. President. The committee considered it very carefully. In the committee, the distinguished Senator from Massachusetts made a valiant and very effective fight in behalf of his amendment. He is very effective everywhere, but particularly so in this committee. However, the committee, although it was seeking to find items in which to vote reductions, voted down his proposal.

So, Mr. President, as I have said, Senators should not be deceived by the "1 percent" argument. The Senator from Massachusetts proposes that we vote, in addition to the \$1 billion cut in the funds for military hardware, a \$157 million cut. I do not believe he can justify it, because the cost of these items is increasing, not going down. Therefore, this budget will not buy anywhere near all the types and quantities of arms and armaments originally contemplated to be purchased, which must be procured; and if this amendment were enacted into law, it would be necessary to project still further into the future the modernization of our forces that will be absolutely vital, if we are thrown into a conventional war—and, Mr. President, heaven knows we hope that if we are thrown into one, it will be a conventional one. Yet this amendment would additionally impair and reduce our defense capabilities, in terms of the procurement of Minuteman missiles and the other items vital to our defense in the event of a nuclear war. So I hope the amendment will be rejected.

Mr. SALTONSTALL. I believe this amendment, which proposes a \$157 million cut in the \$15,700 million total, can well be taken into conference, where I hope it can be worked out satisfactorily. I believe this is a proper amendment, and I hope the Senate will adopt it.

Mr. RUSSELL. Mr. President, I insist that this amendment would result

in a further cut of approximately \$157 million in this \$15,700 million appropriation, in addition to the reduction already made.

Mr. McNAMARA. Mr. President, will the Senator from Georgia yield?

Mr. RUSSELL. I yield.

Mr. McNAMARA. Do I correctly understand that the amendment now proposed by the Senator from Massachusetts was considered by the committee and was rejected by it?

Mr. RUSSELL. Yes; it was considered at length in the committee, and was rejected.

The PRESIDING OFFICER (Mr. McINTYRE in the chair). The question is on agreeing to the amendment of the Senator from Massachusetts. On this question, the yeas and nays have been ordered; and the clerk will call the roll.

The legislative clerk called the roll.

Mr. SMATHERS. I announce that the Senator from Pennsylvania [Mr. CLARK], the Senator from Florida [Mr. HOLLAND], the Senator from Minnesota [Mr. HUMPHREY], the Senator from Washington [Mr. JACKSON], the Senator from Massachusetts [Mr. KENNEDY], the Senator from Minnesota [Mr. McCARTHY], the Senator from Wyoming [Mr. McGEE], the Senator from Oregon [Mr. MORSE], the Senator from Wisconsin [Mr. NELSON], and the Senator from Missouri [Mr. SYMINGTON] are absent on official business.

I also announce that the Senator from California [Mr. ENGLE] is absent because of illness.

On this vote, the Senator from Wisconsin [Mr. NELSON] is paired with the Senator from Nebraska [Mr. HRUSKA]. If present and voting, the Senator from Wisconsin would vote "nay" and the Senator from Nebraska would vote "yea."

On this vote, the Senator from Missouri [Mr. SYMINGTON] is paired with the Senator from Oregon [Mr. MORSE]. If present and voting, the Senator from Missouri would vote "nay," and the Senator from Oregon would vote "yea."

On this vote, the Senator from Florida [Mr. HOLLAND] is paired with the Senator from Wyoming [Mr. McGEE]. If present and voting, the Senator from Florida would vote "nay," and the Senator from Wyoming would vote "yea."

I further announce that, if present and voting, the Senator from California [Mr. ENGLE], the Senator from Washington [Mr. JACKSON], and the Senator from Massachusetts [Mr. KENNEDY] would each vote "nay."

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

On this vote, the Senator from Nebraska [Mr. HRUSKA] is paired with the Senator from Wisconsin [Mr. NELSON]. If present and voting, the Senator from Nebraska would vote "yea," and the Senator from Wisconsin would vote "nay."

The result was announced—yeas 43, nays 45, as follows:

[No. 169 Leg.]

YEAS—43

Alken	Boggs	Carlson
Allott	Burdick	Church
Beall	Byrd, Va.	Cooper
Bennett	Cannon	Cotton

Curtis	McClellan	Randolph
Dirksen	McGovern	Saltonstall
Dominick	Mechem	Scott
Douglas	Metcalf	Simpson
Ellender	Miller	Smith
Goldwater	Morton	Tower
Hickenlooper	Mundt	Williams, Del.
Javits	Peardon	Yarborough
Jordan, Idaho	Pell	Young, Ohio
Keating	Proxmire	
Lausche		

NAYS—45

Anderson	Hart	Moss
Bartlett	Hartke	Muskie
Bayh	Hayden	Neuberger
Bible	Hill	Pastore
Brewster	Inouye	Ribicoff
Byrd, W. Va.	Johnston	Robertson
Case	Jordan, N.C.	Russell
Dodd	Kuchel	Smathers
Eastland	Long, Mo.	Sparkman
Edmondson	Long, La.	Stennis
Ervin	Magnuson	Talmadge
Fong	Mansfield	Thurmond
Fulbright	McIntyre	Walters
Gore	McNamara	Williams, N.J.
Gruening	Monroney	Young, N. Dak.

NOT VOTING—12

Clark	Humphrey	McGee
Engle	Jackson	Morse
Holland	Kennedy	Nelson
Hruska	McCarthy	Symington

So Mr. SALTONSTALL's amendment was rejected.

Mr. SMATHERS. Mr. President, I move to reconsider the vote by which the amendment was rejected.

Mr. RUSSELL. Mr. President, I move to lay that motion on the table.

The PRESIDING OFFICER. The question is on agreeing to the motion to lay on the table the motion to reconsider.

The motion to lay on the table was agreed to.

Mr. McGOVERN. Mr. President, on behalf of the Senator from West Virginia [Mr. RANDOLPH], the Senator from Oregon [Mr. MORSE], and the Senator from Wisconsin [Mr. NELSON], I call up my amendment, which is at the desk.

Mr. PROXMIRE. Mr. President, will the Senator yield to me, so that I may ask for a yea and nay vote on my amendment?

Mr. McGOVERN. I yield to the Senator from Wisconsin.

Mr. PROXMIRE. Mr. President, my amendment will be called up after action on the amendment of the Senator from South Dakota. My amendment would cut back the allowance for the mobile medium-range missile to the House allowance. I ask for the yeas and nays on that amendment.

The PRESIDING OFFICER. The Senator will have to ask unanimous consent, because the amendment is not pending.

The amendment of the Senator from South Dakota, offered for himself and other Senators, will be stated.

The LEGISLATIVE CLERK. On page 44, between lines 3 and 4, it is proposed to insert a new section, as follows:

SEC. 541. (a) Each appropriation made in titles III and IV of this Act is hereby reduced by 10 per centum.

(b) In order to provide for the most effective use of appropriations reduced by this section, the head of each department for which such appropriations are made is hereby authorized to make adjustments and transfers between such appropriations within his department; but no such appropriation shall be increased under authority of this section to an amount in excess of the

amount of such appropriation prior to its reduction pursuant to this section.

On page 44, line 4, strike out "Sec. 541" and insert in lieu thereof "Sec. 542".

Mr. PROXMIRE. Mr. President, will the Senator yield briefly?

Mr. McGOVERN. I yield to the Senator from Wisconsin.

Mr. PROXMIRE. Mr. President, a few minutes ago I asked for the yeas and nays on my amendment, which will come before the Senate after action on the amendment of the Senator from South Dakota. It was out of order to make that request. At the suggestion of the acting majority leader, I ask unanimous consent that I may ask for the yeas and nays on my amendment, even though it has not been called up, so Senators will be on notice that there will be a yeas and nays vote following action on the pending amendment.

The PRESIDING OFFICER. Is there objection? The Chair hears none.

Is there a sufficient second?

Mr. RUSSELL. Mr. President, may I inquire what the request was? I shall have to reserve the right to object until I know what is going on.

Mr. SMATHERS. Mr. President, if I may reply to the question of the Senator from Georgia, the Senator from Wisconsin asked that the yeas and nays be ordered on his amendment.

Mr. RUSSELL. The yeas and nays cannot be ordered on an amendment when it is not pending.

Mr. SMATHERS. The Senator from Wisconsin asked unanimous consent.

Mr. RUSSELL. I am strongly in favor of the distinguished Senator from Wisconsin having the yeas and nays ordered on his amendment. I shall assist him in every way I possibly can. But I think it is somewhat irregular to have the yeas and nays ordered when an amendment is not pending. He can ask for the yeas and nays after his amendment has been offered. I shall be glad to assist the Senator in every way I can to get the yeas and nays ordered. This is irregular, and I interpose an objection.

Mr. PROXMIRE. I withdraw my request, Mr. President.

The PRESIDING OFFICER. The unanimous-consent request for the yeas and nays had been made and granted. Is there a sufficient second?

Mr. SMATHERS. Mr. President, the Senator from Wisconsin has asked to withdraw his request for the yeas and nays.

The PRESIDING OFFICER. Without objection the request is withdrawn.

Mr. SMATHERS. I think all Senators should be on notice that an amendment will be offered by the Senator from Wisconsin at the conclusion of the disposition of the amendment of the Senator from South Dakota, and that the Senator from Wisconsin will then ask for the yeas and nays.

Mr. RUSSELL. Mr. President, I hope the Senator from Wisconsin will obtain an order for the yeas and nays.

Mr. McGOVERN. Mr. President, the amendment which I have offered, on behalf of myself and Senators RANDOLPH, MORSE, and NELSON, would have the effect of reducing by 10 percent the pro-

urement items covered by title 3 of the bill and the research and development items covered by title 4 of the bill. In view of the experience on the last yeas-and-nays vote, which dealt with the amendment offered by the Senator from Massachusetts, to reduce the procurement section of the bill by 1 percent, perhaps the only theory on which I can offer this 10-percent proposal is under the old biblical doctrine that sometimes we strain at a gnat and swallow a camel.

AMERICAN SECURITY IN A CHANGING WORLD:
A PROPOSAL TO REVERSE THE ARMS RACE

Mr. President, writing in the New Yorker magazine in 1956, the late James Thurber related the following fable:

One morning the tiger woke up in the jungle and told his mate that he was king of beasts.

"Leo, the lion, is king of beasts," replied his mate.

"We need a change," said the tiger. "The creatures are crying for a change. * * * I'll be king of beasts by the time the moon rises. It will be a yellow moon with black stripes, in my honor."

The tiger prowled through the jungle till he came to the lion's den. "Come out," he roared, "and greet the king of beasts."

"I am the king of beasts," roared Leo, and he charged out of the den to defend his crown against the pretender.

It was a terrible fight, and it lasted until the setting of the sun. All the animals of the jungle joined in, some taking the side of the tiger and others the side of the lion. Every creature from the aardvark to the zebra took part in the struggle to overthrow the lion or to repulse the tiger, and some did not know which they were fighting for, and some fought for both, and some fought whoever was nearest, and some fought for the sake of fighting.

"What are we fighting for?" someone asked the aardvark.

"The old order," said the aardvark.

"What are we dying for?" someone asked the zebra.

"The new order," said the zebra.

When the moon rose, fevered and gibbous, it shone upon a jungle in which nothing stirred except a macaw and a cockatoo, screaming in horror. All the beasts were dead except the tiger, and his days were numbered and his time was ticking away. He was monarch of all he surveyed, but it didn't seem to mean anything.

Moral: You can't very well be king of beasts if there aren't any.

Thurber's fable is broadly applicable to our human condition. The point at which the parallel is least exact is that the animal kingdom has not yet found the secret of total destruction, whereas man has mastered this knowledge and achieved the means of applying it on a global scale.

Thanks to the oppressive political policies of the European dictators which caused the world's greatest scientists to seek freedom in the United States during the 1930's, we were the first Nation to discover and use an atomic weapon. Since that day at Hiroshima 18 years ago there has never been any real doubt about man's capacity for universal destruction.

For several years we held an atomic monopoly. There are no lasting secrets in the world of science, however, and presently the Soviet Union tested an atomic device. Since then, she has proceeded to build and explode the world's biggest hydrogen bomb. No one doubts

the capacity of many other nations to join the nuclear club in the next few years.

We do not know the exact size of the nuclear stockpiles in the opposing camps of today. The most painstaking assessments run from the equivalent of 40 to 60 billion tons of TNT. This means that there is potentially a 10- or 20-ton bomb ticking at the head of every boy and girl, of every man and woman on the face of the earth.

Our most trusted scientists and military authorities have no doubt that either the United States or the Soviet Union can destroy the other several times over.

Both President Kennedy and Secretary McNamara have publicly warned that no matter who strikes first, a 60-minute nuclear exchange between Russia and America would leave over half the people dead in both countries. Chairman Khrushchev added in a warning note to Peking that the resulting misery and despair would cause "the survivors to envy the dead."

Is there any one of us in this Senate chamber who can really contemplate the prospect of survival in the midst of 300 million corpses—with the cathedrals, the museums, the art galleries, the libraries, the universities—all of these depositories of mankind's dreams and achievements of thousands of years reduced to radioactive dust in a few moments of madness.

We have learned to live in the shadow of extinction primarily because we believe that no nation would dare use its nuclear arsenal lest it bring on its own destruction.

In one of his colorful phrases, Winston Churchill described the situation after the first Soviet atomic explosion in 1949 as: "Peace through mutual terror." As Churchill put it, "safety will become the sturdy child of terror; and survival the twin brother of annihilation."

Churchill's eloquent phrasing was distinctive, but his theory was not. On March 27, 1880, Dr. J. H. McLean, a St. Louis industrialist demonstrated his breech-loading, repeating cannon to a group of reporters. Naming his invention "the Annihilator," Dr. McLean asserted:

The art of war will be no more in a few years. Terrible perfection shall make wars impossible. I have an invention which will perfect warfare, the perfection being to prevent war by making it terrible.

The repeating cannon did indeed make wars terrible, but not so terrible as to prevent two world conflicts and a dozen lesser ones.

Prior to Dr. McLean's "Annihilator," Alfred Nobel, the European munitions manufacturer longed "to turn out a substance or a machine of such horrible capacity for mass annihilation that thereby wars would become altogether impossible."

Nobel thought he had achieved his goal in 1864 when he developed dynamite, but 7 years later the new dynamite bombs were hurled into the Franco-Prussian war with no apparent contribution to the cause of world peace.

There is nothing in the historical record to assure us that awesome weapons

of death can safeguard the peace. Admittedly, atomic weapons have introduced an unprecedented dimension to warfare, but as William H. Honan has pointed out:

Mankind settled for itself the question of whether or not to use this weapon 18 years ago at Hiroshima when the user, it should be remembered, was not backed against a wall, but was within sight of victory. Nuclear weapons, like all of their predecessors, will have their day. The only question is: When next?

Mr. President, I believe for various reasons that the United States has a unique responsibility to lead the world back from the nuclear abyss to make certain that nuclear weapons do not "have their day."

In a speech to the Senate on August 2, entitled "New Perspectives on American Security," I called for a reconsideration of some of the basic postulates on which our present security and defense policies rest.

Recognizing the overwhelming difficulty of adequately appraising the enormous investment in our national security system, I nevertheless suggested four tentative convictions as follows:

First. The United States now has a stockpile of nuclear weapons in excess of any conceivable need.

Second. Bringing the arms race under control involves risks less dangerous than the proliferation of nuclear warheads and the acceleration of the arms race.

Third. Present levels of military spending and military foreign aid are distorting our economy, wasting our human resources, and restricting our leadership in the world.

Fourth. Diverting some of our present and proposed military spending to constructive investments both at home and abroad will produce a stronger and more effective America, improve the quality of our lives, and strengthen the foundations of peace.

Today, we have before us the military appropriations bill for the current fiscal year. When the remaining military items not included in this bill are acted on in the near future, we will have passed judgment on a total military budget well in excess of \$50 billion.

We are considering in this one bill today half the entire budget of the U.S. Government. It represents 10 percent of the gross national product of the American people. It is five and a half times as large as the entire budget of the U.S. Government in 1940. It is equal to the combined total of all the Federal budgets during the New Deal period from 1933 until 1940.

I am not talking solely about the military budget, but the total cost of operating the U.S. Government during that 7-year period.

When one adds to our military budget the annual interest on the war debt and the cost of the veterans' programs—and none of us regrets this recognition of our veterans—and other defense related programs, he learns that 80 percent of our Federal budget is attributable to war or the fear of war.

We have a most serious responsibility to weigh this budget carefully—to make

certain that it is adequate but not excessive to our military needs—to evaluate whether all of the funds, resources and manpower which it diverts from other urgent national needs is justified—to discern whether this enormous investment of our lives and treasure is properly oriented to meet the challenges of a constantly changing world.

We owe the Nation a full-scale public discussion and debate on this largest of all appropriations bills to come before the Congress. Some months ago we engaged in hours of intensive debate on the question of whether we could afford to spend a \$100 million for a youth conservation training program. A few weeks ago we debated at great length and engaged in a series of closely fought roll-calls to decide whether or not we should provide the same protection for American workers that we give to imported Mexican braceros. We debated intensely both in the House and in the Senate the question of providing less than \$200 million to meet the mental health needs of the Nation.

Yet, in recent years, enormous expenditures for armaments have slipped through almost without raising a question on the Senate floor.

This practice, as I said a moment ago, was described by the Bible centuries ago as "straining at a gnat and swallowing a camel."

Mr. President, I earlier proposed to the Senate that we reduce our arms budget by \$5 billion—a \$1 billion cut in the Atomic Energy Commission weapons acquisition budget and a \$4 billion reduction of the Defense Department's military budget. I am all the more certain today that this \$5 billion savings in arms spending is justified—that far from weakening us, it will give new vigor and health to the Nation.

I wish to make it clear that I am not basing this recommendation today, nor did I base the recommendation of August 2, on the nuclear test ban treaty. It is a fine thing that the treaty was approved. That does not explain the position which I take on the matter of arms spending. The cuts I am recommending would make us a stronger country and a better people to meet the total Communist challenge than would moving ahead on the budget in its present form.

I believe that the cut ought to be made now and not postponed at the expense of such other desirable goals as the education of our children and the development of our rural and urban life.

Five billion dollars will not buy very many aircraft carriers or supersonic bombers or nuclear submarines, but it would build a \$1 million school in every one of the Nation's 3,000 counties, plus 500 hospitals costing \$1 million apiece, plus college scholarships worth \$5,000 each to 100,000 students, and still permit a tax reduction of a billion dollars. Or turning our attention abroad, just one-tenth of that saving would finance our entire commitment to the Alliance for Progress this year.

The Senate committee, under the able direction of the Senator from Georgia, has already cut more than one and a half billion dollars from the administration's proposed defense budget, as I

read the committee report. As I have indicated, another \$1 billion can and should be cut from the AEC weapons program when the budget is presented to us. An additional half a billion can and should be cut from the \$1.5 billion foreign military aid budget when that bill is under consideration. This leaves a balance of \$2 billion to complete the \$5 billion total reduction which I suggested on August 2.

On behalf of myself and Senators RANDOLPH, MORSE, and NELSON I have offered an amendment to make a 10 percent cut in the procurement and the research and development portions of the bill pending. This would result in a reduction of approximately \$1.5 billion in the procurement of weapons and approximately \$700 million in research and development. More exactly a 10-percent cut would mean a reduction of \$1,579,544,700 in the committee's recommended \$15,795,447,000 for procurement and a reduction of \$698,423,000 in the committee recommendation of \$6,984,230,000 for research and development.

Mr. President, I believe this modest reduction is justified first of all because our country already has sufficient nuclear power to deter or retaliate against any likely enemy action. Also, in the last 2 years, we have greatly strengthened our conventional war capability. Indeed, a major portion of the \$10 billion increase in military spending over the last Eisenhower budget has gone into conventional warfare capability and special forces.

Nearly 2 years ago, Secretary McNamara expressed the conviction that we had more than enough nuclear weapons to destroy the enemy even after absorbing a first strike. Mr. McNamara's judgment was supported by one of our noted nuclear authorities who published a book at that time which concluded that the U.S. nuclear arsenal was then one and a half million times as powerful as the bomb which incinerated Hiroshima.

Since then we have poured additional billions into our strategic retaliatory system and into our overall military system.

I realize that our growing number of military theorists have devised an endless number of alternative strategies designed to justify this vast "overkill" capacity. But if nuclear war should come, there would be no time to debate these finely spun theories that call for so much excessive retaliatory power.

Senator RUSSELL said, on April 11, 1962, in commenting on the growing number of nuclear strategies and refinements, including the "no cities" doctrine:

I have no hesitancy in saying * * * that to me these extrapolations, or projections, or hypotheses are exceedingly unrealistic. In my opinion, if nuclear war begins, it would be a war of extermination.

Mr. President, there is no convincing refutation to the words of the Senator from Georgia.

The Nation does not need a special nuclear system to cover the strategy of every theorist employed at the Pentagon. We do need the capacity to deter an attack which means enough to destroy the enemy after absorbing a first strike. We have been well beyond that capability

for at least 2 years, as the Defense Department would readily agree.

Yet, the bill now before us calls for additional billions to add new force and refinements to our retaliatory power. A significant portion of the procurement expense in this proposed appropriation is for more missiles. A heavy part of the proposed research and development is aimed at new styles of nuclear devices—medium range mobile missiles, tactical nuclear artillery, and a bewildering array of sophisticated, highly expensive modifications.

Over half a billion dollars is included in this bill for battlefield tactical nuclear devices. We already have 10,000 nuclear weapons in Europe which is enough to insure the death of the Continent if war should come. Actually, these weapons are a threat to our security rather than a safeguard. Their presence in Europe almost guarantees that any conflict which develops there would escalate into a nuclear exchange between Russia and ourselves. As they proliferate, we increase the risk that one of them may one day set off a conflagration that could destroy Western society. Adding hundreds of millions of dollars to this tactical nuclear weapons force is literally courting disaster—and wasting an enormous volume of tax dollars.

But, Mr. President, the weight of argument today as in my August 2 statement—and I stress this point—does not center on competing weapons systems. Rather, I am pleading for an overall reduction in military spending on the grounds that we already possess sufficient power to deter the enemy and meet our other military needs.

Let no one suggest that if my amendment to cut \$2 billion-plus from this bill is approved that it will threaten our security. We will still have with the inclusion of the AEC weapons program and other military items to be considered subsequently a total arms budget of \$50 billion. That is hardly a blueprint for pacifism. We will still have the world's mightiest bomber force—some 700 B-52's and B-58's and several hundred B-47's.

We have already provided funds for more than 1,000 intercontinental ballistic missiles and 35 Polaris submarines carrying some 560 missiles.

Any single one of these several thousand nuclear delivery systems is capable of unleashing more explosive power than all the explosives of World War II combined, from friend and foe alike.

Any single bomb or warhead in the fantastic stockpiles that we have been building for 18 years would make the Hiroshima bomb look like a child's toy.

Mr. President, the hard-bitten realists in the Kremlin know that if they were to attack the United States, their country would be utterly destroyed. There can be no doubt about that. Knowing this grim fact, they have not, according to our best information, attempted to outstrip the United States either in bombers in the late 1950's or in missiles in the 1960's. At least, if they have attempted it, they have fallen far short of the mark. Indeed, the Russians have only a fraction of the airpower and missile strength of the United States. Every indication is

that they are modifying and replacing rather than greatly increasing their nuclear delivery systems.

I sometimes wonder if our military theorists may be running a race with each other rather than with the Russians.

Several years ago, I saw a cartoon in the Saturday Evening Post which illustrated this point. I do not mean this in any disrespect. It depicted an American general looking out the window at a rising missile and saying to an aide: "Thank God. It's a Russian launch. I thought for a moment the Navy had beaten us."

Mr. President, if we are building up a larger weapons system than we need for military security, that is reason enough to justify the modest cut I have proposed. But there is a second reason: Our excessive military spending is leading to the neglect of other vital sources of national strength. In other words, even if we were to admit that everything in the military appropriation bill is desirable, we would have to balance the desirable features against other urgent national needs that go unmet because of our commitment to the military budget.

This great Nation cannot continue to invest well over half of its budget in arms spending and still meet its mounting needs for education, job training for young people, health, urban improvement, transportation, conservation, and agriculture—to say nothing of such considerations as fiscal integrity, debt reduction, and tax relief.

It is sometimes argued that military spending is a good stimulant for the economy. This is a half-truth; actually, arms spending is the poorest of all methods for building a healthy economy. The dollars invested in a bomb provide only a narrowly restricted employment opportunity and create a device which is an end in itself; whereas, dollars invested in school construction, for example, provide a broad employment impact and a continuing impact on our society in terms of better educated citizens.

The flow of manpower, material and money into arms production actually depresses many vital sectors of our economy and society.

For example, the nearly \$7 billion designated in the bill before us for research and development is a critical allocation of the Nation's basic production resource—that is, our engineering and scientific manpower. This manpower is limited. During the last years we have been using from two-thirds to three-quarters of these precious skills for military purposes. There are important reasons for asking whether the continuation of this use of our technical talent is the best way to serve the security interests of the United States.

Some months ago, former President Eisenhower authored an article published in the Saturday Evening Post. In the article, he discussed the problem I am now considering. I should like to read several sentences from that important article. Former President Eisenhower said:

For a moment let's think of national security and its costs. A key point to keep in mind is this: No matter how much we spend for arms, there is no safety in arms alone.

Our security is the total product of our economic, intellectual, moral, and military strengths.

AN EASY WAY TO BANKRUPTCY

Let me elaborate on this great truth. It happens that defense is a field in which I have had varied experience over a lifetime, and if I have learned anything, it is that there is no way in which a country can satisfy the craving for absolute security—but it easily can bankrupt itself, morally and economically, in attempting to reach that illusory goal through arms alone. The Military Establishment, not productive of itself, necessarily must feed on the energy, productivity, and brainpower of the country, and if it takes too much, our total strength declines.

He added:

So how does one judge the limits of defense needs? That is the task of the statesman: to apply the rule of reason in judging what is clearly adequate but not excessive. The fables and specialized viewpoints of human nature must be balanced off. For example, when I was President, it was not unusual for the Joint Chiefs of Staff to agree that the total defense budget was adequate—but later individual members would come to me to argue that the share of their respective service should be increased at the expense of the others.

The defense budget I left behind provided amply for our security at that time. Even though there have been costly developments in weapons since then, it does not seem that the spectacular increase of \$10 billion in new obligational authority in 2 years, as is now requested, has been proved necessary. We already have the nuclear deterrent, the most valuable single element in our defense posture and one which, of course, must be kept up to date. One truth we should keep in mind at all times is that the other fellow, your potential enemy, doesn't want to be killed any more than you do. As long as he knows we are maintaining the power to destroy him if he dares attack us, as long as we keep our Nation fiercely proud, not only of its military strength but of its way of life, then we have the best possible defense in this imperfect world. Patriotism is as important as all the guns we can build.

Massive use of engineering and scientific manpower for defense has led to depletion of technical improvements in our civilian industry, and has weakened our competitive position. The concentration of technical manpower in arms research has drawn away superior men and women from other important functions such as the education of our children. These are grounds for suspecting that the continued application of massive technical manpower to military purposes has reached the point of diminishing returns.

Of an estimated 400,000 scientists and engineers engaged in research and development in this country, only 120,000, according to the Department of Commerce, are devoted to civilian activities. The Wall Street Journal of August 9, 1963, reported that "there is solid evidence that the shortage of scientific talent is slowing private research," and further, that:

Top research men in industry reason this way: Frantic bidding, by space and military contractors, for scientists and engineers, is creating a big shortage for industry. This scarcity, along with the skyrocketing salaries it is provoking, is bringing almost to a halt the hitherto rapid growth of company-supported research. This development

hampers efforts to develop new products and processes for the civilian economy.

The concentration of technical talent in the military sphere has been impairing the competitive position of American industry in relation to other major industrial countries. The Chamber of Commerce of the United States, in a statement before the Joint Economic Committee of the Congress, pointed out that:

In terms of the proportion of its available research and development talent devoted to industry and commerce, the U.S. effort is only half of that of West Germany. This is a potential cause of lagging employment and deterrent to increasing productivity. * * * Should not national policies recognize the national importance of a sound and prosperous national economy as weighted against the prestige value of space exploration or "overkill" in military defense?

Evidence of industrial depletion is found at critical points in our manufacturing industry, notably, machinery production. The United States, long a world leader in the design and production of basic metalworking machine tools, is now in a declining position in this basic industry. The United States now has the distinction of operating the oldest stock of metalworking machinery of any major industrial country. Once first in quantity in the world, our machine-tool production now ranks fourth or fifth. Our capacity to compete in international trade and our balance-of-payments position are seriously weakened by this neglect of our civilian industry.

The depletion of education for our young people is one of the heavy prices we are paying for draining off our competent young men and women into military technical work. A mechanical engineer with 10 years' experience earns \$11,500 a year, on the average, in the aerospace industries. In civilian work, his counterpart earns \$9,300. The teachers in our schools average about half the salary of these industry technicians. As a result, even in our prosperous metropolitan suburbs, thousands of teachers employed in the public schools are unable to meet reasonable teaching standards. The use of substandard teachers means substandard education. Thereby, we are short-changing our young people and, indeed, our entire society.

Mr. President, not only are we starving certain essential sources of national strength because of our heavy military spending; we are also neglecting important aspects of the international challenge.

The real contest with international communism cannot be won in the military arena. Indeed, the true "no win" policy, about which we hear so much, is one that depends too heavily on armaments. If we ever have to use our nuclear weapons, it will mean that both we and the Soviets have lost the contest. There can be no victor in mutual annihilation.

The current dilemma in Vietnam is a clear demonstration of the limitations of military power. There in the jungles of Asia, our mighty nuclear arsenal—our \$50 billion arms budget—even our costly

new "special forces"—have proved powerless to cope with a ragged band of illiterate guerrillas fighting with homemade weapons or with weapons they have captured from us.

We cannot even persuade a government financed and armed by American taxpayers from tyrannizing its citizens and throwing insults at our President when he objects.

Although we have spent \$3 billion on the Vietnam war, lost many American lives, and are continuing to spend approximately \$2 million daily, the liberties of the Vietnamese people are not expanding. Instead, we find them harassed, not only by terrorists in the countryside, but also by official Government troops in the cities. We find our money and our arms used to suppress the very liberties we went in to defend in southeast Asia.

This is scarcely a policy of "victory"; it is not even a policy of "stalemate." It is a policy of moral debate and political defeat. It is a policy which demonstrates that our expenditures for more and more "special forces" are as useless and dangerous as our expenditures for more and more nuclear capability.

Mr. President, the failure of our Vietnam policy should be a signal for every Member of the Senate to reexamine the roots of that policy. Part of those roots is before us today in the excessive portion of the military appropriations bill; and we stand derelict before history if we fail to make the examination, for the failure in Vietnam will not remain confined to Vietnam. The trap we have fallen into there will haunt us in every corner of this revolutionary world, if we do not properly appraise its lessons.

I submit that America will exert a far greater impact for peace and freedom in Asia and elsewhere if we rely less on armaments and more on the economic, political, and moral sources of our strength.

We spend less on the entire Peace Corps than we do on a Polaris submarine. Yet, this band of idealistic American youth has demonstrated around the world the mighty power of a good idea, of willing hands and a warm heart.

As the former director of the Nation's food for peace program, I can testify to the enormous contribution which American agricultural abundance is making to peace and freedom. We live in a hungry world that is torn between the appeals of communism and the appeals of democracy. In that contest, our greatest material advantage is not our nuclear stockpile, but the amazing productivity of the American farmer.

Is there any doubt that Mr. Khrushchev would exchange any asset he has to secure America's food-producing capacity? Is there any doubt that if he had our agricultural surpluses, he would use them as economic and political instruments in the global contest of our time?

Hunger is the companion of communism; food is freedom's first line of defense. I think we need to continue to expand and improve our food-for-peace program so long as there is a hungry

child crying for food anywhere on the face of the earth.

Tom Dooley went into the jungles of southeast Asia armed only with a medical kit, healing hands, and a dedicated spirit. He died in a few short years. But who can measure his contributions to dignity and freedom? What would be the American posture in southeast Asia today if instead of 15,000 specially trained soldiers, we had sent 15,000 Tom Dooleys.

Mr. President, as a former combat pilot, I know the need for a strong military force. But let us never sell short the power of the democratic ideal. Let us not underestimate the capacity of the American economy to engage in a growing commerce with the family of nations, when it is geared up for that purpose, rather than for war. Let us not overlook the mighty power of a nation that draws on deep sources of moral and spiritual strength, as indicated by former President Eisenhower's statement which I read a moment ago. Let us live more with faith, and less with fear.

Finally, Mr. President, I ask for support for this modest proposal to reduce the arms budget, because I think it may help to reverse the arms race.

The test ban treaty which we have just approved may prove to be an historic step away from war and toward peace. I do not base my proposed amendment on the treaty. It is justified by its own merit. But I do hope that, like the partial ban on nuclear explosions, it may take us another step away from the abyss—that it may induce a counter arms reduction by the Soviet Union.

We know there is now raging in the Communist world a contest between Mr. Khrushchev, who advocates coexistence with the West, and Mao Tse-tung, who scoffs at this "soft" line. It is to our advantage to encourage in every way we can the forces of moderation and reason in the Communist world. A cautious arms reduction might serve that purpose, and could open the way for a series of peaceful moves on both sides. Meanwhile, such carefully calculated moves could be safeguarded by the deterrent military power which we would continue to maintain at a reasonable level.

What I am suggesting here is that we employ in reverse order the same factors of action and reaction which feed an arms race. I was startled, a few months ago, when I read the testimony of Secretary McNamara, to see how graphically he revealed the nature of the arms race.

In explaining how we plan our budget and weapons systems to counter the Soviet threat, Mr. McNamara said:

We are, in effect, attempting to anticipate production and deployment decisions which our opponents themselves may not yet have made.

We can assume, I believe, that—just as we try to counter the growing weapons budget of the Soviet Union—so do the Soviets try to evaluate and predict our next move.

An Englishman once remarked:

We ought to build our navy up to double the size of theirs, if they build theirs up to

the point they say they will if we build ours up.

That is the arms race in a nutshell. But it is far more dangerous today than it was in the 19th century world of the Englishman.

The nuclear arms race is a dead-end street. It creates a "balance of terror" which at best leaves us warped by fear, and at worse destroys us all.

It is possible that our country can take the lead in a cautious effort to move the world back step by step from the precipice of death?

Would Mr. Khrushchev respond to a systematic, step by step arms race in reverse?

I think that he might. And we are in a position to make our moves in that direction in the full knowledge that we can still maintain a deterrent force fully adequate to any need.

Mr. President, I believe this amendment to reduce military appropriations is in the national interest. I think it will make us a stronger and healthier nation, better able to meet the total challenge of today's world.

I earnestly urge its adoption.

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

Mr. McGOVERN. I am happy to yield to the Senator from Illinois.

Mr. DOUGLAS. I deeply regret that I shall not be able to vote for the amendment of the Senator from South Dakota, because I believe that unilateral action on our part has no surety of calling forth a similar reduction on the part of the Soviet Union; and, therefore, I believe that his amendment might endanger military security.

However, I do wish to pay tribute to the Senator for the way in which he has approached this problem, and for his motives in doing so. I also wish to express the hope that his purposes may be fulfilled by a multilateral reduction in armaments which would leave us relatively as strong as we now are.

Lest the motives of the Senator from South Dakota be misunderstood, I should like to call attention to some facts which he is always too modest to mention—namely, that the Senator has one of the most distinguished war records in the U.S. Air Force, that he flew, as I remember, something like 50 combat missions, and was awarded the Distinguished Flying Cross, and other decorations, for personal bravery. So that his motives, in this connection, cannot be questioned in the slightest.

I only wish the world were sufficiently far advanced so that we might, in good conscience, adopt his suggestion. It is truly terrible that the Soviet Union is so brutal and untrustworthy and does not respond to the outgoing acts of faith. I wish however to pay tribute to him, and to express my deep regret that at this moment I cannot support his amendment.

Mr. McGOVERN. I thank the Senator from Illinois for his generous and encouraging words.

With reference to his anxiety about the unilateral steps I proposed, I reiterate the point that I am not advocating dismantling the U.S. Defense

Establishment. If my amendment is enacted, it will leave us, I believe with 1,000 intercontinental ballistic missiles, and with 35 Polaris submarines—each one carrying 16 tubes, any one of which can unleash upon the world more devastation than that caused by all the bombs dropped by both friend and foe in World War II; it will leave us with an increase of almost \$10 billion in our funds for military procurement in the fiscal year 1964, as compared to the appropriation during the last year of the previous administration.

I certainly wish to point out, with reference to what the Senator said, that if the Soviets did not respond with a similar reduction matching what I would call a first step in our own efforts to move towards sanity, then, of course, we would profit from that lesson, and would take whatever steps we found necessary in order to protect our security; but we would in no way, as I see it, be putting ourselves in a vulnerable position, for even after agreeing to the rather modest reduction which I propose, we would retain a \$50 billion arms budget.

Mr. PELL. Mr. President, I congratulate the Senator from South Dakota on the general thrust of his argument.

I find myself in agreement with the Senator from Illinois [Mr. DOUGLAS], in that my own inclination is to oppose this specific proposal, for the reason that it goes in the direction of unilaterally pulling down our guard. Furthermore, in considering an approach of this type, I believe a razor—or a more direct and more selective approach—is preferable to an ax.

However, the objective of the amendment is one with which I sympathize; and I look forward to the time when the Senator from South Dakota introduces his bill providing for the establishment of an economic conversion commission.

Mr. McGOVERN. I thank the Senator from Rhode Island for his remarks.

Mr. President, I do not intend to ask for a yea-and-nay vote on my amendment. I yield the floor.

Mr. RANDOLPH. Mr. President, I speak in support of the pending amendment. I recall that on August 2, 1963, the conscientious Senator from South Dakota [Mr. McGOVERN] delivered in this forum a meaningful and persuasive speech on the subject which is now incorporated in the amendment.

Earlier today the Senate approved the limited nuclear test ban treaty.

An overwhelming majority of Senators clearly indicated that many factors in addition to military considerations had to be weighed and evaluated in reaching the affirmative consensus on that historically important pact.

This is consistent, Mr. President, with the views several Senators expressed in the Senate on August 2, 1963, when the junior Senator from South Dakota [Mr. McGOVERN], ably discussed new perspectives on American security.

On that occasion, the Senator from South Dakota [Mr. McGOVERN] correctly stated:

Present levels of military spending and military foreign aid are distorting our econ-

omy, wasting our human resources, and restricting our leadership in the world.

And he said with insight:

Diverting some of our present and proposed military spending on constructive investments both at home and abroad will produce a stronger and more effective America, improve the quality of our lives, and strengthen the foundations of peace.

I remarked at that time that perhaps there is a difference in degree between the views of the Senator from South Dakota and the senior Senator from West Virginia on the extent and the nature of our investments abroad. But I said then, and I reiterate that I have no reservations about the need for diverting considerable present and proposed military spending to constructive investments here at home.

Mr. President, on several occasions since the August 2 discussions in this forum, I have spoken on this subject before numerous constituent groups in my home State. I am encouraged by the high degree of acceptance of my declaration that the security of our country rests on economic and political, as well as military competence. Many citizens have spoken and written their agreement with my further observation that unsurpassed military power in combination with areas of grave economic weakness is not the basis for a sound security policy because the net result can be domestic and international political weakness.

There is a need for us to resolutely face the fact that the population census of 1960 disclosed that 38 million Americans were living in poverty on incomes of \$1,000 per year per family, or less. We must do something positive about this condition because it means that 20 to 25 percent of our citizens are without acceptable consumer buying power in this country; it means deficient education, insufficient skills, inadequate nutrition, substandard housing, and a serious drag on many communities and on the rate of national economic growth necessary to maintain national commitments at home and abroad.

This constitutes a wasting of human capabilities, and such a waste represents a depletion of the basic resource of our Nation. This spells insecurity at home and an unacceptable society for emulation abroad.

I believe, therefore, that excessive military spending is leading to the neglect of other vital sources of national strength and that the United States cannot further devote over half of its budget to arms expenditures and continue to meet its vital domestic needs not to mention here the factors of fiscal integrity, debt lessening, and tax reduction.

Not only must we reduce spending to stockpile nuclear warhead and other military capacity, but we must also begin capable planning for conversion to a peace economy even in this so-called period of peace. There is weakness in an arms procurement dominated economy. Surely the military-industrial complex does need to be brought into perspective sufficiently to remind us that we have sources of strength, of prestige, and of international leadership based on other than nuclear bombs. We have too

many unmet public needs, and the giving of substance to these unfilled needs is certainly a laudable and logical alternative to budgeting and spending an excess of our resources on military capacity.

Believing thus, I am cosponsoring the amendment offered by the junior Senator from South Dakota [Mr. McGOVERN] to reduce by 10 percent the proposals in the pending bill for weapons procurement and for military research and development.

Our views are in accord that neither the judgment of the legislative committee nor the special competence of the Defense Department releases any Senator from his individual responsibility to follow his convictions on an issue as important as the appropriations bill which is the pending business.

Indeed, as the Senator from South Dakota [Mr. McGOVERN] has so accurately declared:

The size of this proposed appropriation is so great that in approving or rejecting or modifying it, we are to a considerable degree determining the priorities of our national life.

We must achieve savings in military spending, and if we are to do so we must begin by reducing the appropriations proposals now before us. We must follow through with cuts in the Atomic Energy Commission weapons acquisition and subsidy appropriations requests. It is my view that there must be reductions in the money requests to come before us for the space program. And there must be further savings realized when we reach the business of appropriating for the foreign aid programs.

We can and we must save billions in these categories that drain off so much of our gross national product and require so much of our national income that we are unable to fulfill our obligations to our own people at home and to provide the economic foundation that makes all the rest possible.

A higher priority and a higher percentage of the budgeted dollar must be assigned to the requirements of our domestic programs, especially in the fields of education, health, job opportunities and job training, and public improvements, including continuation of the program of accelerating public works on a Federal-local matching basis.

Mr. President, I do not offer these recommendations in a state of euphoria—to use the term which has acquired such recent notice in this body—in the wake of the approval of the test ban treaty. I am under no illusions regarding the long pull that is before us in our contest with international communism. Indeed, it is precisely because of my awareness of the protracted nature of this contest that I join with other Senators in advocating realistic reductions which will not weaken the national defense.

Mr. RUSSELL. Mr. President, I am somewhat saddened by the two able addresses which have been delivered to the Senate this afternoon. It seems to me we have at least found the germ of confidence in unilateral disarmament, which can only bring this country to its destruction.

I wish we were able to reduce drastically the enormous expenditures we make each year for the purposes of national defense. I have seen a number of striking illustrations of what could be done with the money we spend in only 2 or 3 years on our Military Establishments. I have seen stories which have pointed out that we could give every American family a fine house in which to live, adequate space for the family, two-car garages, cars to go into the garages, and a system of education which would be without parallel in all the history of the human family. It would be a good life and make utopia sound like a dreary spot indeed.

I cannot accept that picture, beautiful and alluring as it is, because if we in this country were to make every man a king and every woman a queen, what would it profit us if the Communists overwhelmed us and took over and enslaved us? I assume the Communist conspiracy would prefer to enslave a generation of queens and kings rather than ordinary people.

The amendment evidently is predicated on the belief, which the Senator stated in a previous speech, that we can take \$4 billion or \$5 billion from the reasoned calculations of the military experts of this country and the civilian head of the Defense Department without seriously impairing our military strength. There is a thin margin of superiority between our Military Establishment and that of the Soviet Union, so far as we are informed. That thin edge has maintained world peace. That slight lead has prevented our being overwhelmed.

If we should take this much of the muscle from our Military Establishment we would still have a fair Military Establishment, as distinguished Senators say. We would have a strong Military Establishment, but we would be in the position of a man who has three kings and a pair of treys bucking three aces and a pair of deuces. Nobody has ever yet paid off on the second best poker hand.

The thing that keeps this country in business, that maintains world peace, has been the sure knowledge in the Kremlin—because they know about our Military Establishment, while we must do a good bit of guessing about theirs—that our Military Establishment is superior to theirs.

We asked the witnesses who appeared before the committee whether it would be safe to take this much money from the military budget. The distinguished Senator from South Dakota [Mr. McGOVERN] had made his speech. It attracted national, and indeed international, attention. There was not a single person connected with the Military Establishment who said that we could take this much money from our national military budget without cutting the muscle in our means of defending ourselves.

I do not wish to take up the Senate's time reading many pages from the testimony. I know it is popular these days to discount anything said by a military man. It is said, "He is wearing a uniform, and you had better watch him." If he wore a uniform yesterday, he is all right, but if he is in uniform today, some-

how his remarks must not be accepted at full valuation.

I do not belong to that school of thought. I have the highest regard and admiration for the present Chairman of the Joint Chiefs of Staff. I did when he served under the Eisenhower administration. He has been returned by the present administration. I think the President of the United States was wise to select General Taylor to be Chairman of the Joint Chiefs of Staff.

I ask unanimous consent to have printed in the RECORD at this point the part of the statement by Gen. Maxwell D. Taylor, Chairman of the Joint Chiefs of Staff, before the Subcommittee on Department of Defense Appropriations, beginning at the bottom of page 1620 under the title "Overkill" and going on through the questions and answers and statements of Assistant Secretary Gilpatric down to the second answer of Mr. Gilpatric on page 1626.

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

STATEMENT OF GEN. MAXWELL D. TAYLOR, CHAIRMAN, JOINT CHIEFS OF STAFF—"OVERKILL"

At this point I would like to discuss briefly the subject of "Overkill" which has been mentioned by several Senators in the recent hearings on the nuclear test ban treaty.

I understand that term to mean the possible excessive nuclear strength represented by our current and future arsenal of nuclear weapons. This concern apparently is directed primarily at our strategic nuclear weapons which are viewed as having the ability to kill the enemy many times over—possibly too many times over.

This is the old question of "how much is enough" in military weaponry. It is a question which is always before the Secretary of Defense and the Joint Chiefs of Staff, who for some time have been endeavoring to establish yardsticks of sufficiency, not only for nuclear weapons but for all categories of our military forces.

DETERMINATION OF REQUIREMENTS

I would like to say a few words on this subject, indicating how the Joint Chiefs of Staff determine the requirements for strategic nuclear weapons and our views as to the existence of overkill (or the lack thereof) in our present and planned weapons stockpiles.

The requirement for strategic nuclear weapons lends itself quite well to reasonably precise analysis. The targets involved are all fixed targets with known physical characteristics which allow the mathematical computation of the damage effects necessary to accomplish the intended purpose of a given attack.

These targets fall generally into two categories: First, military targets such as missile sites, airfields, atomic storage sites, and related installations; and, second, urban industrial targets consisting of government control centers, warming industry, and population centers.

Having determined the targets which may require attack, it then becomes a matter of computing the number of weapons on targets necessary to accomplish the desired effect.

To arrive at the overall requirement, the number of weapons needed on target must then be increased to take into account the possible losses before launch due to enemy action, the weapons which did not get off because of mechanical or human failures, losses and aborts between launch point and target, and mechanical performance of the weapons in flight and at point of detonation.

SOURCES OF FACTORS IN DECISION

These factors are determined empirically from data derived from many sources. Their application results in a considerably larger requirement for weapons than the number theoretically required on target to accomplish the desired damage effect.

Apart from the foregoing considerations, there are other factors which have an important bearing on ultimate requirements in strategic weapons. Probably the most important is the relation in time of the launch of our weapons to the arrival of the incoming weapons of the enemy. If we wait until some or all of the latter impact, obviously we will suffer heavy losses in weapons before we can launch our retaliatory forces.

On the other hand, it is never certain that we will not have some kind of warning which would permit us to strike at least some of the known enemy weapons before they could leave their launch areas. Also, it is not certain whether we would wish to launch all our weapons at one time or would prefer to use them with salvo effect, beginning perhaps on a limited selective basis to indicate to the enemy the consequences of further escalation.

WEAPONS OBSOLESCENCE

Still another important factor bearing on weapons requirements is that of obsolescence. Old weapons systems are continually losing their effectiveness and requiring replacement. It is always essential to have an adequate overlap of a new system coming in with the old one going out.

It is never possible for the old to come to a sudden end and the new to have a sudden beginning. This required overlap adds to the overall requirement in numbers of nuclear weapons. All of these possible variants affect the overall weapons requirement.

GENERAL WEAPONS REQUIREMENTS

Finally, there are the requirements in weapons due to the need to overhaul them, stock a supply system, and fill a pipeline from factory to point of use.

In past wars, the quantity of munitions procured and distributed to military and naval units worldwide has always necessarily exceeded many, many times the quantity consumed.

Nuclear munitions, while of a different order of effectiveness, are not immune to many of the factors which have affected munitions requirements in nonnuclear days. This statement is particularly true of the nuclear weapons of less than intercontinental range which must be deployed abroad to be in reach of their targets.

In assessing overkill, the problem is to take into account all of the foregoing factors and to arrive at some commonsense judgment as to what constitutes sufficiency.

FLEXIBILITY OF RESPONSE IN NUCLEAR STRATEGY

The Joint Chiefs of Staff have consistently felt that it is essential to have great flexibility of response built into our nuclear strategy and to preserve as many options as possible for the choice of our responsible leaders in time of crisis.

Certainly, it would be much simpler and would save some money in time of peace if we determined now a single target list which we would strike under conditions of retaliation.

This is the so-called second strike capability against cities, which appeals to some advocates of substantial reductions in our military spending.

The Joint Chiefs of Staff have considered this option and have thus far rejected it, feeling that it lacks the flexibility which we consider indispensable; that is, we have rejected it as the only strategy.

Personally, I would seriously question the rightness of restricting the choice of our President to this one dreadful alternative. Instead, we should endeavor to preserve for him a maximum number of options ex-

pressed in terms of variable target systems to strike under variable conditions of time and weight of effort.

I sincerely hope that considerations of this question of so-called overkill, important as it is, will not be allowed to affect this particular budget. I can assure you that the Secretary of Defense has required the military authorities in the Pentagon to justify every strategic weapon supported by this budget and that he has looked with a critical eye at the application of the factors which I mentioned above. There is not a strategic weapon in this budget which does not have the unanimous support of the Joint Chiefs of Staff.

In the foregoing discussion I have singled out for comment three items in the 1964 budget, the F-111 fighter program, the requirements for strategic mobility exercises, and the reduced research and development funds for the MMRBM. Also, I have given my views with regard to overkill in the strategic nuclear field and have expressed hope that the overall attitude of the committee toward the defense budget will not be influenced by any feeling that we have too many strategic weapons in our arsenal.

TEST BAN TREATY

I would like to close on a thought which arose several times during our recent discussion before Senate committees of the limited test ban treaty.

Regardless of how they felt about the long-haired word "euphoria"—and I know, Mr. Chairman, you commented on that word—many Senators and many of the witnesses were emphatic in expressing their determination to see to it that the ratification of the test ban treaty would not result in a false sense of security in the West.

There was general agreement that the United States should take no action which would encourage an overly optimistic reaction at home or abroad among our allies.

I submit that the Congress has its first opportunity to exhibit the resolution which we all have been expressing by passing this Defense appropriations bill essentially as recommended by the Secretary of Defense.

On the other hand, to reduce it would give comfort and encouragement to those people and nations who are all too easily convinced that an era of universal good will is at hand and that sacrifices for security are no longer necessary.

Thank you, Mr. Chairman.

DISCUSSION OF "OVERKILL"

Senator RUSSELL. I was particularly interested in your discussion of the so-called overkill, because we have groups in this country who are concentrating on that, and they apparently are gaining adherents in the Congress, as well as among the general public.

I believe you state that one of the imponderables in determining with exactness the number of weapons which might be necessary is the impossibility of determining in advance how many of our weapons may be knocked out in the event of a surprise attack on this country.

General TAYLOR. That is a very important factor and, as you say, very hard to evaluate in specific numbers.

Senator RUSSELL. So, unless we know exactly the efficiency and capability of the enemy, it would be impossible for us to compute mathematically how many reserve weapons we would need, because we would not know how many they would knock out and render useless.

General TAYLOR. Yes, sir. Unfortunately, we will never have that precise knowledge of the enemy to which you refer.

CHANGES IN NUCLEAR WAR CONCEPT

Senator RUSSELL. In addition—and I do not believe you have dealt with this—there have been some changes in the whole concept of nuclear war. We now have gone in for the so-called hardened sites. While we know

very well what p.s.i. factor, per-square-inch pressure, will be brought by our weapons, we do not know exactly what the Russians have.

General TAYLOR. Not exactly. We know it takes more offensive missiles to root out a hardened missile site rather than a soft site.

Senator RUSSELL. Yes, sir. But there are so many imponderables it is very difficult to tell. Are you familiar with the opinions expressed in the report of the Columbia University group headed by Dr. Seymour Melman?

General TAYLOR. No, sir.

Senator RUSSELL. In which they say it would be safe to reduce the Defense budget by from \$16 to \$26 billion a year? You have not read that?

General TAYLOR. I am not familiar with that, sir.

Mr. GILPATRICK. I am, Senator. I would like to comment on that.

POSSIBLE DEEP REDUCTIONS IN BUDGET

Senator RUSSELL. I think it might be well for somebody in the Department of Defense to get informed on this subject, because it will be the basis of a limited flank operation when this bill is before the Senate, not to the full extent, but to reduce the defense budget by some \$6 or \$8 billion.

Mr. GILPATRICK. Even a \$4 billion cut in the strategic force, and that has been suggested by one Member of the Senate, even a \$4 billion cut would eliminate over one-half of the entire segment of the 1964 budget that supports strategic retaliatory forces.

In the budget before you there is only \$7.3 billion to support and provide for strategic retaliatory forces. The addition to the forces this year, as the bill before you shows, includes 6 Polaris submarines and provision for 150 Minutemissiles. Now these additions are not necessarily net increases to the total megatonnage of our nuclear weapons delivery capacity. They represent more the effort to obtain increased invulnerability and more reliability in our systems.

In other words, many of the additions to our forces that are programed now and that are envisaged, are designed to meet increased penetration capabilities or increased defensive capacities on the part of the forces arrayed against us. So that far from being able to absorb a \$16 to \$20 billion cut as Dr. Melman suggests, we would be very hard hit even with this \$4 billion cut.

Then we must never forget that 75 percent of the total Defense budget, over 75 percent, relates to tactical and conventional forces which have nothing to do with this theory of overkill and strategic forces.

OVERSIMPLIFICATION OF PROBLEM

I think the advocates of this theory, particularly Dr. Melman, have grossly oversimplified the problem. What Dr. Melman does is to take a formula based on the fact that 20 kilotons of weapons destroyed Hiroshima. Then he takes that factor and divides the population of Soviet cities of over 100,000 population and comes up with a relatively small megatonnage of weapons that he feels are necessary for the U.S. strategic forces. Nothing could be a more gross distortion, as I say, of the military equation between the Soviets and ourselves.

REQUIREMENTS OF STRATEGIC FORCES

We must remember that the sole requirement of our strategic forces is not simply to destroy the Soviet urban economy. As General Taylor has pointed out, there are many military targets that we would need to attack, even if we did not go to a full counterattack theory of strategic warfare. There will be some semihard or perhaps hard or semisoft ICBM sites of the Soviets that we ought to target. There will be some residual forces, follow-on bomber forces, airfields, and some other targets that should be in our system besides the urban targets.

As General Taylor points out, we are not doing our planning in the United States on

the basis of a strictly second strike strategy. We need more than that. We need a margin of superiority in numbers of weapons to cover the kinds of requirements that General Taylor has mentioned.

So that we feel very strongly, Mr. Chairman, that certainly, as of the present time, we do not have too much in the way of strategic weapons in our arsenals. There may come a time when enough is enough. Every year I have been here we have a discussion between those who feel that we are adding too many weapons and those who feel we are not adding enough. You will find many of the military and members of the Joint Chiefs of Staff who think that the weapons we are now providing are not sufficient for our own security. So, I cannot overstate our belief that the presently programmed strategic forces that are in this budget, approved by the President and endorsed unanimously by the Joint Chiefs of Staff, cannot be safely reduced without endangering the security of the United States.

LETTER COVERS ALL DEFENSE PREPARATIONS

Senator RUSSELL. Mr. Secretary, I did not understand that this proposal was limited to the nuclear power of the United States. The letter I have here which was sent to me with a copy to all members of the Senate Appropriations Committee and all members of the Senate Armed Services Committee, goes much further than that. It says:

"Procurement of equipment and missiles for Army, proposed 1964 budget \$3.2 billion; possible budget reduction \$1 to \$2 billion.

"Procurement of aircraft and missiles for the Navy, proposed in the budget \$3 billion; possible budget reduction, \$2 to \$3 billion.

"Shipbuilding and conversion, Navy, proposed budget \$2.3 billion; proposed reduction \$1 to \$2 billion."

Reading further in the letter, he practically wipes out the research and development funds. He mentions one item, with which I am somewhat in accord: this military assistance program. But the remainder of his letter is not limited to the nuclear striking power of the country; it goes, I think, to every phase, conventional warfare as well as nuclear. Certainly "Shipbuilding and conversion, Navy," is not all devoted to nuclear delivery; nor is all of the Navy's aircraft procurement limited to nuclear delivery systems.

Mr. GILPATRICK. That is correct, Mr. Chairman, but to the extent that the theory is attempted to be applied to more than strategic weapons, it has even less basis in fact, if that were possible, because whatever may be the extent of our technological and nuclear weapon superiority in the areas of strategic weapons, when it comes to conventional and limited war forces we certainly do not enjoy any superior margin. We would, at our peril, reduce our "less than general war" forces in other words, our general-purpose forces.

DIVERSION OF SOME FUNDS POSSIBLE

Senator RUSSELL. You think, then, that it would not be possible to divert \$5 billion from the armed services budget to civilian programs at home and throughout the world without impairing the military capacity of this country to the extent that we would not be fully assured as to our security.

Mr. GILPATRICK. I have no question whatsoever about that conclusion.

Mr. RUSSELL. This testimony deals with the amendment before the Senate today. It describes what it called overkill. It shows the impossibility of any group, however able it may be, such as the group of professors from Columbia University, assaying all the imponderables accurately and determining what is overkill. I submit this testimony from the hearings of the committee for

those who are interested in the subject and who are tempted by the siren song of defending our \$600 billion country with a 25-cent Military Establishment.

That is like leaving a great many valuable jewels around, saying, "What of it? The thieves will not take these jewels because we might take their jewels one of these days."

This is a gamble which I regret seeing urged so consistently on the people of this country, because it tells the people what they naturally like to hear. A man likes to believe that he can get something for nothing. That is human nature. A man likes to believe that he can get a bargain in his Defense Establishment. Through constant reiteration, this movement will gain strength. I see in it a great danger for the future of this country.

I do not wish to discuss this subject at any length. I do not believe the Senate in its present mood is likely to accept the amendment. I hope we are not now starting a movement toward unilateral disarmament, which will eventually sweep us over the cliff and down into the chasm that other countries have found, to their destruction, when they were tempted to take a gamble on the means of self-preservation.

That is the first law of nature. When we inoculate ourselves with some kind of serum which causes us to abandon the law of self-preservation and the means of self-preservation, there will indeed be a threat to the existence of all we hold dear.

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

Mr. RUSSELL. I will yield to the Senator in a moment.

Mr. President, the Senator from South Dakota quoted me correctly when he said that I feared and apprehended that any nuclear war would proliferate and that it might, and probably would, spread into a war of extermination.

I think that will certainly be true unless we have a superiority of nuclear weapons that will prohibit the Soviets from moving in that direction and cause them to hold the reins on the Chinese Communists.

But I do want to say that I have not yet bought the idea of "better Red than dead." If we are to have a war of extermination, I hope and pray that we will have the weapons that will make the extermination of our enemy certain and that such seeds as are left to start humanity again will be American seed. We cannot be sure of that if we embark on a program of disarmament at the present time.

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

Mr. RUSSELL. I yield.

Mr. GOLDWATER. I merely wanted to associate myself with the remarks of the distinguished Senator from Georgia, if he will allow me to make a few remarks on the subject.

Mr. RUSSELL. I am glad to yield the floor.

Mr. GOLDWATER. Because I am very worried about the trend that has taken place in this country towards complacency.

This amendment is directed at procurement and research and development.

While all of us in the Congress would like to see the budgets reduced and balanced, I do not think we should balance them in favor of weaker Armed Forces.

I have read the speech of the distinguished Senator from South Dakota on "overkill," and I cannot find myself in agreement with it. In fact, I see in this attitude, with all due respect to my friend from South Dakota, a danger in that it might spread. What is "overkill?" We might have 2 million .30-caliber bullets in one rifle and our enemy might have 15 .30-caliber bullets in 50 rifles. I would place my money on the man with the 50 rifles.

It is true that we have a great abundance of nuclear weapons today of all sizes and for all uses, but I submit that if we do not appropriate funds to develop new vehicles and new warheads for use when needed, if we do not appropriate money to develop weapons and to carry weapons of any nature to the enemy when they are needed, we are in effect engaging in unilateral disarmament.

I may remind Members of the Senate that we are already tending in this direction. I would remind my colleagues that the most important of the 3-part program of disarmament offered on November 26, 1961, was that at the end of 3 years the United States would have decreased her inventories of vehicles capable of carrying nuclear weapons.

We are seeing efforts to have our B-47 fleet phased out so at the latest it will not be in existence beyond 1968. If we engage in what has been discussed time and time again; namely, the exercise of destroying B-47's in exchange for the Soviet Union's destroying their Badgers, our fleet might last until the latter part of 1968.

While we have a very adequate fleet of B-52's at the present time, there are no replacements. I remind my colleagues that there is not one manned bomber being made in any factory, nor is there any manned bomber on the drafting boards or in the planning stages of any company in this country.

If we recognize a reasonable leadtime as being, at the very least, 7 years, if we decided to have any tomorrow it would be 1970 before we could expect any "add on" to the manned bomber fleet.

If it is true, as Secretary McNamara has said, that 75 percent of the nuclear striking power of the free world is carried in the bomb bays of our Strategic Air Command planes—and I have seen figures that show 90 percent of it rests in those bomb bays—and if we are depriving ourselves of manned bombers capable of carrying this weaponry to the enemies, simple arithmetic will show that sometime in the 1970's our massive strength carried by our SAC planes and in our silos will have been reduced to something like 25 to 30 percent of the force we now have.

I merely wanted to call that to the attention of my colleagues, because I think it is very, very serious.

I hope the rumors I hear that the Defense Department has asked for Air Force specifications for a manned bom-

ber system is true and that we will have, sometime in October or early November the specifications.

I think it is of such an important nature that we indicate to the Nation the feeling of this body on an amendment like this that I ask for the yeas and nays on the amendment.

The PRESIDING OFFICER. Is there a sufficient second? There is not a sufficient second.

The yeas and nays were not ordered.

Mr. GOLDWATER. Mr. President, a point of order. I suggest the absence of a quorum.

Mr. SMATHERS. Mr. President, will the Senator withhold his request?

Did the Chair rule that there was not a sufficient second?

The PRESIDING OFFICER. There was not.

Mr. SMATHERS. Let us give the Senator from Arizona the yeas and nays.

The PRESIDING OFFICER. There is now a sufficient second.

The yeas and nays were ordered.

Mr. GOLDWATER. I thank the Senator from Florida.

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

Mr. RUSSELL. I have yielded the floor.

Mr. CANNON. Mr. President, I want to join with the Senator from Georgia in his opposition to this amendment. During the consideration of the limited test ban treaty, many people who contacted me were very seriously concerned that the ratification of that treaty might be a first step down the road toward unilateral disarmament.

I see in this proposed amendment a move exactly along that line. When we talk about a reduction of 10 percent in our overall military appropriation requests across the board, we are talking about, in my opinion, nothing more nor less than a move toward unilateral disarmament.

We might have differences of opinion as to the authorization or appropriation for a small part of this military bill. Many of us have differences in that respect. But to talk in terms of this magnitude can mean nothing more nor less than a unilateral step toward disarmament.

This bill has been considered from the standpoint of authorization, and from the standpoint of the military programs, by the respective committees of the House and Senate. In addition, it has been reviewed again from the standpoint of appropriations by the Appropriations Committees responsible in both bodies. Adjustments in it have been made by both the Senate and the House, both from the authorization and appropriation standpoints. So we finally have before us a bill not too different as considered by those respective bodies, and as to which many persons of great learning in this area, many persons who have given considerable study to the matter, have resolved their differences to very small degrees, indeed.

I think it would be a serious mistake for us at this time to establish in the minds of the American public that we are starting down the road toward unilateral

disarmament, and we may be getting ourselves into a position where we do not enjoy the military superiority we enjoy today.

I respectfully request all my colleagues to join with the distinguished floor manager of the bill, and chairman of the Armed Services Committee [Mr. RUSSELL], in opposition to this amendment.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from South Dakota, for himself and other Senators. The yeas and nays have been ordered, and the clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. PELL (when his name was called). On this vote I have a pair with the junior Senator from Wisconsin [Mr. NELSON]. If he were present and voting, he would vote "yea." If I were at liberty to vote, I would vote "nay." I withhold my vote.

Mr. MAGNUSON (after having voted in the negative). On this vote I have a pair with the senior Senator from Oregon [Mr. MORSE]. If he were present and voting, he would vote "yea." If I were permitted to vote, I would vote "nay." I therefore withhold my vote.

The rollcall was concluded.

Mr. DIRKSEN. Mr. President, I have a long-range understanding with the majority leader, that where we differ on an issue I give him a pair when he is absent, and he gives me a pair when I am absent. Unfortunately, or fortunately, I vote "nay." If he were present and voting, he would also vote "nay." Therefore I am distressed by the fact that I cannot get the majority leader on record by giving him a pair.

Mr. MAGNUSON. I do not like to do this, but this is the first time that I have ever heard a Senator explain his vote during a yea and nay vote.

Mr. DIRKSEN. I was only taking poetic liberty in the name of our beloved majority leader.

Mr. MAGNUSON. I wish we all could do that; then there would never be a yea and nay vote.

Mr. DIRKSEN. I would not object.

Mr. SMATHERS. I announce that the Senator from North Dakota [Mr. BURDICK], the Senator from Virginia [Mr. BYRD], the Senator from Pennsylvania [Mr. CLARK], the Senator from Louisiana [Mr. ELLENDER], the Senator from Arkansas [Mr. FULBRIGHT], the Senator from Florida [Mr. HOLLAND], the Senator from Minnesota [Mr. HUMPHREY], the Senator from Washington [Mr. JACKSON], the Senator from Massachusetts [Mr. KENNEDY], the Senator from Missouri [Mr. LONG], the Senator from Montana [Mr. MANSFIELD], the Senator from Minnesota [Mr. MCCARTHY], the Senator from Wyoming [Mr. MCGEE], the Senator from Montana [Mr. METCALF], the Senator from Oregon [Mr. MORSE], the Senator from Wisconsin [Mr. NELSON], the Senator from Missouri [Mr. SYMINGTON], the Senator from Tennessee [Mr. WALTERS], and the Senator from Ohio [Mr. YOUNG] are absent on official business.

I further announce that, if present and voting, the Senator from North Dakota [Mr. BURDICK], the Senator from

Virginia [Mr. BYRD], the Senator from Louisiana [Mr. ELLENDER], the Senator from Florida [Mr. HOLLAND], the Senator from Minnesota [Mr. HUMPHREY], the Senator from Washington [Mr. JACKSON], the Senator from Massachusetts [Mr. KENNEDY], the Senator from Missouri [Mr. LONG], the Senator from Minnesota [Mr. MCCARTHY], the Senator from Wyoming [Mr. MCGEE], the Senator from Montana [Mr. METCALF], the Senator from Missouri [Mr. SYMINGTON], and the Senator from Tennessee [Mr. WALTERS] would each vote "nay."

I also announce that the Senator from California [Mr. ENGLE] is absent because of illness.

Mr. KUCHEL. I announce that the Senator from Nebraska [Mr. HRUSKA] is absent on official business and, if present and voting, would vote "nay."

The Senator from Kentucky [Mr. MORTON] is detained on official business, and, if present and voting, would vote "nay."

The result was announced—yeas 2, nays 74, as follows:

[No. 170 Leg.]		
YEAS—2		
McGovern	Randolph	
NAYS—74		
Aiken	Fong	Mundt
Allott	Goldwater	Muskie
Anderson	Gore	Neuberger
Bartlett	Gruening	Pastore
Bayh	Hart	Pearson
Beall	Hartke	Prouty
Bennett	Hayden	Proxmire
Bible	Hickenlooper	Ribicoff
Boggs	Hill	Robertson
Brewster	Inouye	Russell
Byrd, W. Va.	Javits	Saltonstall
Cannon	Johnston	Scott
Carlson	Jordan, N.C.	Simpson
Case	Jordan, Idaho	Smathers
Church	Keating	Smith
Cooper	Kuchel	Sparkman
Cotton	Lausche	Stennis
Curtis	Long, La.	Talmadge
Dirksen	McClellan	Thurmond
Dodd	McIntyre	Tower
Dominick	McNamara	Williams, N.J.
Douglas	Mechem	Williams, Del.
Eastland	Miller	Yarborough
Edmondson	Monroney	Young, N. Dak.
Ervin	Moss	
NOT VOTING—24		
Burdick	Humphrey	Metcalf
Byrd, Va.	Jackson	Morse
Clark	Kennedy	Morton
Ellender	Long, Mo.	Nelson
Engle	Magnuson	Pell
Fulbright	Mansfield	Symington
Holland	McCarthy	Walters
Hruska	McGee	Young, Ohio

So Mr. McGOVERN's amendment was rejected.

Mr. PROXMIRE. Mr. President, I call up my amendment No. 199, and ask that it be read.

The PRESIDING OFFICER. The amendment will be stated.

The LEGISLATIVE CLERK. On page 22, lines 6 and 7, it is proposed to strike out "\$3,483,376,000" and insert in lieu thereof "\$3,423,376,000".

Mr. PROXMIRE. Mr. President, on this amendment, I ask for the yeas and nays.

The yeas and nays were ordered.

Mr. SMATHERS. Mr. President, will the Senator yield, without losing his right to the floor?

Mr. PROXMIRE. Mr. President, I yield to the Senator from Florida, provided I do not lose the floor.

Mr. SMATHERS. Mr. President, I should like to propound a unanimous-consent request. I ask unanimous consent that the debate on the amendment offered by the Senator from Wisconsin [Mr. PROXMIRE] be limited to 20 minutes, the time to be divided equally between the Senator from Wisconsin and the chairman of the Committee on Armed Services [Mr. RUSSELL].

Mr. RUSSELL. Mr. President, ordinarily, I would be glad to agree to such a request; but I have been advised that two Senators desire some time on the amendment.

Mr. CHURCH. Mr. President, I should like to have 5 minutes.

Mr. RUSSELL. The distinguished Senator from Utah [Mr. Moss] stated that he would like to have 5 minutes. The Senator from Idaho [Mr. CHURCH] has asked for 5 minutes. The Senator from Mississippi [Mr. STENNIS] wants 2 minutes.

Mr. SMATHERS. I will amend the request so as to provide 30 minutes on the amendment, 15 minutes to a side.

Mr. RUSSELL. The Senator from Utah and the Senator from Idaho are as youthful, vigorous, and strong as is the Senator from Mississippi. I assume they can use the time to better advantage than can the chairman of the subcommittee. So I am willing to agree to the request.

Mr. PROXMIRE. Mr. President, I shall be happy to yield some of my time, too.

The PRESIDING OFFICER. Is there objection to the unanimous-consent request of the Senator from Florida that the time on the amendment be limited to 30 minutes, 15 minutes to a side?

The Chair hears none, and the agreement is entered.

How much time does the Senator from Wisconsin yield himself?

Mr. PROXMIRE. I yield myself 7 minutes.

Mr. President, my amendment would reduce the bill by \$60 million. It would do so by reducing the funds for the mobile medium range ballistic missile. The House allowed \$43,100,000. The Senate committee recommended \$103,100,000.

My amendment is moderate. It would restore the funds to the amount allowed by the House.

This missile was designed primarily for oversea use. It is a medium-range missile, having a range of 2,000 miles. Obviously, in the continental United States, there would be no use for this missile. Our targets for this missile are not 2,000 miles away.

One of the principal reasons for the missile, as stated in the testimony, is that it would be used primarily by NATO countries in Europe. It seems to me that if it is to be used by NATO countries, they should pay for it. They can afford to pay for it. The income of European countries has improved greatly.

A number of Senators have made the point on the floor of the Senate, in committee, and elsewhere, that we should sell military equipment to European countries, rather than give it to them.

Also, it seems to me that, in the research process, European countries

should be persuaded to make their contributions to the development of weapons designed primarily for their use.

Furthermore, there is no indication that the NATO countries want this missile. I propose that before we spend this huge amount of money, we have some kind of evidence—and, I believe, hard evidence—of negotiated agreements of some kind. So far as Asia is concerned, there are other areas where this equipment might be used. The road and rail systems in Asia are poor. This weapon at best has a feeble potential, particularly in view of the alternatives.

It is a fact that we now have mobile missiles. One is the Army's Pershing, which has a range of 400 miles. It has been tested; and it has been deployed; and it is an effective weapon and an accurate missile. Another is the Polaris, which of course is one of the finest we have, with a range of 2,500 miles; and it can be fired accurately at ranges of 2,000 miles or 1,500 miles. It is a good mobile missile. It can be used very effectively by our allies, and of course they understand this missile, and they know that it has been proven.

Mr. President, after the House cut these funds to \$43 million, the administration did not—I emphasize that it did not—request restoration. They thought that they could live with it.

I wish to quote what Under Secretary of Defense Gilpatric had to say about it:

In our formal reclama we indicated we would try to manage with this reduction although it would require that we concentrate our efforts for the time being principally on the pacing elements of this system; namely, the guidance and command and control components. The amount remaining in the House bill for the MMRBM will be sufficient to carry out that phase of the work and to continue general studies of the entire system.

This is all the administration, it seems, intends to do or intended to do. It is true that both the distinguished chairman of the committee and the distinguished chairman of the subcommittee received from Secretary of Defense McNamara letters indicating that the Department will not reprogram these funds, and that if it uses them, they will be used for this specific purpose—for the mobile missile. At the same time, from the letter from Secretary McNamara, it is also clear that there is no likelihood or certainty that the funds will be spent at all. He answered in this way:

I would like to assure you that if the \$100 million is restored to this program, it will not be reprogramed to other activities. An early indication of likely congressional action is required in order that we can determine whether we should continue the long lead-time developments as currently planned or initiate phase II development.

What this means is that Defense has not made up its mind; they do not know whether they want to use it or not. When we read the Secretary's letter in response to the request of the distinguished chairman of the subcommittee, I submit that by reading between the lines we find that they have no present intention of spending this money.

To summarize briefly, this amendment proposes a moderate cutback of \$60 mil-

lion to the House item level. The House, after extensive testimony, found that this was as far as it should go.

The Department of Defense has not requested that the larger amount be restored, substitutes are available; \$43 million is still left for development; and, in the words of the Under Secretary of State, this will be sufficient to carry out the phases of the work on guidance, and also to continue general studies of the entire system.

I submit that on the basis of the attitude of the Secretary of Defense, this amendment makes sense. It calls for a specific, precise, and moderate cutback to the amount the House voted.

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

Mr. MILLER. Mr. President, will the Senator from Wisconsin yield?

Mr. PROXMIRE. I am glad to yield.

Mr. MILLER. The Senator from Wisconsin was talking about what the Secretary of Defense had to say. Will he tell us whether any information with regard to this matter was received from the Secretary of the Air Force or any of the Air Force people?

Mr. PROXMIRE. Oh, yes; the Joint Chiefs of Staff, including the Air Force Chief, want this money; they want the restoration made. There was no indication on the part of the Secretary of the Air Force, however, or by other civilian Secretaries, that they take that position. But it is evident that the Joint Chiefs of Staff want this money. They were very definite and specific in discussing it, and said that they would use it.

Mr. MILLER. So they would favor the amendment of the Senator from Wisconsin, would they?

Mr. PROXMIRE. No, the Joint Chiefs would oppose this amendment.

Mr. MILLER. I note that the President's budget was substantially in excess of the amount the House voted for this item.

Mr. PROXMIRE. That is correct.

Mr. MILLER. Can the Senator tell us how the amount voted by the House, the amount voted by the Senate committee, and the Senator's own amendment on this particular matter, compares with the figure in the President's budget?

Mr. PROXMIRE. The President's budget in this area was \$143,100,000. The House cut it \$100 million, down to \$43 million. The Senate restored \$60 million of the \$100 million, and thus brought it up to \$103 million. So the position of the Appropriations Committee is to some extent, between the administration amount and the House amount. My amendment would cut back to the amount which was voted by the House.

Mr. MILLER. Will the Senator tell us whether the Joint Chiefs of Staff objected to the cut which was by the House?

Mr. PROXMIRE. The Joint Chiefs of Staff did, indeed, object to it. They wanted a restoration of the \$100 million figure.

Mr. MILLER. Are they satisfied with the figure arrived at by the Senate committee on this item; or does the Senator know about that?

Mr. PROXMIRE. I do not know, but I presume that they want the restoration made. Of course they would be much happier with the amount the Senate committee voted than with the amount I propose, although it is my understanding that the Department of Defense civilian head said he would be able to live with the amount the House voted.

Mr. SALTONSTALL. Will the Senator from Wisconsin yield?

Mr. PROXMIRE. I am glad to yield.

Mr. SALTONSTALL. I should like to quote to the distinguished Senator from Iowa and the distinguished Senator from Wisconsin from page 1617 of the hearings before the Subcommittee on the Committee on Appropriations on the defense appropriations for 1964.

The PRESIDING OFFICER. The 7 minutes available to the Senator from Wisconsin have expired.

Mr. PROXMIRE. Mr. President, will the Senator from Georgia yield briefly to the Senator from Massachusetts?

Mr. SALTONSTALL. I need only 30 seconds.

Mr. RUSSELL. I am glad to yield 1 minute to the Senator from Massachusetts.

The PRESIDING OFFICER. The Senator from Massachusetts is recognized for 1 minute.

Mr. SALTONSTALL. I thank the Senator from Georgia; he is very generous.

I now read from the hearings:

If the \$100 million reduction is now restored, it will make possible the availability of an operational MMRBM as planned. If the Senate confirms the reduction, it will mean the loss of approximately 12 to 18 months in the ultimate operational readiness even if next year the decision is taken to proceed with the development of missile.

Mr. RUSSELL. Mr. President, I yield myself 3 minutes.

The PRESIDING OFFICER. The Senator from Georgia is recognized for 3 minutes.

Mr. RUSSELL. Mr. President, there is nothing complicated or involved about this matter. The original figure for the development of a new weapon was \$143 million. The House cut it back to \$43 million, and decided to devote the entire amount to the guidance-and-control feature of the weapon. The Department of Defense did not reclaim it; but General Taylor, in his testimony before the committee, stated that the Joint Chiefs were more interested in this item than in almost any other item included in the bill. He made a very strong case for it. The committee, after considerable discussion, decided to restore \$60 million. The reason why we restored the \$60 million, instead of \$100 million, was that so much of the fiscal year would have elapsed before work on this entirely new weapon could be started, that we concluded that they could not possibly spend the \$143 million which would be available on a 12-month basis, and that on a 9-month basis approximately \$100 million would be all they would need.

I believe this is a desirable weapon. We had best be looking for new weapons, now that we have abandoned our manned aircraft. So I hope the committee's action will be sustained.

Mr. MOSS. Mr. President—

Mr. RUSSELL. I yield 5 minutes to the Senator from Utah.

The PRESIDING OFFICER. The Senator from Utah is recognized for 5 minutes.

Mr. MOSS. Mr. President, I concur in the admonition by the chairman of the Armed Services Committee, who also is chairman of this Appropriations Committee subcommittee, that the Senate should continue its efforts to supply adequate funds for our country's Defense Establishment.

Today the Senate approved the limited test ban treaty—for which I voted—in an effort to make a start toward finding a way to lessen the tensions that exist in the world. But at the same time, I would hate to see the Senate begin on that the same day, to decrease the effectiveness of our military forces, by reducing their appropriations.

Throughout this session of Congress, Senators have engaged in much debate on this very question.

The distinguished Senator from Wisconsin [Mr. PROXMIRE] has outlined the sequence of events. He has pointed out that the House voted a \$100 million cut in the amount requested for the mobile medium-range ballistic missile.

When the bill came to the Senate Committee on Appropriations the Joint Chiefs of Staff testified there. General Taylor said:

MMRBM REDUCTION

A third item upon which I should like to comment is the reduction of \$100 million in the fiscal year 1964 budget from the research and development program of the mobile medium range ballistic missile (MMRBM). As a result of this reduction, only \$43 million will remain for commitment in fiscal year 1964, a sum which will be applied to guidance, command, and control. If the \$100 million reduction is now restored, it will make possible the availability of an operational MMRBM as planned. If the Senate confirms the reduction, it will mean the loss of approximately 12 to 18 months in the ultimate operational readiness even if next year the decision is taken to proceed with the development of missile.

The Joint Chiefs of Staff since 1960 have consistently supported the military requirement for a missile system with the characteristics of the MMRBM. The Supreme Allied Commander in Europe has supported the need for this weapon for NATO forces, while the U.S. Commander in Chief, Europe, the U.S. Commander in Chief Pacific, and the U.S. Commander in Chief Alaska have supported it for U.S. forces worldwide. As recently as May 21, 1963, the Joint Chiefs of Staff reaffirmed their findings and recommended continuation of the MMRBM development program.

ATTITUDE AT NATO ALLIES

Our NATO allies are intensely interested in our treatment of this program. For several years, largely as a result of the expressed views of SACEUR, a distinguished U.S. officer, they have come to regard an MMRBM as essential to replace obsolescent aircraft and missiles now assigned to the attack of targets of prime interest to NATO. The proposed reduction of R. & D. funds in support of this missile will be regarded with apprehension and will be interpreted by some as an indication of our reduced concern for the requirements of the defense of the NATO area. I hope that this committee will review this item of the budget in the light of its national and international importance.

On that basis the Committee on Appropriations has restored not the \$100 million, but 60 percent of that amount—enough to continue the development of the missile. If the amount of the cut is restored on the floor of the Senate in accordance with the amendment of the Senator from Wisconsin, the only additional research and development work that will be done will be in the field of guidance, command, and control. Nothing further will be done on propulsion. Nothing further will be done on the development of the vehicle in which the weapon would be carried. So we would be at a standstill for a period of 12 to 18 months, or at least that much time would be added to the final development of the missile.

We are speaking of a medium missile. It is one that will cover a range of from 1,000 to 2,000 miles. But it is a pinpoint missile. I have in my hand a memorandum pointing out the need for an MMRBM because of the improved accuracy that is associated with the MMRBM. The memorandum, which I shall not take the time to read in full, points out that the Polaris is a good missile, but that it does not have anywhere near the accuracy that the MMRBM would have; and neither would our fixed missile, the Minuteman, that we have in silos. Therefore, it would have large areas of payloads.

The missile is a pinpoint missile. The Pershing has a range of only 200 to 400 miles.

The PRESIDING OFFICER. The 5 minutes yielded to the Senator have expired.

Mr. MOSS. Mr. President, may I have an additional minute?

Mr. RUSSELL. Mr. President, not unless the Senator from Idaho will yield some of his time.

Mr. CHURCH. Mr. President, 4 minutes will be adequate for me.

Mr. RUSSELL. I yield an additional minute to the Senator from Utah.

Mr. MOSS. I thank the Senator. I wish to sum up by pointing out the compelling statement made by the chairman of the Committee on Appropriations, the Senator from Arizona [Mr. HAYDEN]. He pointed to the same things that I have been trying to point to. I suggest that we must continue with the development of a missile which our military leaders say is essential to provide an adequate defense for our country, for our forces worldwide, and one that may be useful also to our NATO Allies. I think it would be very shortsighted, particularly in respect to the MMRBM, to start cutting down our military forces now.

Mr. RUSSELL. Mr. President, I yield 4 minutes to the Senator from Idaho [Mr. CHURCH].

Mr. CHURCH. Mr. President, I thank the Senator from Georgia. First, I commend the distinguished junior Senator from Utah [Mr. MOSS] for the very persuasive case he has made against the pending amendment. The weapon with which we are here concerned, the mobile medium range ballistic missile, is designed to play such a critical role in the overall defense strategy of the country

that we ought to take pains to see that sufficient money is furnished in this bill to get on with the speedy development of the weapon.

The distinguished Senator from Wisconsin [Mr. PROXMIRE] has conceded that the Secretary of Defense has said that, if it should develop that any part of the money that the committee is providing is not needed, it will not be spent. So there is no possibility of wasted money.

All that I am arguing for today is sufficient money to get on with the speedy and orderly development of this critical weapon.

Why is the weapon critical?

The debate on the historic treaty which was approved earlier today has indicated why this weapon is critical. Again and again, it was pointed up in the debate that we must, at all costs, maintain the capacity of our deterrent force to retaliate, in the event of a first strike against us. If we fail to do so, then we deny our deterrent the attribute of credibility, and we invite attack. So the capacity to retaliate is essential if the deterrent theory is to work.

This weapon, owing to its mobility, is designed to escape and survive a first strike against us. It is the same kind of mobility that makes the Polaris submarine so important. The mobile medium range ballistic missile will supplement the Polaris submarine. It will add to the mobility that is available to our retaliatory forces, and thus to our retaliatory capacity to survive a first attack upon us. Therefore, this is a most critical weapon. As the distinguished Senator from Utah has said, it would add movement and dimension to our deterrent forces and to their capacity to survive a first strike against us, if that were ever to occur. It has long been recognized as a needed weapon for the NATO alliance. It is of interest, not alone to the Government of the United States but also to our NATO allies.

For these reasons, the committee is to be commended for providing sufficient funds to get on with the prompt development and perfection of this important addition to the deterrent forces of the United States. I hope the committee will be upheld. No risk is assumed by sustaining the position that the committee has taken. Definite risk is assumed if the amendment proposed by the Senator from Wisconsin is adopted. I, therefore, urge the Senate to reject the amendment.

Mr. PROXMIRE. Mr. President, I yield 3 minutes to the Senator from Mississippi.

Mr. STENNIS. Mr. President, I thank the Senator. Since the beginning of the entire missile program I have been greatly impressed with the idea of a mobile missile. The missile about which we are now speaking is such a weapon. We understood that the Minuteman would be a mobile missile, but that idea was abandoned. The MMRBM is a mobile missile for use on land or sea. It could be discharged from a barge, a ship, or the ground.

The weapon is now in research and development. The amount involved is

relatively small and is pledged to the use stated, and that use alone. It will go for research and development. The subject of deployment and use will come up later.

General Taylor said:

If this weapon pans out according to specifications, it will be the most efficient and the most economical weapon to use against many important targets worldwide.

It would not be limited to NATO or to the United States, but could be used anywhere in the world we might wish to use it. It is not an intercontinental ballistic missile, but one which is shifty, quick, and thought to be accurate. Of all the missiles we have, this to my mind has one of the finest potentials, at a less cost than any of the others we have developed to this stage.

For research and development, when the money is pledged to this use and this use only, we should not be niggardly, but should move forward and allow the funds the committee has provided in accordance with the testimony of the Joint Chiefs of Staff, the Air Force, and also the Secretary of Defense.

I thank the Senator again for yielding to me.

Mr. RUSSELL. Mr. President, I yield such time as remains to the committee to the distinguished Senator from Alaska [Mr. GRUENING].

The PRESIDING OFFICER. The Senator from Alaska is recognized for 2 minutes.

Mr. GRUENING. Mr. President, I wish to emphasize and applaud the point made by the able and ever alert junior Senator from Utah. This morning the Senate ratified the nuclear test ban treaty by a vote of 80 to 19. I was among those Senators who voted for the treaty, as was the Senator from Utah. We did that in the hope that we could stop some radioactive fallout which presents the gravest danger to the health of future generations and in the hope we might light some small candle for peace throughout the world. We did that, believing it was worth taking the other risks which were amply discussed in the Senate debates.

A number of very knowledgeable Senators voted against the nuclear test ban treaty. They did so for the excellent reason that they feared the treaty would weaken our defenses. They had a feeling also, for which I agree there is much justification, that with the signing, there might be among us what is known as euphoria; a sense of confident well-being and happy sense of security, and that many people would become optimistic and say, "Peace is in sight; we can afford to diminish our defenses." That was one of the fears that motivated our colleagues who voted against the test ban treaty.

Therefore, I feel, as does the able Senator from Utah, that it would be an unfortunate mistake if, on the very same day that we took a fine step in one direction, in the direction of diminished tensions, we likewise started to weaken our defenses, especially with regard to a weapon as useful as the mobile missile would be. I might add that such a

weapon would be of great value in Alaska, where we have no missiles, and are, in my judgment, which is shared by my colleague, Senator BARTLETT, and by Governor Egan, inadequately defended, though we are within naked eye view of the Russian police state. This particular type of missile—the MMRBM—would be most useful on our few highways and on our lone railway. I hope very much that the amendment will be rejected and that the committee action will be sustained.

Mr. PROXMIRE. Mr. President, the distinguished Senator from Utah said that we should not limit or dismantle our defenses. I could not agree more fully. That is why I voted against the preceding amendment. I thought it called for a cut which was debatable.

This amendment of mine calls for a cut which is precise, definite, and limited, which would affect only one weapon, a weapon for which the Defense Department itself has indicated \$43 million—which the amendment would permit—is adequate to carry out the phase of their work involving guidance and to continue general studies of the entire system.

Unfortunately the distinguished senior Senator from Missouri [Mr. SYMINGTON] could not be present, because he had to go to his State. He told me before he left that he wished he could be present to support my amendment.

No other Senator speaks with more authority on the subject of the Air Force than does the Senator from Missouri.

No other Senator has greater patriotism or a finer recognition of the importance of effective defense. The Senator from Missouri led the criticism of this item in the Appropriations Committee. There was no vote on it, but the Senator from Missouri was critical of this particular appropriation item. As the Senator from Missouri said, we cannot have everything; we cannot afford everything.

The Senator from Missouri, a former great Secretary of the Air Force, pointed out, quite properly, that we already have mobile missiles. We have mobile missiles which have been tried, proved, deployed, and accepted. Since we have mobile missiles which will do the job—and the Polaris missile can do everything this mobile missile will do—it seems to me that to spend an additional \$60 million now makes no sense, particularly since the amendment would permit \$43 million to be available to the Defense Department to continue, as they say, general studies of the effectiveness of this particular kind of missile.

Mr. President, I yield back the remainder of my time.

The PRESIDING OFFICER. All time has been used or yielded back. The question is on agreeing to the amendment offered by the Senator from Wisconsin [Mr. PROXMIRE]. On this question, the yeas and nays have been ordered, and the clerk will call the roll.

Mr. RUSSELL. Mr. President, before the first name is called, I wish to request Senators, after they vote, to remain in the Chamber. If another amendment is not offered, I hope the Senate will take a ye and nay vote on

the question of passage of the bill. That question has been raised by the conferees from the other body a time or two in dealing with these measures. I would appreciate it if Senators would remain in the Chamber.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. BAYH (when his name was called). On this vote I have a live pair with the junior Senator from Wisconsin [Mr. NELSON]. If he were present and voting, he would vote "yea." If I were at liberty to vote, I would vote "nay." Therefore I withhold my vote.

The rollcall was concluded.

Mr. PELL (after having voted in the affirmative). Mr. President, on this vote I have a pair with the Senator from Montana [Mr. MANSFIELD]. If he were present and voting, he would vote "nay." If I were at liberty to vote, I would vote "yea." Therefore I withdraw my vote.

Mr. SMATHERS. I announce that the Senator from North Dakota [Mr. BURDICK], the Senator from Pennsylvania [Mr. CLARK], the Senator from Arkansas [Mr. FULBRIGHT], the Senator from Florida [Mr. HOLLAND], the Senator from Minnesota [Mr. HUMPHREY], the Senator from Washington [Mr. JACKSON], the Senator from Massachusetts [Mr. KENNEDY], the Senator from Missouri [Mr. LONG], the Senator from Montana [Mr. MANSFIELD], the Senator from Minnesota [Mr. MCCARTHY], the Senator from Arkansas [Mr. McCLELLAN], the Senator from Montana [Mr. METCALF], the Senator from Oregon [Mr. MORSE], the Senator from Wisconsin [Mr. NELSON], the Senator from Wyoming [Mr. McGEE], the Senator from Oregon [Mrs. NEUBERGER], the Senator from Missouri [Mr. SYMINGTON], and the Senator from Louisiana [Mr. ELLENDER] are absent on official business.

I also announce that the Senator from California [Mr. ENGLE], is absent because of illness.

I further announce that, if present and voting, the Senator from North Dakota [Mr. BURDICK], the Senator from Arkansas [Mr. FULBRIGHT], the Senator from Florida [Mr. HOLLAND], the Senator from Minnesota [Mr. HUMPHREY], the Senator from Washington [Mr. JACKSON], the Senator from Massachusetts [Mr. KENNEDY], the Senator from Missouri [Mr. Long], the Senator from Wyoming [Mr. McGEE], and the Senator from Montana [Mr. METCALF] would each vote "nay."

On this vote, the Senator from Oregon [Mr. MORSE] is paired with the Senator from Missouri [Mr. SYMINGTON]. If present and voting, the Senator from Oregon would vote "yea," and the Senator from Missouri would vote "nay."

Mr. KUCHEL. I announce that the Senator from Nebraska [Mr. HRUSKA] is absent on official business and, if present and voting, would vote "nay."

The Senator from Kentucky [Mr. MORROW] is detained on official business, and if present and voting, would vote "nay."

The result was announced—yeas 5, nays 72, as follows:

[No. 171 Leg.]

YEAS—5

Douglas McGovern	Proxmire Randolph	Williams, Del.
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NAYS—72

Aiken	Fong	Moss
Allott	Goldwater	Mundt
Anderson	Gore	Muskie
Bartlett	Gruening	Pastore
Beall	Hart	Pearson
Bennett	Hartke	Prouty
Bible	Hayden	Ribicoff
Boggs	Hickenlooper	Robertson
Brewster	Hill	Russell
Byrd, Va.	Inouye	Saltonstall
Byrd, W. Va.	Javits	Scott
Cannon	Johnston	Simpson
Carlson	Jordan, N.C.	Smathers
Case	Jordan, Idaho	Smith
Church	Keating	Sparkman
Cooper	Kuchel	Stennis
Cotton	Lausche	Talmadge
Curtis	Long, La.	Thurmond
Dirksen	Magnuson	Tower
Dodd	McIntyre	Walters
Dominick	McNamara	Williams, N.J.
Eastland	Mechem	Yarborough
Edmondson	Miller	Young, N. Dak.
Ervin	Monroney	Young, Ohio

NOT VOTING—23

Bayh	Humphrey	Metcalf
Burdick	Jackson	Morse
Clark	Kennedy	Morton
Ellender	Long, Mo.	Nelson
Engle	Mansfield	Neuberger
Fulbright	McCarthy	Pell
Holland	McClellan	Symington
Hruska	McGee	

So Mr. PROXMIRE's amendment was rejected.

DEFENSE CONTRACTS

Mr. KEATING. Mr. President, a matter of deep concern to New York State over the last 3 years has been the continuing decline in the share of defense work received. In 1963 New York received only 9.9 percent of total defense work, or \$2.5 billion. That is a drop of \$119 million or nearly a whole percentage point from last year's figure of 10.7 percent. Nearly one-third of New York's contribution is in the field of aircraft manufacture, and Long Island can take credit for a good share of that. One-quarter of the total is in the area of electronics. In fact, New York leads the Nation in its contribution to electronics in national defense.

Nevertheless for the State as a whole New York's share of defense work has fallen from 11.5 percent in 1958 to less than 10 percent this last year. While we were losing work a number of other States have been shooting ahead. These include Arkansas, with an increase of 165 percent; Mississippi, with an increase of 133 percent; Florida, with an increase of 109 percent; Virginia, with an increase of 102 percent; and Louisiana, with an increase of 72 percent.

These figures make me wonder whether the Defense Department is not taking advantage of lower wages, fewer fringe benefits, and the lack of strong organizations of the workers in many of these areas to transfer a part of its workload—to the detriment of those New York firms and unions which try to provide a decent living for their employees and members but find themselves hard put to meet the competition of low-paid labor in other parts of the country.

Very disturbing to me in the overall picture, is the reduced number of contracts for engineering and research and

development work for New York State in the period for 1958 to 1963. In fiscal year 1958, New York received 14 percent of total research and development type contracts compared with 36.7 percent for California. In fiscal year 1962, New York received only 10.9 percent while California received 39.9 percent.

In other words, California's share went up by 3 percentage points, while New York's percentage share went down by the same amount. These statistics give California a 4-to-1 edge over New York in defense-oriented research and development, and I for one simply cannot believe that this reflects a difference in brainpower. Instead, I fear it is a difference in readiness of the Defense Department to look to California for research work without making any particular effort to bring the rest of the country in. The latest Defense Department report does not provide specific figures as to the extent of competitive procurement now as compared to previous years. But competitive procurement has always been exceptionally low in the field of research and development. For this reason, I feel the Defense Department should make a particular effort to insure that the research and development work which would lead to future contracts is not concentrated to such an extravagant and unhealthy degree in a single State.

Furthermore, Mr. President, with respect to work in areas of substantial unemployment, New York has seen substantially little improvement over the last fiscal year. Of the two major areas of unemployment, Buffalo and Utica-Rome, Buffalo's share has increased by nearly 20 percent. Utica-Rome's share has declined from \$75 million to \$29 million. Of the serious unemployment pockets, only Gloversville, Ogdensburg-Massena-Malone, and Plattsburgh, have seen substantial increases. The effect of the preference program has also been extremely spotty, with increases in one area entirely offset by decreases elsewhere.

Furthermore, Mr. President, defense contractors have informed me that there is more and more evidence of the use of depressed area set-asides as a loophole. A firm which wants defense work may buy an obsolete facility in a depressed area, force most of its own employees to move, and then claim a preference. Where skilled work is required, there is very little possibility of hiring needed local personnel in a depressed area and the principal result is a serious hardship upon the employees.

We have written specific language into the area redevelopment bill to prevent pirating of industry. In order to insure that the same kind of thing does not happen and that old firms simply do not relocate themselves and their work in another area in order to get contracts, it may very shortly be necessary to put some of the same kind of restrictions into Defense Department activities. I am strongly in favor of increased work for depressed areas, but not if it means simply moving existing plants and personnel from one place to another in order to qualify for more work.

In short, Mr. President, the very large amounts appropriated for the Department of Defense and the tremendous impact that defense work has on many areas of the country make it necessary for the Congress to scrutinize this aspect of procurement very carefully, to insure that procurement policies remain fair and equal for all legitimate defense contractors.

The PRESIDING OFFICER. The bill is open to further amendment.

If there be no further amendment to be proposed, the question is on the engrossment of the Senate amendments and the third reading of the bill.

The amendments were ordered to be engrossed and the bill to be read a third time.

The bill was read the third time.

The PRESIDING OFFICER. The bill having been read the third time, the question is, Shall it pass?

Mr. SMATHERS. Mr. President, it is my information that the Senator from Georgia [Mr. RUSSELL] would like to have a yea-and-nay vote. Therefore I ask for the yeas and nays.

The yeas and nays were ordered.

The PRESIDING OFFICER. The question is, Shall the bill pass? The clerk will call the roll.

The legislative clerk called the roll.

Mr. SMATHERS. I announce that the Senator from North Dakota [Mr. BURDICK], the Senator from Pennsylvania [Mr. CLARK], the Senator from Arkansas [Mr. FULBRIGHT], the Senator from Florida [Mr. HOLLAND], the Senator from Minnesota [Mr. HUMPHREY], the Senator from Washington [Mr. JACKSON], the Senator from Massachusetts [Mr. KENNEDY], the Senator from Missouri [Mr. LONG], the Senator from Montana [Mr. MANSFIELD], the Senator from Minnesota [Mr. MCCARTHY], the Senator from Mississippi [Mr. EASTLAND], the Senator from Arkansas [Mr. McCLELLAN], the Senator from Wyoming [Mr. MCGEE], the Senator from Montana [Mr. METCALF], the Senator from Oregon [Mr. MORSE], the Senator from Wisconsin [Mr. NELSON], the Senator from Oregon [Mrs. NEUBERGER], and the Senator from Missouri [Mr. SYMINGTON] are absent on official business.

I further announce that the Senator from California [Mr. ENGLE] is absent, due to illness.

I further announce that, if present and voting, the aforementioned Senators would each vote "yea."

Mr. DIRKSEN. I announce that the Senator from Nebraska [Mr. HRUSKA] is absent on official business and, if present and voting, would vote "yea."

The Senator from Kentucky [Mr. MORTON] is detained on official business, and, if present, and voting, would vote "yea."

Also, the Senator from California [Mr. KUCHEL] and the Senator from North Dakota [Mr. YOUNG] are detained on official business, and if present and voting, they would each vote "yea."

The result was announced—yeas 77, nays 0, as follows:

[No. 172 Leg.]

YEAS—77

Aiken	Anderson	Bayh
Allott	Bartlett	Beall

Bennett
Bible
Boggs
Brewster
Byrd, Va.
Byrd, W. Va.
Cannon
Carlson
Case
Church
Cooper
Cotton
Curtis
Dirksen
Dodd
Dominick
Douglas
Edmondson
Ellender
Ervin
Fong
Goldwater
Gore
Gruening

Hart
Hartke
Hayden
Hickenlooper
Hill
Inouye
Javits
Johnston
Jordan, N.C.
Jordan, Idaho
Keating
Lausche
Long, La.
Magnuson
McGovern
McIntyre
McNamara
Mechum
Miller
Monroney
Moss
Mundt
Muskie
Pastore

Pearson
Pell
Protsy
Proxmire
Randolph
Ribicoff
Robertson
Russell
Saltostall
Scott
Simpson
Smathers
Smith
Sparkman
Stennis
Talmadge
Thurmond
Tower
Walters
Williams, N.J.
Williams, Del.
Yarborough
Young, Ohio

NAYS—0

NOT VOTING—23

Burdick
Clark
Eastland
Engle
Fulbright
Holland
Hruska
Humphrey

Jackson
Kennedy
Kuchel
Long, Mo.
Mansfield
McCarthy
McClellan
McGee

Metcalfe
Morse
Morton
Nelson
Neuberger
Symington
Young, N. Dak.

So the bill (H.R. 7179) was passed.
Mr. RUSSELL. Mr. President, I move that the Senate insist upon its amendments and request a conference thereon with the House of Representatives, and that the Chair appoint the conferees on the part of the Senate.

The motion was agreed to; and the Presiding Officer (Mr. BREWSTER in the chair) appointed Mr. RUSSELL, Mr. HAYDEN, Mr. HILL, Mr. McCLELLAN, Mr. ELLENDER, Mr. BYRD of Virginia, Mr. SALTOSTALL, Mr. YOUNG of North Dakota, and Mrs. SMITH conferees on the part of the Senate.

DEPARTMENT OF AGRICULTURE APPROPRIATIONS, 1964

Mr. SMATHERS. Mr. President, I move that the Senate proceed to the consideration of Calendar No. 476, H.R. 6754.

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

The LEGISLATIVE CLERK. A bill (H.R. 6754) making appropriations for the Department of Agriculture and related agencies for the fiscal year ending June 30, 1964, and for other purposes.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Florida.

The motion was agreed to; and the Senate proceeded to consider the bill, which had been reported from the Committee on Appropriations with amendments.

ECONOMIC BASIS FOR TAX CUT HIGHLY QUESTIONABLE

Mr. PROXMIRE. Mr. President, for a long time, now, a number of us in Congress have questioned the thesis so widely advanced that the economy has slowed down in its economic growth. This argument has been advanced in order to justify many different types of administrative and legislative actions. It is, of course, the underlying justifica-

tion for the present tax reduction bill now before the House.

Recently an excellent article was published in the Federal Reserve Bulletin challenging this thesis of a slowdown in U.S. economic growth. The article, which appeared in the August 1963 issue of the Bulletin, was written by Clayton Gehman, a member of the Federal Reserve staff. In my opinion, he does an excellent job of indicating the statistical refutation for the argument of retarded growth.

Mr. President, I ask unanimous consent to have this article and an editorial published in the Wall Street Journal of September 19, 1963, printed in the RECORD.

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

[From the Federal Reserve Bulletin,
August 1963]

MEASURING AND ANALYZING ECONOMIC GROWTH

(By Clayton Gehman)

Economic reports both here and abroad have often indicated that the U.S. economy has been growing at a slower rate in recent years. This "slowdown" has been reflected in many proposals to modify Government economic policies.

Several developments contributed to the belief that a slowdown did occur. First, there was the fact that the business expansion in 1958-60 was relatively brief—with the role of the steel strike and its repercussions on both the expansion and the subsequent decline in activity hard to assess. Second, was the leveling off in industrial production in the second half of 1962 and the fact that unemployment increased again only 18 months after the early 1961 low point in production.

How well alternative standards and measurements of economic activity support the widely held view of a slowdown in the U.S. growth rate is the concern of this paper. Several conclusions have emerged from this examination. (1) Growth in U.S. economic activity in recent years has been close to longtime rates. (2) Increased productive efficiency in the use of labor and materials has been achieved. (3) As a result, there has been more unemployment and less demand for materials than there would have been otherwise.

In considering postwar trends in growth in the United States one must determine whether in fact there has been a persistent slowdown and how much of an acceleration in growth should be sought to attain the desired rate of resource use. The latter evaluation involves many broad economic judgments, standards of performance, and questions of taste that are outside the scope of this paper. However, a review of the evidence usually presented to demonstrate that there has been a slowdown in growth may throw some light on the problems involved in stimulating growth.

This article considers first the basis of the growth rate calculations for particular time periods and components of the economy that have been used by various analysts. These calculations are examined in the light of probable biases in the price series available to deflate expenditure data. Allowance for such biases—particularly those introduced by technological improvements in the manufacture of capital goods—may lead to differences in measurement. And related to this are the special problems of measuring some types of rapidly growing investment, such as commercial equipment. Finally, changes in output and productivity indicated by Federal Reserve industrial production indexes are presented, and some of these

are compared with changes based on broadly similar components of the Department of Commerce gross national product data in constant dollars.

RECENT CYCLICAL SHIFTS

A review of the behavior of U.S. growth trends for the whole postwar period makes it clear that there was a decided interruption in industrial and total economic expansion during 1956-58. But since then expansion has been resumed at a rate about in line with earlier average long-run trends.

Several major shifts, of a nonrecurring nature, in the general economic situation before and during the 1958 recession contributed to the extended interruption. There was, in 1955-56, a reemergence of inflation accompanied by speculative activities; later the inflationary spiral terminated. These had varying impacts on business and consumer attitudes and on buying trends. Concurrently, there was a pronounced shift in the general demand-supply situation in world markets and a sharp drop in demands for U.S. merchandise exports, which had been temporarily boosted by the Suez crisis.

Since then the interruption has been more than made up in some production sectors such as consumer goods, but not for some kinds of private investment. And Federal defense spending has been rising, but not so rapidly as it did during the Korean war in 1950-53. Although the rate of industrial expansion has recovered since the beginning of 1959, the economy has been left with larger margins of unutilized plant and labor resources. The larger margin of unutilized resources has helped to forestall general inflationary tendencies and encouraged conditions favorable to sustainable expansion in production.

The rapidity of the industrial expansions of 1958-60 and 1961-62 has not been generally appreciated, partly because of the failure of unemployment to decline to earlier levels. Nor has it been sufficiently recognized that such rapid expansions could not be expected to go on indefinitely without output leveling off or declining for a time as imbalances in output—inventory relations—both short run and structural—were corrected.

Even at the 1961 low point, the Federal Reserve index of industrial production was 18 percent above the cyclical low reached about 3 years earlier. And by mid-1962 the index was already 15 percent above the first quarter of 1961 and 9 percent above the advanced level prevailing 2 years earlier. The increase in total industrial production during the first half of 1962 occurred despite a cutback in steel output of about one-fourth from the peak reached early in the year. Mainly because of inventory readjustments, total production showed no net change in the second half. It was also held down at the year-end by severe weather and extended strikes. In the first half of this year it rose by 5 percent.

Part of the recent rise reflected accumulation of inventories because of fears of a steel strike. But since late 1961 there has been a strong demand for autos and a broad expansion in purchases of other consumer goods. Retail sales of nonautomotive goods increased by 12 percent in the 18 months ending in March, during a period when many analysts were questioning the strength of consumer demands for goods other than autos. In constant dollars the expansion in nonautomotive retail sales was the largest since the Korean war period.

The November 1962 Securities and Exchange Commission-Commerce survey of business investment anticipated a leveling off after the third quarter of last year and then some decline in purchases of plant and equipment early this year. Exports and total sales of equipment were interrupted by major dock strikes in October and Decem-

ber-January. Present business investment plans for the rest of 1963, however, and the renewed expansion in manufacturers' orders and shipments of machinery and other goods since January now indicate that the earlier leveling off was an extended pause in production during a period of general expansion. Growth in final takings of goods has continued over the whole period with some brief interruptions.

GROUNDWORK FOR BELIEF IN SLOWDOWN

The statistical approach used to indicate a slowdown has usually taken 1953 or some later date as the dividing point for measuring trends in U.S. economic developments. In some recent comparisons the year 1957 has been taken as the dividing point to contrast the average rates of expansion in employment and expenditures in 1947-57 with the period from the beginning of 1957 through 1961 or 1962.

It should be noted here, however, that the expansion during the 1947-57 period reflected some unusual conditions. Growth then was more rapid than in most earlier periods back to 1900 and more rapid—especially in the Korean period, 1950-53—than could reasonably be expected to continue. For the whole period from 1962 back to 1899 the average rate of growth in industrial production was about 4 percent per year.

To begin with 1947 rather than the end of World War II, 16 months earlier, increases the differences in growth rates between the two postwar periods if the deflated final expenditure series of gross national product is used; these are the data generally cited as evidence of stagnation since 1957. But this is not true if industrial production data are used. Apparently one of the reasons that the constant dollar GNP series did not rise from 1946 to 1947 was that Federal price controls were lifted in 1946, and it was difficult to measure the actual amount of price rises by the indexes available to deflate the expenditure series.

A dividing point of 1957 provides an average growth rate of 3 percent per annum from 1957 to 1962 in the total constant dollar GNP, in contrast to 3.8 percent over the previous decade.¹ However, the terminal years chosen for these comparisons of rates of change are important, even if least squares trends are used, partly because calculations of growth rates are influenced by the effect of cyclical fluctuations in the data. Thus, it makes considerable difference in the calculated changes whether 1957, 1958, or 1959 is used as either the ending or beginning year, and whether the final date is 1961 or 1962, or if there is an allowance for developments in 1963.

Chart 2 [not printed in RECORD] shows that if one starts with 1959 and compares increases in either GNP or industrial production over the next 3 years, the rate of expansion in each has been at least as rapid as in similar business expansions starting with 1946 or 1955. This holds true even though the latest period includes the 1960-61 recession.

Analyses of the U.S. slowdown since 1957 often attribute the slackening to a slower growth in the production of goods than in the earlier postwar period, because then backlogs of demand and holdings of liquid assets were regarded as strongly stimulating output of most consumer and capital goods.

In one such recent comparison made by the Manpower Report of the President, new GNP annual data by industry of origin were combined to show that growth in the total of the goods-producing industries of the economy declined from 3.4 percent in 1947-57

¹ These figures are compounded rates using terminal years as calculated from the revised GNP data published in July 1963. The corresponding least squares rates are 3.2 and 4.

to 1.5 percent in 1957-61.² The 1957-58 period, however, is part of the 1955-58 cycle, and the whole 1957-61 interval provides questionable terminal years because it begins with a year that includes the crest of an expansion and ends with a year that includes the low of a recession. The results are quite different if data for 1962 and an estimate for 1963 are included.

MANUFACTURING AND RELATED ACTIVITIES

The Manpower Report observed that production in the manufacturing sector "grew at a rate of 3.6 percent annually between 1947 and 1957, somewhat below the rate of growth of total output." This rate for manufacturing was based on the new industry gross product data compiled by the Office of Business Economics and shown in chart 3.³ These data were also used in the report as a basis for noting that "in the more recent years 1957-61, the rate of increase dropped sharply to 1.9 percent, lagging even more behind the growth in the total economy."

The manufacturing component of the industrial production index, however, rose at a 2.1 percent rate (compounded, using terminal years) over the 1957-61 period. Then it increased by 8.2 percent from 1961 to 1962. For the whole 1957-62 period the rate was 3.3 percent. For 1947-57, using terminal years, the rate was 4.3 percent, in contrast to the 3.6 percent figure cited above for manufacturing in the gross product series.

The two output measures differ most in level after 1955. For the period 1947-54 the difference would be only about 1 percent if weights for 1954, which are used in the gross product measure, were also used in the Federal Reserve index. The Federal Reserve index uses 1947 weights for the 1947-52 period, and these are linked to series with 1957 weights in January 1953. It is believed that such a weighting system is more appropriate than a single weight year for the whole postwar period, which has seen substantial shifts in price relationships.

Since the gross product measure excludes intermediate purchases by manufacturers, its smaller rise than the Federal Reserve index seems to be inconsistent with evidence

² See Manpower Report of the President, March 11, 1963. On pp. 82-83 of that report agriculture, contract construction, manufacturing, and mining industries are classified as "goods-producing" sectors. It is pointed out there that the total economy rose at a rate of 2.9 percent from 1957 to 1962, compared with 2.3 percent from 1957 to 1961.

³ The results were published by the Department of Commerce, "Survey of Current Business," October 1962. In these OBE series for gross product originating in manufacturing and 15 other major industry sectors, the basic annual data, in current dollars, were derived from previously published national income and product figures. For the manufacturing sector, gross product in constant dollars was calculated by use of specially developed net output deflators for the years 1947 through 1958. These deflators were obtained by converting census value of output data for standard industrial classification four-digit industries to 1954 dollars by means of special price series based on Bureau of Labor Statistics price indexes. From these were subtracted the cost of materials consumed, converted to 1954 dollars by means of other special BLS price series.

The resulting value added in constant dollars was aggregated to the two-digit level and divided into value added in current dollars to yield the net output deflators. These deflators were then applied to the gross product figures for manufacturing. For the years 1959-61, the data were carried forward by use of changes in the BLS index for gross product in manufacturing, as noted in a descriptive pamphlet published by the OBE, "GNP by Major Industries," p. 12.

tries in recent years. For the utility sector from other sources of greater efficiency in the use of materials by some major industries—and here per unit cost and receipts data are reasonably trustworthy—the OBE net output index shows about a 5 percent greater rise from 1947 to 1960 than the Federal Reserve utility index based on gross output series. In the mining sector, where the OBE used the Federal Reserve physical volume series with national income weights, the results are similar to the published Federal Reserve annual index for mining.

For manufacturing, it is clear that the deflated gross product results are more dependent on the accuracy and the appropriateness of available wholesale price indexes than the Federal Reserve production index, which makes greater use of physical volume measures.

Also on the basis of these OBE data, the Manpower Report observed that gross product in the service-connected industries—which in its classification includes trade, transportation, and utilities—grew at a rate of 3.1 percent in the 1957-61 period. This was noted to be a lower rate than earlier, but not so much lower as the rate of growth in the goods-producing area cited above.

This classification of utilities as services may be questioned. For some time international standards have appropriately provided that residential utility series be classified as goods rather than services in the national income accounts and that total industry output of utilities be combined with manufacturing and mining in industrial production indexes.

The practice followed in the Manpower Report of excluding commodity transportation and the wholesaling and retailing of goods from calculations of the goods-producing sectors of the economy is even more important. In calculating final expenditures for the gross product series, goods are not measured currently, except for inventories, until they are sold to final users. But to attribute the slowdown in economic growth mainly to a less rapid rate of increase in final demands for goods while at the same time excluding from the calculation the output of the utilities and the activities involved in the distribution of goods confuses the measurement problem.

OUTPUT OF MAJOR PRODUCTS

Analysis of growth in manufacturing and other industries is facilitated by an examination of data on output of major products as shown by the GNP series and the production indexes. Changes in the regularly published total GNP in constant dollars can be compared in a summary fashion by using a three-way split of final expenditures for major types of product—goods, services, and construction. The annual data beginning in 1946 are shown in chart 4. These series have been published on a quarterly basis since November 1962 as a part of the regular GNP tables in the Survey of Current Business.

Services: Growth in total services, including both consumer and Government purchases, as measured by the GNP accounts, has not slackened from the 4 percent rate prevailing in the 1947-57 period; for consumer services alone the rate has also been about 4 percent in recent years. If an allowance could be made for the probable upward bias in the price indexes used to calculate these constant dollar figures—such as the indexes on medical care—the rate of growth would be higher.

Some analysts seem to suggest that growth in services is of less economic significance than growth in goods. It is true that such growth may involve considerably less expansion in production of steel and other industrial materials than does growth in final demands for goods. On the other hand, an increase in services is probably a more

sustainable force in the economy than an expansion in industrial activity. One reason for this is that services are seldom accumulated in the way that business or consumer stocks of goods can be. Some of the up-trend in services is solely the consequence of an expanding population, but an important segment reflects better living conditions.

Construction: In contrast to the continued uptrend in services, the GNP data show a marked downward shift since 1957 in the rate of growth in construction activity. Part of this shift reflects the adjustment of the current dollar series for advances in wages and in prices of materials without allowance for increases in the efficiency with which labor and materials are used.⁴ These price-reducing forces have probably been accentuated in recent years by increased competitive pressures. Consequently, the rate of physical construction has probably continued to rise faster than chart 4 (not printed in the Record) would indicate.

The series on construction activity before 1959 is currently being revised upward to provide a level more comparable with the data since that time. This will reduce the growth rate from that now shown for the earlier postwar years.

Various developments in the economy are responsible for the less rapid growth in construction in recent years, especially of privately financed nonresidential building. For example, new plants for such industries as chemicals and utilities requires much less building per unit of potential output than used to be needed. The growth of television broadcasting has reduced the need to build more theaters, and part of such growth as there has been in new motion picture facilities has been in outdoor theaters. Although there are many other factors involved in an appraisal of such differences, the expansion of television too has resulted in large savings in the use of labor and material resources.

As for residential construction, new housing starts and residential construction activity have been as high or higher since 1959 as they were in the previous decade. Although this may not involve an equivalent amount of total real output—because the proportion of multifamily residential construction has increased in the past several years—here, too, a lessened use of resources presumably has been achieved. The volume of lumber, furnaces, and other building components used per unit of residential output is considerably less for the average apartment than for the average single family dwelling. There are also savings in street, water line, and other supporting construction activity.

Goods: The goods component of GNP is larger than construction and services combined, so that trends in this segment weigh heavily in any analysis of growth trends. Any underestimate of growth for this segment would show up strongly in rates for the economy as a whole.

Growth in both total output and output of goods as measured by various series may differ for several reasons. The most important of these are that the compilation methods and coverage of the GNP series and the production indexes are different. Consequently, it seems advisable to discuss some of these differences—together with any adjustments that are possible—and their effects on the rates of growth obtained.

Type of measure: There are a number of conceptual and practical differences between GNP and the production indexes. Exact data are not available, however, to indicate to what extent these differences average out in the broad results for the total output of

goods.⁵ Because the production indexes are compiled by a different approach from that used for the GNP and because they permit more detailed comparisons of changes by industry and market groups, it is believed that they provide useful alternative measures of the growth in output of goods.

The production indexes published by the Federal Reserve are based on detailed product and man-hour series reported by factory, mine, and utility establishments, and the indexes are adjusted to census benchmark data for 1939, 1947, and 1954. They have also been checked on a preliminary basis against the comprehensive 1958 Census of Manufactures and the Annual Surveys of other recent years. Detailed adjustments to annual levels have generally not been carried through for the period since 1957. Continuing comparisons, however, are made to see whether historical relationships between changes in the total index and its major categories remain consistent with changes in other independently compiled data on electric power, railroad freight loadings, manufacturers' shipments, and employment and hours for part of industry.

Changes in the current GNP series in constant dollars for personal consumption expenditures on durable and nondurable goods depend to a considerable extent on the level and the representativeness of the retail sales data published by the Department of Commerce, and on the accuracy and appropriateness of the BLS Consumer Price Indexes for deflating these data. The current dollar figures for the consumption series are checked against the detailed Census Annual Survey of Manufactures.

In addition, changes in the GNP total goods series depend on the accuracy of the available wholesale price indexes for equipment, which are now in process of improvement; on the representativeness of the data from SEC-Commerce plant and equipment surveys, which were last fitted to benchmark data for 1947; and on the adequacy of the nonresidential construction estimates subtracted to derive the equipment component. The GNP goods data were fitted to benchmarks for 1939 and 1947 by the commodity flow method of adding estimated transportation costs, trade markups, taxes, and adjustments for exports, imports, and inventory changes to census producers' values, while some departures were made for the calculation of these data for 1954.

In appraising the accuracy of current and recent records it may be noted that historical revisions of both the GNP and industrial production series have typically resulted in raising the levels of the figures.

Final products: Changes in industrial output of final products are more representative of trends in final demand than total industrial production, and the production measure for final products has been expanding almost as fast since the beginning of 1959

⁵ Note, for example, that the GNP allocates 17 percent of passenger automobiles to producers' equipment and the remainder to consumer expenditures, while the industrial production index classifies all auto output as consumer goods; this subdivision, however, cancels out in the goods total. On the other hand, series for some products such as food produced and consumed on farms and flowers, seeds, and potted plants are included in GNP goods but not in industrial production. For the purpose of this analysis series for residential gas and electricity, oil and gas well drilling, and construction materials have been added to the GNP goods total, and a series for farm gross product has been subtracted, to make the results more comparable with industrial production. There remain still the differences between the weight systems and weight years employed in the two sets of data.

⁴ These limitations have been noted in the descriptive material on the deflated GNP data as, for example, on page 10 of the October 1952 Survey.

as during the 1947-57 period. There was an acceleration in total output of these goods during the Korean war period, mainly because of defense production. The chart also shows growth in output of final products other than defense products, which is equivalent to the total for business equipment and consumer goods. Growth in this total was interrupted in 1957-58, but by 1962 and early 1963 total output of these goods was expanding at a rate consistent with the rate from 1947 to 1957. As noted later, some of these goods were produced for sale as defense products both before and after the Korean war.

For most analyses a period as short as that since the beginning of 1959 might be too short to permit generalizations, but in this instance it seems permissible because at the beginning of that period industrial production was back close to its 1957 pre-recession high. Of considerable importance in appraising the expansion in this period will be developments for the whole of 1963. Output of consumer goods has generally risen since last autumn and business equipment has increased again this year. Retail sales of autos and other goods have been running about 5 percent higher than they were last year. This is likely to be the fifth year in a row when industrial output of final products has expanded, and except for 1961 the rate has been 4 percent or more.

Consumer goods: The apparent slowdown in the goods sector has often been attributed to the satisfaction by 1953, 1955, or 1957 of the large consumer demands accumulated during World War II for appliances and other durable goods. However, the course of output data based largely on physical volume figures does not support this conclusion. It is true that there was a slowing down in total production of consumer goods in the 1956-57 period as prices advanced on a broad front following record levels of auto sales and credit extension in 1955. Consumer credit terms had eased in 1954-55 when maturity standards for new auto financing shifted from a 2-year to a 3-year maximum. Some observers thought that this shift in credit terms was about the last possible major stimulus to auto sales in the postwar period and that the levels of auto production in 1955 would not soon be reached again.

Apart from the longer period of leveling off and of decline in consumer goods output in 1956-58, the persistent growth in this dominant sector of the economy has been a striking feature of the postwar period, as chart 6 shows. Although there has been some uneasiness about the slower rate of expansion in the deflated GNP expenditure series for consumer durable goods in recent years, the industrial production indexes for these goods do not show any persistent slackening.

In the production indexes published regularly the indexes for the home goods and apparel groups are combined and are contrasted with separate groups for automotive products and staples for better analysis of cyclical changes. For analysis of growth, however, it is more pertinent to use the combination of automotive and home goods to provide a consumer durable goods total, and the combination of apparel and consumer staples to provide a nondurable goods total. This second category includes residential utilities.

Although the rate of expansion in the indexes for automotive and home durable goods has been far more irregular than that for apparel and staples, production has continued to grow at about the same rate—4 percent per year—as for nondurable goods and for the total index of consumer goods.

Equipment series: Another component of the goods sector cited as accounting for a major part of the retardation in growth after 1957 is private investment. A portion of the indicated retardation here reflects greater national productive efficiency, resulting to a

small extent from a decline in average business inventory-sales ratios. If the economy can operate with a smaller relative growth in inventories, less capacity is required than would otherwise be needed. This is a gain from the viewpoint of national efficiency, unless the resources released are simply added to the total of unused resources.

Likewise, there is a gain in efficiency if chemical plants can be built in the South without much external structure. And recently there has been a marked shift in Federal programs to space and other types of activities that involve a smaller relative base of industrial materials than before. If growth in output of industrial materials is less because of these shifts and because of a decline in material usage per unit of output of final product, this is a gain in national efficiency that should be taken into account in appraising the net increase in the national output of goods.

One reason that the private investment segment of GNP has appeared to grow more slowly than in earlier years is that the deflated expenditure figures are probably understated more for the later period. The results of intensified research and competitive pressures on the design and performance of capital equipment have not been adequately reflected in the price indexes used to deflate the expenditure series. This has been strikingly illustrated by the data for electric generators and related power equipment. Also, a large amount of new machinery and aerospace equipment has been developed and produced that is not being priced at all in the present indexes.

Even some of the current dollar estimates have been outmoded by the rapid growth of new technology. For example, over the past 5 years no increase has been allowed for in the GNP investment accounts for privately purchased noncorporate business equipment, and the combined total for noncorporate and nonprofit sectors has risen only a few percent per year. Yet there has been amazingly rapid growth in the use of computers and other new office equipment and medical and other institutional uses of commercial equipment.

In the industrial production index, the total business equipment component is up about one-fifth from 1957, or considerably more than the increase shown by the GNP series in constant dollars for producers' durable equipment. The GNP component shows such a small expansion from 1947 to 1957—about 1 percent per year—that it is hardly meaningful to refer to a retardation in growth since 1957, although the recent level shown is only slightly above the 1957 peak.

Precise comparisons are difficult because of the conceptual and statistical problems involved. The producers' equipment component of GNP in constant dollars was adjusted to eliminate some of its main differences from the business equipment index in industrial production.⁶ The series are still not strictly comparable because the production indexes relate mainly to work

⁶ The GNP figures were adjusted to include data for Federal, State, and local government purchases of nonmilitary equipment and of equipment for oil and gas well drilling, and for exports of equipment. Series for imports of equipment, noncorporate business purchases of autos, and capital outlays charged to current account have been excluded. A test using gross value weights rather than value-added weights to combine the business equipment series in the production index showed little difference in results since 1947 except for a downward shift of about 4 percent from early 1948 to late 1949 in the gross value results as compared to the value-added measure. The adjustments were developed by Peter Gajewski of the Board's staff.

done rather than to expenditures for final products and are generally based on total industry activities. These would include some defense equipment output at plants that produce business equipment primarily, a fact that accounts for part of the rise in the equipment index at the time of the Korean war.

It is possible that the production indexes are overstated as indicators of business-type equipment produced for all buyers—public as well as private, foreign as well as domestic. But comparisons of the indexes with financial and other data suggest that whatever the exact nature of the differences shown between these two series, the deflated GNP series, which is based largely on the SEC-Commerce surveys of domestic expenditures for business plant and equipment, is understated.

Some evidence is being developed from the producers' side which indicates that the current monthly reports on manufacturers' sales have been overstated by the available sample figures. For example, the presently published figures for manufacturers' sales of machinery are expected to be revised noticeably downward for recent years as a result of an adjustment now underway to the census annual survey figures. This revision may foreshadow some reduction in the level of the production indexes for machinery unless it appears that actual prices have been declining rather than remaining stable. No final conclusion can be reached until the census benchmarks for manufacturing production for 1958 and 1963 are calculated.

Any evidence of a decline in capital-output ratios—the relation of fixed capital used to units of goods produced—is difficult to develop without reliable estimates of changes in stocks of physical capital. Manufacturing output and capacity have risen about one-fourth since 1957 while deflated capital expenditures by manufacturers have remained below earlier levels, but this is not conclusive.

Total nonfarm goods: The Manpower Report cited earlier stated that "In the early postwar years, economic activity was stimulated by backlogs of demand for consumer and capital goods resulting from restricted production for nonessential goods during the war." These backlogs of demand doubtless were more of a fact than the GNP output figures indicate for the early postwar period, since there was little net increase over the 4 years from 1946 to early 1950 in the GNP series for total nonfarm goods. This stability in the constant dollar series may have reflected in part the difficulties of price deflation at that time, as mentioned on page 1048.

Much of the more rapid average growth rate shown by the GNP series in the first postwar decade came in the 1950-52 period when Federal defense expenditures rose by \$35 billion in current prices and both business and consumer buyers, remembering World War II shortages, went on a buying spree. During the autumn of 1950 about 10 percent of industrial production was going into the accumulation of business inventory. Such an imbalance in output relations and the inflationary uptrend in prices were not conducive to sustained growth.

There appear to be two main reasons for the broad divergence shown by the two lines on nonfarm goods output in chart 8 (not printed in RECORD). One is the possible difference between the production index and the GNP series in their measurement of output in the industrial sector. The production index represents output through the mining, utility, and manufacturing stages of all goods except farm products. If output of farm products were added to both series shown in the chart, they would both show less rise. But the differences in recent years would not be appreciable.

The other main reason for the divergence may be the difference between the movement of the distribution allowances in the GNP series and the movement based on an assumption that distribution tends to move generally with production. There would also be certain cyclical differences in behavior and various other discrepancies, for example, such as those reflecting the handling of farm products.

The GNP total for goods production includes allowances for trade and for commodity transportation, but the industrial production indexes do not. Yet if business inventories are not being accumulated in excessive volume, then presumably goods are being transported and sold in a volume broadly consistent with their output. If an expansion in output and distribution is being accomplished with fewer employees—in the railroad and trucking industries and in retail and wholesale outlets, as well as in industrial establishments—then the economy is performing more efficiently than before.

Industrial production accounts for about half of the GNP nonfarm goods total. The relatively large differences in the trends of industrial production and the GNP nonfarm goods total—with the former showing more increase in the 1946-48 period and then again from the end of 1949 to late 1951—are perplexing if one considers (1) that the postwar growth in output of consumer goods was relatively steady, (2) that such goods require more distribution activity per unit than either business or defense equipment, and (3) that they make up a large part of the GNP nonfarm total. A comparison of the quarterly fluctuations of the two series also indicates some puzzling differences. These differences necessarily have implications for such related measures as productivity and changes in inventories, as well as for the output and price indexes involved.

GROWTH IN PRODUCTIVITY

The upper half of chart 9 (not printed in RECORD) shows an annual productivity index beginning with 1946 for manufacturing activity alone. This index is based on the manufacturing component of industrial production and on BLS data for average hours worked by all employees in manufacturing. The lines are connected for all years except the 3 recession years of 1949, 1954, and 1958. According to this index, productivity in manufacturing has expanded in the past several years to a rate of 3.5 percent compared to 3 percent in the previous 9 or 10 years. The increase accelerated last year, and the higher rate has continued into 1963.⁷

⁷ The independence of the productivity results may be questioned on the grounds that about half of the monthly movements and the annual levels for the past several years of the total industrial production index are influenced by the extrapolated adjustments for output per man-hour for the series based on production worker man-hours. The adjustments for these man-hour series are continually reviewed and compared with a variety of other data by the Federal Reserve, but in revisions of the production index the industrial series have individually been subject to considerable further revision.

In combination, however, after benchmark and other revisions, the pattern of annual changes in output per man-hour for the man-hour area as a whole has been close to the changes implied in output per man-hour by the part of the index based on the physical product series. Consequently, for current and recent periods this pattern is used to modify the adjustment factors for the man-hour series, as discussed on p. 22 of the 1959 Revision publication and as demonstrated in the accompanying tabulation. This shows for the major periods delineated in this paper how similar the allowances for changes in output per man-hour—for production work-

An adjustment of the employment series to a more recent benchmark, to be available this summer, is expected to narrow the difference slightly, but the pattern of acceleration would still be evident.

For the period since 1957 manufacturing productivity would probably show an additional rise of 2 or 3 percent if based on hours actually worked rather than those paid for. Census reports indicate that paid vacations and other paid-for nonworking time have increased.

Although data on man-hours paid for are suitable for analysis of changes in labor costs, they are not so appropriate for measuring changes in labor requirements. Similarly although data on output per man-hour worked are suitable for analysis of productivity, they are for some purposes less adequate indicators of employment needs than a measure of output per employee.

If only the final products of industry were considered, the indicated growth in production and productivity in the recent period would be even greater than that shown by total manufacturing. Over the past several years industrial output of final products has been 5 percent higher than output of materials when compared with average levels of the earlier postwar period.

If this sort of output comparison is broadened to include the total nonfarm goods-producing sector, a definite acceleration in output per employee is shown in the past several years. These results, based on industrial production as the output indicator and the view that movements in trade and commodity transportation are broadly similar to trends in industrial production, involve some inconsistencies of comparison as noted earlier. Although these inconsistencies limit long-run comparisons, they probably do not materially affect the patterns of change shown for annual intervals.

CONCLUSIONS

The conclusion that the economy has achieved an accelerated rate of productive efficiency over the past several years is consistent with two developments that have been cited as evidence of a slowdown in the U.S. economy. One is the lower average rate of use of manufacturing capacity and other resources. This can be accounted for partly by the less rapid expansion in demands for heavy equipment and nonresidential construction, both of which depend more on output of steel and other industrial materials than do consumer goods, services, or Government space activities. The second development relates to the abatement in recent years of upward price pressures which were much in evidence earlier in the postwar period.

One implication of this inquiry is that studies of growth should give more attention to the end products of economic activity and to the improvement of national productive efficiency. To focus attention on aggregate measures of activity may, because of increased efficiency in the use of resources, create an unwarranted impression of sluggish performance by the U.S. economy. Programs to stimulate economic growth should give more attention to the adequacy and sustainability of the expansion in private consumption of final products and in public services rather than stressing general

ers—in the total industrial production index are to the productivity changes implied in the physical product area of the total (annual averages, 1947=100):

	Total index	Physical product area
1947-49	106	106
1950-54	125	125
1955-58	152	153
1959-62	180	179
1963, first half	198	198

national expenditures. This is especially true if needs for business inventories and plant and equipment are declining relative to growing final demands.

Another implication of the inquiry is that there is less slack in the U.S. economy than is generally supposed. If the growth in physical output and consumption has been faster than the deflated gross expenditure totals suggest, then margins of unused capacities are not so large as often thought.

An accelerated rate of expansion in overall activity would increase final demands and investment requirements; and with this increased investment, incomes and consumer demands would doubtless rise faster. How much increase would be sustainable is another question. If expectations became too exuberant in the process of economic stimulation, this might increase upward price pressures and encourage speculative activities. The present character and location of plant and equipment facilities and the existing limited supplies of skilled and professional labor may provide fewer safeguards against such developments than is indicated by the view that a slack economy exists. Increased emphasis on expanded educational and occupational training opportunities would help reduce unemployment rates and would provide wider margins of available effective resources.

[From the Wall Street Journal, Sept. 19, 1963]

A DANGEROUS DIAGNOSIS

For a good while now the Administration's economic doctors have had a simple diagnosis for many of the Nation's ills: We've just lost our old zip. If the economy could only regain its old growth rate, unemployment would dwindle and Federal budget-makers could go back to using black ink.

Proceeding from this analysis, the Government prescribes and applies such supposed zip-producers as ever-easy money and ever-rising Federal spending. Strangely, the ills they talk about refuse to go away.

What's wrong? One of the clearest answers to the question comes, oddly enough, from an economist within the Government itself. Writing in the current Federal Reserve Bulletin, Federal economist Clayton Gehman explains that the original diagnosis is faulty. Not only that; it can be downright dangerous.

In the past half dozen years the economy has been doing a lot better than its critics claim. In fact, says Mr. Gehman, "growth in U.S. economic activity in recent years has been close to longtime rates."

How can this be? Mr. Gehman would seem to be flatly contradicting the recent Manpower Report of the President, which noted that the annual growth rate of the Nation's goods-producing industries fell from 3.4 percent in the 1947-57 decade to 1.5 percent in the period from 1957 to 1961.

The answer chiefly lies in the way some statisticians use statistics. For one thing, this 1947-57 period reflected some unusual conditions, such as the Korean war buildup, that could not reasonably be expected to continue.

But that's not all; the 1957-61 period is a peculiar choice for economic comparisons, too. A business expansion was reaching its crest in 1957, while 1961 marked the low of a recession. So to say that the economy wasn't making headway during that period is a little like saying that a man who, in crossing the Alps, has moved from one mountain's crest to the bottom of another hasn't made much upward progress. It's quite true, but hardly significant.

For the fact is that the economy, after 1961, moved a long way toward a second crest. Extending economic statistics through 1962 and into 1963 makes the recent period look far better. Our growth rate then

comes much closer to matching that of the postwar decade despite the special circumstances present in that earlier period.

If the economy has been doing so well of late, someone is sure to ask, Why does it have surpluses of materials, productive capacity and—most painful of all—manpower?

The reason, as Mr. Gehman explains, is that the economy has not only been growing bigger but has been getting more efficient. This stems from more than the introduction of new automated equipment. It also results from such factors as improved control of inventories and more systematic scheduling of production. No longer are unneeded materials and products allowed to pile up so high in warehouses.

In this more efficient economy, some resources are not only unemployed. Old factories, to find a place, may have to be rebuilt; some workers will have to be retrained. Easy money and big budget deficits are likely to be of little help. In any circumstances, there's a poor prescription for solid economic growth; its failure in the 1930's should have made that clear.

In the current circumstances, the prescription may only lead to increased trouble. For it is the economy's stock of unemployed resources that the Government is always citing as our protection against sharp inflation. The inflated demand, so the reasoning goes, will be easily absorbed by the unused supply of materials, manpower, and factories. But the idle supply of usable, effective resources is simply not as big as it's cracked up to be; sooner than some people think, these resources can be stretched past their limit.

Still, the Government goes on administering its inflationary monetary and fiscal remedies for our ills. And things are never too hopeful for a patient whose doctor starts out with a faulty diagnosis.

Mr. PROXMIRE. Mr. President, in addition, I wish to emphasize a few of the notable points made by Mr. Gehman. He has drawn three general conclusions.

The first of these is that growth in U.S. economic activity in recent years has been close to longtime rates. If this is true, Mr. President, it indicates that there is no particular justification in terms of the statistics for such proposals as tax reduction.

His second conclusion is that increased productive efficiency in the use of labor and materials has been achieved. All of us can simply say amen to this, since this is the ultimate source for increases in standards of living for our citizenry generally.

His third conclusion is that there has been more unemployment and less demand for materials than there would have been otherwise. Here again we can be thankful for these results in that they indicate that we are enjoying a greater fringe benefit from increased productivity in the form of leisure hours. The remaining difficulty from this result is the distribution of these leisure hours to those individuals who desire them, rather than to those individuals who must work in order to maintain themselves. It is for this reason, Mr. President, that I, along with many others, have encouraged earlier retirements and retraining programs so as to place the employment where it is most needed and to provide additional leisure to those who deserve it.

Mr. Gehman points out that a review of U.S. growth over the postwar period indicates that there was an interruption

in industrial and total economic expansion during 1956 to 1958. However, in his view, based on extensive statistical analysis, an "expansion has been resumed" at a rate about in line with earlier average longrun trends. He points out that since late 1961 there has been a strong demand for autos and a broad expansion in purchases of other consumer goods. In constant dollars we have had since 1961, according to the Gehman figures, the largest expansion in nonautomotive retail sales since the Korean war period. Yet we hear virtually nothing about these types of expansion during the time when people are talking about the need for tax reduction.

Another point made by Mr. Gehman is that the use of terminal years is very important in measuring growth. For example, the Council of Economic Advisors and others have used most recently the year of 1957 to indicate a slowdown in rate of growth. However, Mr. Gehman points out that if 1959 is used, the rate of expansion in each of the last 3 years has been at least as rapid as in similar business expansions beginning with 1946 or 1955. This is true even though the latest period includes the 1960-61 recession.

Mr. Gehman also examines this growth in terms of components of gross national product and finds that in almost every component across the board growth has been good or substantial. The items he examines include services, construction, and physical goods.

Mr. Gehman's conclusion is sufficiently important that I ask unanimous consent that it be printed at this point in the RECORD.

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

CONCLUSIONS

The conclusion that the economy has achieved an accelerated rate of productive efficiency over the past several years is consistent with two developments that have been cited as evidence of a slowdown in the U.S. economy. One is the lower average rate of use of manufacturing capacity and other resources. This can be accounted for partly by the less rapid expansion in demands for heavy equipment and nonresidential construction, both of which depend more on output of steel and other industrial materials than do consumer goods, services, or Government space activities. The second development relates to the abatement in recent years of upward price pressures which were much in evidence earlier in the postwar period.

Another implication of the inquiry is that there is less slack in the U.S. economy than is generally supposed. If the growth in physical output and consumption has been faster than the deflated gross expenditure totals suggest, then margins of unused capacities are not so large as often thought.

An accelerated rate of expansion in overall activity would increase final demands and investment requirements; and with this increased investment, incomes and consumer demands would doubtless rise faster. How much increase would be sustainable is another question. If expectations became too exuberant in the process of economic stimulation, this might increase upward price pressures and encourage speculative activities. The present character and loca-

tion of plant and equipment facilities and the existing limited supplies of skilled and professional labor may provide fewer safeguards against such developments than is indicated by the view that a slack economy exists. Increased emphasis on expanded educational and occupational training opportunities would help reduce unemployment rates and would provide wider margins of available, effective resources.

ADJOURNMENT

Mr. SMATHERS. Mr. President, if there be no further business to come before the Senate, I move that the Senate adjourn until 12 o'clock noon tomorrow.

The motion was agreed to; and (at 4 o'clock and 52 minutes p.m.) the Senate adjourned until tomorrow, Wednesday, September 25, 1963, at 12 o'clock meridian.

CONFIRMATION

Executive nomination confirmed by the Senate September 24, 1963:

POSTMASTER GENERAL

John A. Gronouski, of Wisconsin, to be Postmaster General.

HOUSE OF REPRESENTATIVES

TUESDAY, SEPTEMBER 24, 1963

The House met at 12 o'clock noon and was called to order by the Speaker pro tempore, the gentleman from Oklahoma [Mr. ALBERT].

DESIGNATION OF SPEAKER PRO TEMPORE

The SPEAKER pro tempore laid before the House the following communication from the Speaker:

THE SPEAKER'S ROOM,
September 24, 1963.

I hereby designate the Honorable CARL ALBERT to act as Speaker pro tempore today.
JOHN W. MCCORMACK,
Speaker of the House of Representatives.

PRAYER

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

I Peter 4: 8: *Above all things, have fervent charity among yourselves.*

O Thou eternal God, our Father, who art of all companions the nearest and of all counselors the wisest, may we be grateful and glad that in Thee our baffled minds and burdened hearts may find serenity and courage, shelter and safety.

Grant that in the arduous tasks and perplexing problems which demand strength and wisdom, we may be blessed with the guiding and interpreting light of Thy divine spirit.

May Thy servants be girded with grace and favor which will make them impervious to any thoughts and feelings of anguish and fear for we are confident that nothing can ever impede the progress of the forces of righteousness.

Hear us in Christ's name. Amen.

THE JOURNAL

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