entific publications by the Office of Naval Research. Other publications as a result of his expedition were presented the Air Force, the Army, Scientific Monthly, Explorers Journal, et cetera, and the popular account of the expedition in "Antarctic Conquest," Captain Ronne's own story, by G. P. Putnam's, New York. The expedition, which cost a total of only $50,000, was financed on a shoestring, but the accomplishments of its 23 members, as indicated in the foreword of "Antarctic Conquest" by Dr. Isaiah Bowman, were much greater than any much larger and costlier expedition of the time. Captain Ronne's work has been recognized in the scientific and geographical polar field. In 1946 he became the first American postmaster ever to set up a post office in the Antarctic and thus gave him official backing to an otherwise privately financed and operated polar expedition.

Promoted to captain in the Naval Reserve in 1953, he served as military commander and scientific leader of Ellsworth Station, southernmost in the Weddell Sea in Edith Ronne Land from 1956 to 1958 with 38 men in his expedition to collect scientific data under the International Geophysical Year program. In addition to a thorough scientific study made by the nine civilians in the party, Captain Ronne discovered new mountains and glaciers in the Edith Ronne Land sector on many airplane flights and these also were claimed for the United States.

During the 1958–59 season, Captain Ronne accepted an invitation from the Argentine Navy to accompany their expedition to their many bases on the Palmer Peninsula and their two bases, deep in the Weddell Sea. Again, in November-December 1961 he flew to McMurdo Sound in the Ross Sea from New Zealand and farther on to land at the South Pole. This visit was in connection with the 50th anniversary of Roald Amundsen's sledge expedition when they first reached the South Pole on the 14th of December 1911. In the summer of 1962 Captain Ronne spent some time on Spitsbergen, north of Norway in a small 97-foot long sealing ship cruising along the western fiords of the archipelago studying this little-known island group in the far north.

Thus through four yearlong winterings and seven summer tours in the cause of science and geographical exploration, Captain Ronne has covered more terrain in the Antarctic by dog-team travel and airplane flights than any other Antarctic explorer. All of this newly discovered land he has claimed in favor of his adopted country, the United States of America, in the never-ending direction of energies toward the accumulation of knowledge for the benefit of all mankind.

SENATE

THURSDAY, JUNE 13, 1963

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

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

Our Father who art in heaven, and in the earth, and in the hearts of men, hallowed be Thy name. Give us, we beseech Thee, the lowly and humble heart emptied of presumptuous pride which is the only shrine where any altar pleasing to Thee can be raised.

Lead us to the still waters, to the elixir of the springs by the wayside which alone can save us from spiritual impoverishment, from the numbness of routine, from cynicism and bitterness of spirit. Through the sincere expression of differing appraisals in this free forum, may the final wisdom that charts the Nation's course in these perilous times be higher than our own—

Set our feet on lofty places,
Gird our lives that they may be
Armored with all Christlike graces
In the fight to set men free;
Grant us wisdom, grant us courage,
That we fail not man nor Thee.

In the Redeemer's name we pray. Amen.

THE JOURNAL

On request of Mr. MANSFIELD, and by unanimous consent, the reading of the Journal of the proceedings of Tuesday, June 11, 1963, was dispensed with.

MESSAGES FROM THE PRESIDENT

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

REPORT OF ST. LAWRENCE SEAWAY DEVELOPMENT CORPORATION—MESSAGE FROM THE PRESIDENT (H. DOC. NO. 122)

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 Public Works:

To the Congress of the United States:

Pursuant to the provisions of section 10 of Public Law 358, 83d Congress, I transmit herewith for the information of the Congress the Annual Report of the St. Lawrence Seaway Development Corporation, covering its activities for the year ended December 31, 1962.

JOHN F. KENNEDY.

THE WHITE HOUSE, *June 13, 1963.*

REPORT OF SURGEON GENERAL OF PUBLIC HEALTH SERVICE—MESSAGE FROM THE PRESIDENT (H. DOC. NO. 121)

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 Labor and Public Welfare:

To the Congress of the United States:

Under the provisions of title VII of the Public Health Service Act, as amended, I transmit herewith for the information of the Congress the seventh annual report of the Surgeon General of the Public Health Service summarizing the activities of the health research facilities program.

JOHN F. KENNEDY.

THE WHITE HOUSE, *June 13, 1963.*

EXECUTIVE MESSAGE REFERRED

As in executive session,

The VICE PRESIDENT laid before the Senate a message from the President of the United States submitting sundry nominations, which were referred to the Committee on Armed Services.

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

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Hackney, one of its reading clerks, announced that the House had agreed to the amendments of the Senate to the bill (H.R. 79) to require authorization for certain appropriations for the Coast Guard, and for other purposes.

The message also announced that the House had passed a bill (H.R. 6868) making appropriations for the legislative branch for the fiscal year ending June 30, 1964, and for other purposes, in which it requested the concurrence of the Senate.

ENROLLED BILLS SIGNED

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

H.R. 1286. An act for the relief of Lt. Claude V. Wells;

H.R. 1561. An act for the relief of Melborn Keat;

H.R. 2439. An act to authorize the Secretary of Defense to lend certain Army, Navy, and Air Force equipment and provide certain services to the Boy Scouts of America for use in the 1964 national jamboree, and for other purposes;

H.R. 3626. An act for the relief of Ronnie E. Hunter; and

H.R. 4349. An act for the relief of Robert O. Nelson and Harold E. Johnson.

HOUSE BILL REFERRED

The bill (H.R. 6868) making appropriations for the legislative branch for the fiscal year ending June 30, 1964, and for other purposes, was read twice by its title and referred to the Committee on Appropriations.

AUTHENTICATED U.S. GOVERNMENT INFORMATION GPO

LIMITATION OF STATEMENTS DURING MORNING HOUR

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

COMMITTEE MEETING DURING SENATE SESSION

Upon the request of Mr. METCALF, and by unanimous consent, the Committee on Aeronautical and Space Sciences was authorized to meet during the session of the Senate today.

EXECUTIVE COMMUNICATIONS, ETC.

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

REPORT ON REVISED ESTIMATED COST OF CERTAIN FACILITIES FOR THE NAVAL AND MARINE CORPS RESERVES

A letter from the Deputy Assistant Secretary of Defense (Properties and Installations), reporting, pursuant to law, on the revised estimated cost of certain facilities for the Naval and Marine Corps Reserves; to the Committee on Armed Services.

AMENDMENT OF NATURAL GAS ACT, RELATING TO JURISDICTION OVER CERTAIN INTERSTATE SALES OF NATURAL GAS

A letter from the Chairman, Federal Power Commission, Washington, D.C., transmitting a draft of proposed legislation to amend the Natural Gas Act to vest jurisdiction in the Federal Power Commission over certain interstate sales of natural gas for industrial use (with accompanying papers); to the Committee on Commerce.

REPORT OF FOREIGN CLAIMS SETTLEMENT COMMISSION

A letter from the Chairman, Foreign Claims Settlement Commission of the United States, Washington, D.C., transmitting, pursuant to law, a report of that Commission, as of June 30, 1962 (with an accompanying report); to the Committee on Foreign Relations.

REPORT ON OVERPAYMENT OF RENTALS FOR AUTOMATIC DATA PROCESSING MACHINES, GODDARD SPACE FLIGHT CENTER

A letter from the Comptroller General of the United States, transmitting, pursuant to law, a report on the overpayment of rentals for automatic data processing machines, Goddard Space Flight Center, National Aeronautics and Space Administration, dated June 1963 (with an accompanying report); to the Committee on Government Operations.

REPORT ON MEDICAL SERVICES FURNISHED WITHOUT CHARGE TO INDIVIDUALS FINANCIALLY ABLE TO PAY

A letter from the Comptroller General of the United States, transmitting, pursuant to law, a report on medical services furnished without charge to individuals financially able to pay and inadequate rents for employee housing, Indian health program, Public Health Service, Department of Health, Education, and Welfare, dated June 1963 (with an accompanying report); to the Committee on Government Operations.

AMENDMENT OF LAW RELATING TO TRADE WITH THE INDIANS

A letter from the Assistant Secretary of the Interior, transmitting a draft of proposed legislation to amend the law with respect to trade with the Indians, and for other purposes (with an accompanying paper); to the Committee on Interior and Insular Affairs.

AMENDMENT OF SECTION 131, TITLE 23, UNITED STATES CODE, RELATING TO CONTROL OF OUTDOOR ADVERTISING ALONG NATIONAL SYSTEM OF INTERSTATE AND DEFENSE HIGHWAYS

A letter from the Secretary of Commerce, transmitting a draft of proposed legislation to amend section 131 of title 23, United States Code, relating to the control of outdoor advertising along the National System of Interstate and Defense Highways (with an accompanying paper); to the Committee on Public Works.

ROBERT S. KERR—RESOLUTION OF OKLAHOMA LEGISLATURE

Mr. MONRONEY. Mr. President, I send to the desk a resolution adopted by the Oklahoma State Legislature, on the 20th day of May 1963, paying tribute to the life and activities of the Honorable Robert S. Kerr; memorializing the Secretary of the U.S. Department of Health, Education, and Welfare and the Oklahoma congressional delegation to designate the Water Pollution Laboratory at Ada, Okla., as the "Robert S. Kerr Water Research Center"; and directing distribution of copies of this resolution.

Senator Kerr, as the chairman of the Rivers and Harbors and Flood Control Subcommittee of the Public Works Committee, was largely responsible for the favorable action taken on Public Law 660 to extend and strengthen the Water Pollution Control Act. This has come to be the "Magna Carta" in the Federal Government's activities in connection with its efforts to render usable the water resources of this country, which we all know will soon be in short supply if we cannot, through pollution abatement and control, provide for the reuse of the stream flows of this Nation.

After the adoption of Public Law 660 in 1956, Senator Kerr continued his efforts to increase the effectiveness of the basic legislation which the Congress had adopted. On July 20, 1961, Public Law 87 was adopted to amend the Federal Pollution Control Act to provide for a more effective program of water pollution control, and for other purposes. It was in this amendment to Public Law 660 that the Congress authorized the construction of pollution control laboratories to be manned by highly skilled and technical personnel to attack the pollution problems on regional levels in order that greater speed might be accomplished than was indicated under the original act. Also under this amendment was provision for increasing the Federal participation with cities and towns for the construction of sewage treatment works, as was a section to provide for water quality control through the impoundment of water in Federal reservoirs for release at critical times in order that a quality of water might be maintained in our stream systems.

This is only a part of the great work that the late Senator Kerr did in connection with the matter of clearing up our streams and making available for use limited water supplies throughout the Nation.

Therefore, Mr. President, it seems altogether fitting that the Public Health Laboratory which will be constructed on a site within view of the birthplace of Robert S. Kerr might bear his name as a continuing reminder that this man, from his humble beginning to a place of exalted influence, was ever using his energies for the benefit of generations to come.

I ask unanimous consent that the resolution be printed in the RECORD and appropriately referred.

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

HOUSE CONCURRENT RESOLUTION 546

Resolution paying tribute to the life and activities of the Honorable Robert S. Kerr; memorializing the Secretary of the U.S. Department of Health, Education, and Welfare and the Oklahoma congressional delegation to designate the water pollution laboratory at Ada, Okla., as the "Robert S. Kerr Water Research Center"; and directing distribution of copies of this resolution

Whereas the life and activities of the Honorable Robert S. Kerr from the fireside of an Indian territory log cabin to the council tables of the most exalted and influential leaders of men, reflects and epitomizes the great dream and image instilled into the heart of every American who breathes the perfumed air of liberty and swells with pride at the melody of freedom in action; and

Whereas the Honorable Robert S. Kerr fully represented all the people of the State of Oklahoma with courage, conviction and tenacity; and through boundless energy, commonsense, intelligence, and decisive debate, he established a position as one of the most revered and influential personalities of our time; and

Whereas it was the great dream of such an admirable man that this State would be one of the most active water ports in the Central United States, which resulted in the devotion of his every activity to the accomplishment of such a dream; and

Whereas the birthplace of Robert S. Kerr, and the old Kerr homestead, was 3 miles south of Ada; the people of the State of Oklahoma, through their elected representatives, wish to create a perpetual memorial in memory of their most beloved citizen and leader; and

Whereas it is the desire of the 29th session of the Oklahoma Legislature that action be taken to name the Water Pollution Laboratory at Ada, Okla., the "Robert S. Kerr Water Research Center": Now, therefore, be it

Resolved by the House of Representatives of the 29th session of the Legislature of the State of Oklahoma (the Senate concurring therein).

SECTION 1. That we respectfully request the Oklahoma delegation of the Congress of the United States, and the Secretary of the U.S. Department of Health, Education, and Welfare, to act promptly in support of legislation necessary for such a designation

SEC. 2. That duly authenticated copies of this resolution be transmitted to the Oklahoma congressional delegation and the Secretary of the U.S. Department of Health, Education, and Welfare.

Adopted by the house of representatives the 2d day of May 1963.

J. W. MCCARTY,
Speaker of the house of representatives.

Adopted by the senate the 20th day of May 1963.

_____,
President of the Senate.

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. JACKSON, from the Committee on Interior and Insular Affairs, without amendment:

H.R. 131. An act to provide for the renewal of certain municipal, domestic, and industrial water supply contracts entered into under the Reclamation Project Act of 1939, and for other purposes (Rept. No. 238).

By Mr. GRUENING, from the Committee on Interior and Insular Affairs, without amendment:

S. 1066. A bill for the relief of the E. L. K. Oil. Co. (Rept. No. 240);

H.R. 3120 An act to simplify administration of the Lead-Zinc Small Producers Stabilization Act of October 3, 1961 (75 Stat. 766) (Rept. No. 241); and

H.R. 3845. An act to amend the Lead-Zinc Small Producers Stabilization Act of October 3, 1961 (75 Stat. 766) (Rept. No. 239).

By Mr. ALLOTT, from the Committee on Interior and Insular Affairs, without amendment:

H.R. 2821. An act to authorize modification of the repayment contract with the Grand Valley Water Users' Association (Rept. No. 237).

By Mr. BYRD of Virginia, from the Committee on Finance, without amendment:

H.R. 2513. An act to amend the Tariff Act of 1930 to require certain new packages of imported articles to be marked to indicate the country of origin, and for other purposes (Rept. No. 243); and

H.R. 6441. An act to amend Public Law 86-272, as amended, with respect to the reporting date (Rept. No. 242).

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

H.R. 220. An act to amend section 704 of title 38, United States Code, to permit the conversion or exchange of policies of national service life insurance to a new modified life plan (Rept. No. 247).

By Mr. JORDAN of North Carolina, from the Committee on Rules and Administration, without amendment:

S. Res. 152. Resolution to print as a Senate document the study entitled "Problems and Trends in Atlantic Partnership—II" (Rept. No. 244);

S. Res. 156. Resolution authorizing the printing as a Senate document of "Selected Reports of the Administrative Conference of the United States" (Rept. No. 245); and

S. Res. 157. Resolution authorizing the printing for the use of the Committee on the Judiciary of additional copies of its hearings on "Pacifica Foundation" (Rept. No. 246).

AMENDMENT OF CERTAIN PROVISIONS OF THE AREA REDEVELOPMENT ACT—REPORT OF A COMMITTEE (S. REPT. NO. 250)

Mr. DOUGLAS. Mr. President, from the Committee on Banking and Currency, I report favorably, with amendments, the bill (S. 1163) to amend certain provisions of the Area Redevelopment Act, and I submit a report thereon. I ask that the report be printed, together with the supplemental views of Senators BENNETT, TOWER, and DOMINICK, the individual views of Senator ROBERTSON, and the individual views of Senator SIMPSON.

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 Illinois.

TO PRINT AS A SENATE DOCUMENT EXCERPTS ON THE 1963-64 NATIONAL HIGH SCHOOL DEBATE SUBJECT OF MEDICARE—REPORT OF A COMMITTEE (S. REPT. NO. 248)

Mr. JORDAN of North Carolina, from the Committee on Rules and Administration, reported an original concurrent resolution (S. Con. Res. 48) authorizing the printing as a Senate document of selected excerpts on the 1963-64 national high school debate subject of medicare, and submitted a report thereon, which concurrent resolution was placed on the calendar, as follows:

Resolved by the Senate (the House of Representatives concurring), That there be printed with illustrations as a Senate document selected excerpts on the 1963-64 national high school debate proposition: "What Should Be the Role of the Federal Government in Providing Medical Care to the Citizens of the United States," compiled by the Education and Public Welfare Division, Legislative Reference Service, Library of Congress; and that there be printed twenty-five thousand six hundred and sixty-five additional copies of such document, of which ten thousand three hundred shall be for the use of the Senate and fifteen thousand three hundred and sixty-five shall be for the use of the House of Representatives.

PRINTING OF 65TH ANNUAL REPORT OF NATIONAL SOCIETY OF DAUGHTERS OF AMERICAN REVOLUTION AS A SENATE DOCUMENT—REPORT OF A COMMITTEE (S. REPT. NO. 249)

Mr. JORDAN of North Carolina, from the Committee on Rules and Administration, reported an original resolution (S. Res. 159) authorizing the printing of the 65th Annual Report of the National Society of the Daughters of the American Revolution as a Senate document, and submitted a report thereon; which resolution was placed on the calendar, as follows:

Resolved, That the 65th annual report of the National Society of the Daughters of the American Revolution for the year ended March 1, 1962, be printed, with an illustration, as a Senate document.

EXECUTIVE REPORTS OF A COMMITTEE

As in executive session,

The following favorable reports of nominations were submitted:

By Mr. JOHNSTON, from the Committee on Post Office and Civil Service:

Two hundred and eighty-three postmaster nominations.

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. DODD (for himself, Mr. KEFAUVER, and Mr. LONG of Missouri):

S. 1705. A bill to supplement existing provisions of law prescribing the extent to which the antitrust laws are applicable to the business of insurance, and for other purposes; to the Committee on the Judiciary.

By Mr. WILLIAMS of Delaware:

S. 1706. A bill to provide for a specific contribution by State governments to the cost of feed or seed furnished to farmers, ranchers, or stockmen in disaster areas, and for other purposes; to the Committee on Agriculture and Forestry.

By Mr. JAVITS:

S. 1707. A bill to amend section 203(k) of the Federal Property and Administrative Services Act of 1949, as amended, and for other purposes; to the Committee on Government Operations.

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

By Mr. HARTKE:

S. 1708. A bill to amend further the Foreign Assistance Act of 1961, as amended, and for other purposes; to the Committee on Foreign Relations.

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

By Mr. DOMINICK:

S. 1709. A bill to establish an outdoor recreation fund to assist the States and Federal agencies in meeting present and future outdoor recreation demands and needs of the American people, and for other purposes; to the Committee on Interior and Insular Affairs.

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

By Mr. BURDICK:

S. 1710. A bill to amend sections 9 and 40 of the Federal Employees' Compensation Act, as amended; to the Committee on Labor and Public Welfare.

By Mr. ENGLE:

S. 1711. A bill to provide for the stockpiling, storage, and distribution of essential foodstuffs, including wheat and feed grains, to assure supplies to meet emergency civil defense needs, and other purposes; to the Committee on Armed Services.

By Mr. ENGLE (for himself and Mr. KUCHEL):

S. 1712. A bill to amend the act of September 2, 1960, as amended, so as to authorize packages of grapes and plums exported to destinations on the continent of North America to be exempted from the requirements of grade marking; to the Committee on Commerce.

By Mr. MORSE:

S. 1713. A bill to remove a cloud on the title of certain property owned by Wilmer Allers and Jane B. Allers, both of Malin, Oreg.; and

S. 1714. A bill for the relief of Andres Mendoza (also known as Andres Molostvow); to the Committee on the Judiciary.

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

By Mr. FONG:

S. 1715. A bill for the relief of Lupeni A. Fonua, Lavenita Fonua, and Siosiua Teiko Fonua; to the Committee on the Judiciary.

By Mr. RANDOLPH (for himself, Mr. CLARK, Mr. MCNAMARA, Mr. PELL, Mr. KENNEDY, and Mr. MCINTYRE):

S. 1716. A bill to amend the Manpower Development and Training Act of 1962; to the Committee on Labor and Public Welfare.)

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

By Mr. LONG of Louisiana:

S. 1717. A bill for the relief of Marie Jane Lewis; to the Committee on the Judiciary.

By Mr. CHURCH (by request):

S. 1718. A bill to amend the law with respect to trade with the Indians, and for other purposes; to the Committee on Interior and Insular Affairs.

By Mr. MONRONEY:

S. 1719. A bill to amend the Interstate Commerce Act and the Federal Aviation Act of 1958 in order to exempt certain wages and salary of employees from withholding for tax purposes under the laws of States or subdivisions thereof other than the State or subdivision of the employee's residence; to the Committee on Commerce.

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

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

S. 1720. A bill to amend section 401 of the act of June 15, 1935 (49 Stat. 383; 16 U.S.C. 715s), in order to authorize increased payments to counties in which Federal wildlife refuges are situated, and for other purposes; to the Committee on Commerce.

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

By Mr. DOUGLAS:

S.J. Res. 89. Joint resolution to authorize the presentation of a Congressional Medal of National Honor to Carl Sandburg; to the Committee on Banking and Currency.

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

CONCURRENT RESOLUTIONS

TO PRINT AS A SENATE DOCUMENT SELECTED EXCERPTS ON 1963–64 NATIONAL HIGH SCHOOL DEBATE SUBJECT OF MEDICARE

Mr. JORDAN of North Carolina, from the Committee on Rules and Administration, reported an original resolution (S. Con. Res. 48) authorizing the printing as a Senate document of selected excerpts on the 1963–64 national high school debate subject of medicare, which was placed on the calendar.

(See the above concurrent resolution printed in full when reported by Mr. JORDAN of North Carolina, which appears under the heading "Reports of Committees.")

STUDY OF NATIONAL INTERSTATE AND DEFENSE HIGHWAY SYSTEM

Mr. EDMONDSON submitted a concurrent resolution (S. Con. Res. 49) favoring a study with a view to increasing the mileage of the National Interstate and Defense Highway System, which was referred to the Committee on Public Works.

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

RESOLUTIONS

PRINTING OF 65TH ANNUAL REPORT OF NATIONAL SOCIETY OF DAUGHTERS OF AMERICAN REVOLUTION AS A SENATE DOCUMENT

Mr. JORDAN of North Carolina, from the Committee on Rules and Administration, reported an original resolution (S. Res. 159) authorizing the printing of the 65th Annual Report of the National Society of the Daughters of the American Revolution as a Senate document, which was placed on the calendar.

(See the above resolution printed in full when reported by Mr. JORDAN of North Carolina, which appears under the heading "Reports of Committees.")

CREATION OF STANDING COMMITTEE ON VETERANS' AFFAIRS

Mr. EDMONDSON submitted a resolution (S. Res. 160) creating a Standing Committee on Veterans' Affairs, which was referred to the Committee on Rules and Administration.

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

TO PRINT ADDITIONAL COPIES OF CERTAIN HEARINGS AND REPORT RELATING TO OLDER CITIZENS

Mr. SMATHERS submitted a resolution (S. Res. 161); which was referred to the Committee on Rules and Administration, as follows:

Resolved, That there be printed for the use of the Special Committee on Aging, United States Senate, two thousand additional copies each of parts 1, 2, and 3 of the hearings on Frauds and Quackery Affecting the Older Citizens, held by that committee during the current session; and two thousand additional copies of Senate Report No. 8, Eighty-eighth Congress, first session, entitled, "Developments in Aging, 1959–1963".

TO PRINT ADDITIONAL COPIES OF S. REPT. NO. 8, 88TH CONGRESS, ON "DEVELOPMENTS IN AGING, 1959–63"

Mr. SMATHERS submitted a resolution (S. Res. 162); which was referred to the Committee on Rules and Administration, as follows:

Resolved, That there be printed for the use of the Special Committee on Aging an additional two thousand copies of Senate Report No. 8, "Developments in Aging, 1959–1963," of the Eighty-eighth Congress, first session.

EXPRESSION OF SENSE OF THE SENATE RELATING TO RESUMPTION OF NUCLEAR TESTING

Mr. THURMOND submitted a resolution (S. Res. 163) to express the sense of the Senate that the United States resume nuclear testing and suspend temporarily test ban negotiations, which was referred to the Committee on Foreign Relations.

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

AMENDMENT OF FEDERAL SURPLUS PROPERTY DISPOSAL ACTS

Mr. JAVITS. Mr. President, I introduce, for appropriate reference, a bill to amend the Federal surplus property disposal acts in regard to purchase by governmental bodies of surplus real property for use for educational, health, or public park purposes.

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

The bill (S. 1707) to amend section 203(k) of the Federal Property and Administrative Services Act of 1949, as amended, and for other purposes, introduced by Mr. JAVITS, was received, read twice by its title, and referred to the Committee on Government Operations.

Mr. JAVITS. Mr. President, the purpose of this bill is to deal with the situation which has arisen in the Committee on Government Operations in regard to the disposal as surplus property of Mitchel Field in Nassau County, N.Y. I believe that case, on which the committee ruled today, demonstrated that there is presently a possibility that the Administrator of the General Services Administration may act arbitrarily in denying public benefit discounts allowed by law to governmental purchasers.

In effect it was ruled, in the case of Mitchel Field, that, where real property is declared surplus the General Services Administrator may himself determine in advance how much of it is needed for public purposes such as schools, hospitals, libraries, recreational areas and parks, for which the law provides discounts ranging from 50 to 100 percent. The committee ruled that the Administrator, before making his decision, does not have to get the expert recommendations of the affected departments, such as the Department of Health, Education, and Welfare and the Department of the Interior, as to how much of the property is needed for those purposes.

It is my deep conviction that such expert recommendations are required by the law now; and that unless we have such recommendations before us when a proposed disposal is referred to the Committee on Government Operations for consideration, as it must be under the law and the practice which has developed, we shall not have an adequate record upon which to consider whether the General Services Administrator has exercised his discretion reasonably and properly.

The answer of the Administrator that he would decide the matter in the same way, even if he had those expert recommendations in hand, is not an adequate answer. That is true of every case in the courts of law in which a judgment is reversed because admissible evidence has not been admitted by the judge, even though the judge might not have changed his decision because of that evidence.

Mr. President, I am introducing this bill to make it crystal clear that it must be the practice to obtain the expert recommendations. I have been assured of prompt hearings before a subcommittee of the Committee on Government Operations. I hope very much that serious consideration will be given to this matter, since it can have a very wide effect in the field of surplus property, affecting every Member of this body.

AMENDMENT OF FOREIGN ASSISTANCE ACT OF 1961, AS AMENDED

Mr. HARTKE. Mr. President, I introduce, for appropriate reference, a bill

to amend the Foreign Assistance Act, as amended in 1962. The bill puts in legislative language stated objectives of AID under the Kennedy administration; and embodies basic recommendations in recent reports by the Committee To Strengthen the Security of the Free World, headed by General Clay, and the Commerce Committee for the Alliance for Progress, headed by J. Peter Grace.

In his foreign aid message to Congress a month ago, President Kennedy emphasized:

> The primary new initiative in this year's program relates to our increased efforts to encourage the investment of private capital in the underdeveloped countries.

The ultimate success of the Alliance for Progress, as well as all other economic assistance programs around the world, depends upon the effectiveness of our efforts in carrying out the vital and central objective so clearly expressed by the President.

President Kennedy particularly said he was grateful to General Clay, and was pleased with the report; and his foreign aid message stated:

> My recommendations herein reflect the work of the Clay committee.

The main recommendations of the Clay committee were as follows:

First, to increase the participation of private enterprise in the aid program and I quote:

> Our aid should help create economic units which mobilize the great potential and range of private, individual efforts required for economic vitality and rapid growth. We should not extend aid which is inconsistent with our beliefs, democratic tradition, and knowledge of economic organization and consequences. Our conviction is based not on doctrine but on the practical realization that it is the private sector, operating with the cooperation of a vital democratic labor movement and enlightened management * * * which will make the greatest contribution to rapid economic growth and overall development.

Second, to review and reduce U.S. aid commitments, as follows:

> We believe that we are indeed attempting too much for too many and that a higher quality and reduced quantity of our diffuse aid effort in certain countries could accomplish more. Substantial tightening up and sharpened objectives in terms of our national interest are necessary.

Third, to help eliminate our balance-of-payments deficit through our aid procurement policies, the report states:

> The harmful effect on our international accounts * * * has been mitigated by tying U.S. economic aid to procurement in this country.

Fourth, to institute self-help criteria under the Alliance for Progress. These should be specific measures on a country-by-country basis. Such aims as "monetary stability, sound financial and social budgeting, reductions and eventual elimination of subsidies to Government enterprises, tax systems, and administration which contemplate * * * stimulating private local and foreign investment" should be our goal.

Fifth, to insist on an equitable sharing of aid by the other developed countries of the free world. This burden is carried disproportionately by the United States. The other industrialized nations can and should do more than they are at present.

Sixth, to support the Hickenlooper amendment to the Foreign Assistance Act of 1961, requiring suspension of aid to countries expropriating the property of American investors without full compensation in convertible foreign exchange. The Clay Report emphasized that expropriation and nationalization undermine sound economic progress in the mobilization of private local and foreign capital investment, by stating:

> Countries which would take this route should realize that while the United States will not intervene in their affairs to impose its own economic system, they too lack the right to intervene in our national pocketbook for aid to enterprises which only increase their cost of government and the foreign assistance burden they are asking us to carry.

Seventh, to expand our investment guarantee program, and suspend aid to countries which refuse to enter into investment guarantee agreements.

AID Administrator David E. Bell has also supported the Clay Report, in the following statement:

> I was privileged to sit with the Clay Committee through their * * * hearings and discussions. I was very much impressed by the seriousness and care with which they went into these matters. My own feeling is that the judgments on policy and the attitudes that they expressed are sound and appropriate and proper * * * we do not have any substantial difference of judgment on the main lines of recommendation which the Clay Committee made.

The Commerce Committees for the Alliance for Progress—COMAP—headed by Peter Grace, president of the W. R. Grace Co., also has made a study and evaluation of our aid programs, specifically to the Alliance for Progress countries. COMAP's main recommendations, like those in the Clay Report, emphasized the role of private investment, and added detailed suggestions to protect and encourage private enterprise through tax incentives, investment guarantees, and various financing aids.

We must not hesitate to take the proper steps to fulfill the aims of the Alliance for Progress. The Council of Finance Ministers of the Inter-American Economic and Social Council meeting in Mexico City late last year, warned the governments of Latin America:

> The flow of foreign private capital to Latin America has diminished and there is strong evidence of substantial capital flight from Latin America. Taking into account the limitations to the availability of public funds, it is clear that the objectives of the Alliance cannot be achieved without the full participation of the private sector and adequate measures must be taken to assure maximum contribution to growth by the private sector.

Teodoro Moscoso, U.S. Coordinator for the Alliance for Progress, recently reiterated the administration's position that:

> The Alliance for Progress is a radical break with the past. It is not another U.S. aid program. It is a vast cooperative effort whose success depends primarily on the initiative of Latin America. The United States supports all efforts designed to breathe a dynamism and a spirit of complete individual and national commitment into the programs of material development proceeding under the banner of the Alliance.

The bill I am introducing will effectuate these objectives, strengthen our AID program, and revive the faith of the American people in the continuing soundness and ultimate goals of AID.

The bill would create a new officer in AID known as Assistant Administrator, Private Enterprise, with centralized responsibility and authority—under the Administrator and Deputy Administrator—to achieve maximum participation of private enterprise at all stages of AID planing and administration. The bill also specifies that not less than 50 percent of the dollar loans shall be earmarked for economic development through private enterprise—on a worldwide average basis under AID and on an overall basis under the Alliance for Progress.

In our investment guarantee program, covering specific risks of expropriation, inconvertibility and war, the bill increases the maximum ceiling from $1.3 to $2.5 billion; it adds coverage of riot or civil disturbance; it reduces from 1.5 to 1 percent the fees for covering all three specific risks; and it puts the full faith and credit of the United States squarely behind all guarantees. Moreover, the bill provides for cutting off the flow of aid to a government which persists in refusing to sign the necessary bilateral agreement initiating the guarantee program in each country.

Finally, the bill confirms the sound interpretations of the Hickenlooper amendment already made by AID, requiring full compensation for expropriated property, and protecting against all actions in the nature of creeping expropriations. The bill also enables the President to utilize the experienced services of the Foreign Claims Settlement Commission of the United States in evaluating expropriated property.

I ask unanimous consent to print in the RECORD at this point the text of the bill.

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. 1708) to amend further the Foreign Assistance Act of 1961, as amended, and for other purposes, introduced by Mr. HARTKE, was received, read twice by its title, referred to the Committee on Foreign Relations, 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,

PART I

SECTION 1. Title I of chapter 2 of the Foreign Assistance Act of 1961, as amended, is further amended as follows:

(a) At the end of section 202(a), strike out the period, insert a colon, and add the following: *"Provided further,* That in order to effectuate the purposes and provisions of sections 102, 201(b), 601, and 602 of this Act, not less than 50 per centum of the funds appropriated pursuant to this section 202(a) for each fiscal year commencing with the fiscal year ending June 30, 1964, shall be available only for loans made for purposes

of economic development through private enterprise."

(b) Strike out section 205.

SEC. 2. Title III of chapter 2 of the Foreign Assistance Act of 1961, as amended, is amended as follows:

(a) In the proviso to section 221(b)(1), strike out "$1,300,000,000" and substitute "$2,500,000,000".

(b) In section 221(b)(1)(C), strike out the period at the end thereof, insert a comma, and add "or riot or civil disturbance."

(c) At the end of section 222(a), add the following: "The maximum combined fee for covering all three specific risks listed in section 221(b)(1) concerning any project or investment shall not exceed one per centum per annum."

(d) In section 222(e), amend the first sentence to read as follows: "All guaranties issued prior to July 1, 1956, all guaranties issued under sections 202(b) and 413(b)(4) of the Mutual Security Act of 1954, as amended, and all guaranties heretofore or hereafter issued pursuant to this title shall be considered contingent obligations backed by the full faith and credit of the Government of the United States of America."

(e) In section 222(f), strike out the period at the end thereof, insert a comma, and add the following: "including all payments required to discharge all liabilities on guaranty contracts under any provision of subsection (d) of this section."

SEC. 3. Section 252 of title VI of chapter 2 of the Act, as amended, is amended by striking out the period at the end thereof, inserting a colon, and adding the following: *"Provided,* That in order to effectuate the purposes and provisions of sections 102, 251, 601 and 602 of this Act, not less than 50 per centum of the loan funds appropriated pursuant to this section 252 shall be available only for loans made for purposes of economic development through private enterprise."

PART II

SEC. 4. Chapter 1 of part III of the Foreign Assistance Act of 1961, as amended, is amended as follows:

(a) Section 601(b), which relates to encouragement of private enterprise, is amended as follows:

(1) At the end of paragraph (3), strike out "and".

(2) In paragraph (4), strike out "wherever appropriate" and insert in lieu thereof "to the maximum extent practicable".

(3) At the end of paragraph (4), strike out the period, insert a semicolon, and add "and".

(4) Add the following new paragraph at the end thereof:

"(5) take appropriate steps to discourage nationalization, expropriation, confiscation, seizure of ownership or control, of private investment and discriminatory or other actions having the effect thereof, undertaken by countries receiving assistance under this Act, which divert available resources essential to create new wealth, employment and productivity in those countries and otherwise impair the climate for new private investment essential to the stable economic growth and development of those countries."

(b) Amend section 620 as follows:

(1) Section 620(e) is amended as follows:

(A) In the clause commencing with "(2) has imposed or enforced", after "operational conditions", insert: ", or has taken other actions,".

(B) In the concluding clauses commencing with "and such country, government agency, or government subdivision fails":

(i) strike out the parenthetical clause and substitute the following: "(not more than three months after such action, or, in the event of referral to the Foreign Claims Settlement Commission of the United States as provided hereinafter, not more than six months after such action)".

(ii) strike out "equitable and"; and strike out the comma after "foreign exchange" and insert: "equivalent to the full value thereof,".

(C) Add the following at the end thereof:

"For purposes of this subsection, upon request of the President, the Foreign Claims Settlement Commission of the United States (established pursuant to Reorganization Plan Numbered 1 of 1954, 68 Stat. 1279) is hereby authorized to determine the full value of any property nationalized, expropriated, or seized, or subjected to discriminatory or other actions as aforesaid, and to exercise for such purposes the powers conferred upon it by section 4, title I, of the International Claims Settlement Act of 1949 (64 Stat. 12). There is hereby authorized to be appropriated such amounts, to remain available until expended, as may be necessary from time to time to enable the Commission to carry out expeditiously its functions under this subsection."

(2) Add the following new subsection at the end of section 620:

"(i) No assistance shall be provided under this Act after December 31, 1963, to the government of any country which has failed to enter into suitable arrangements with the President to effectuate the program under section 221(b)(1) of this Act, providing guaranties concerning all three specific risks of (A) inconvertibility, (B) expropriation or confiscation, and (C) war, revolution, or insurrection, riot, or civil disturbance."

SEC. 5. Section 624 of chapter 2 of part III is amended by inserting the following new subsection at the end thereof:

"(e) One of the nine statutory officers provided for under subsection (a)(3) of this section shall have the title of 'Assistant Administrator, Private Enterprise,' and shall have authority and responsibility, under the Administrator for International Development and the Deputy Administrator for International Development, for all funds and programs under this act concerning economic development through private enterprise, including but not limited to development loans payable in U.S. dollars under sections 201–202 and 251–252, investment guaranties under section 221, housing projects under section 224, surveys of investment opportunities under section 231, research and evaluation of economic development under section 241, all other programs (not otherwise delegated by the President) to effectuate the provisions of sections 601 and 602 of this act, and local currency loans under section 104(e) of the Agricultural Trade Development and Assistance Act of 1954, as amended (7 U.S.C. 1704(e))."

SEC. 6. Section 2 of the Act to provide for assistance in the development of Latin America and in the reconstruction of Chile, and for other purposes (Public Law 86–735; 22 U.S.C. 1942 et seq.), is amended by adding the following at the end thereof: *"Provided further,* That the funds hereafter made available pursuant to this section shall be subject to the provisions of sections 604 and 620 of the Foreign Assistance Act of 1961 as amended (22 U.S.C. 2354, 2370)."

OUTDOOR RECREATION FUND

Mr. DOMINICK. Mr. President, as Senators will recall, S. 20 was passed by the Senate and the other body and signed into law by the President early in this session. This law gives the Secretary of the Interior several inventory, planning, research, and technical assistance functions to perform in the field of outdoor recreation through the Bureau of Outdoor Recreation. I think it is wise that we have recognized, by the enactment of this legislation, that the development of outdoor recreation facilities on the public lands will be a great benefit to the people of this Nation. The demands for such facilities have increased tremendously in the past decade, particularly in the Western States where the Federal Government owns from 30 to 90 percent of the land.

The Senate Interior Committee, on March 7 and 8, held hearings on S. 859, entitled "A bill to establish a land and water conservation fund to assist the States and Federal agencies in meeting present and future outdoor recreation demands and needs of the American people, and for other purposes." Hearings were recently conducted by the National Parks Subcommittee of the House Interior and Insular Affairs Committee on an identical House bill. The principles embodied in the titles of these bills are indeed laudatory. However, many of us who participated in the Senate hearings were somewhat concerned about the provisions of S. 859. It is for that reason that I now introduce, for appropriate reference, a new bill to establish an outdoor recreation fund to assist the States and Federal agencies in meeting present and future outdoor recreation demands and needs of the American people, and for other purposes. I ask unanimous consent that the text of this bill be reprinted at this point in my remarks.

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. 1709) to establish an outdoor recreation fund to assist the States and Federal agencies in meeting present and future outdoor recreation demands and needs of the American people, and for other purposes, introduced by Mr. DOMINICK, was received, read twice by its title, referred to the Committee on Interior and Insular Affairs, 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) This Act may be cited as the "Outdoor Recreation Fund Act of 1963".

(b) PURPOSE.—The purposes of this Act are to strengthen the health and vitality of the Nation by assuring the availability and accessibility of land and water based outdoor recreation opportunities.

CERTAIN REVENUES PLACED IN SEPARATE ACCOUNT

SEC. 2. There shall be set aside in a separate account in the Treasury of the United States, as prescribed in section 3 of this Act, all proceeds from entrance, admission, and other recreation user fees or recreation charges collected or received by the National Park Service, the Bureau of Land Management, the Bureau of Sport Fisheries and Wildlife, the Bureau of Reclamation, the Forest Service, the Corps of Engineers, and the United States section of the International Boundary and Water Commission (United States and Mexico), notwithstanding any provision of law that such proceeds shall be credited to miscellaneous receipts of the Treasury: *Provided,* That nothing in this Act shall affect any rights or authority of the States with respect to fish and wildlife, nor shall this Act repeal any provision of law that permits States or political subdivisions to share in the revenues from Federal lands or any provision of law that provides that any fees or charges collected at particular Federal areas shall be used for or credited to specific purposes or special funds as authorized by that provision of law; but the proceeds from recreation fees or charges established pursuant to this section for entrance or admission to, or for recreation

use of, Federal areas shall be used solely for the purposes of this Act.

The President is authorized to provide for the establishment, revision, or amendment of entrance, admission, and other recreation user fees and recreation charges at any developed land or water area administered by or under the authority of the Federal agencies listed in the preceding paragraph, except that this section shall not authorize (1) Federal hunting or fishing licenses, (2) fees or charges for commercial or other activities not related to recreation, (3) admission fees in national forests other than for developed outdoor recreation areas therein, (4) admission or use fees for areas classified by the Department of Agriculture as wilderness, wild, or primitive, or (5) admission or use fees for travel by canoe through the Boundary Waters Canoe Area. Any fees established shall be fair and equitable taking into consideration direct and indirect cost to the Government, benefits to the recipient, public policy or interest served, the extent of development of recreational facilities, and other pertinent factors.

Any such fee or charge at any such area shall be reduced at the end of any calendar year in which public use of such area, as compared with the preceding year, declined by five or more per centum. Such reduction shall be in such amount as is determined to be necessary to encourage increased public use of such area.

There is hereby repealed the third paragraph from the end of the division entitled "National Park Service" of section 1 of the Act of March 7, 1928 (45 Stat. 238) and the second paragraph from the end of the division entitled "National Park Service" of section 1 of the Act of March 4, 1929 (45 Stat. 1602; 16 U.S.C. 14). Section 4 of the Act entitled "An Act authorizing the construction of certain public works on rivers and harbors for flood control, and for other purposes", approved December 24, 1944 (16 U.S.C. 460d), as amended by the Flood Control Act of 1962 (76 Stat. 1195) is further amended by deleting, "without charge", in the third sentence from the end thereof. All other provisions of law that prohibit the collection of entrance, admission or other recreation user fees or recreation charges established pursuant to this section for areas under their administration.

OUTDOOR RECREATION FUND

SEC. 3. After deducting all necessary Federal administrative expenses incurred in implementing this Act, there shall be transferred to an outdoor recreation fund (hereinafter referred to as the "fund"), which is hereby established, such moneys as are derived under this Act in order to assist the States and Federal agencies as hereafter prescribed. Moneys placed in the fund shall be available for expenditure for purposes of this Act only when appropriated, and such appropriations may be made without fiscal year limitation. The Secretary of the Interior shall keep such accounts as are necessary for these purposes.

ALLOCATION OF FUND FOR STATE AND FEDERAL PURPOSES

SEC. 4. Appropriations from the outdoor recreation fund shall be available for both State and Federal purposes as provided in this Act in percentage of 60 per centum for State purposes and 40 per centum for Federal purposes.

FINANCIAL ASSISTANCE TO STATES

SEC. 5. GENERAL AUTHORITY; PURPOSES.—(a) The Secretary of the Interior (hereinafter referred to as the "Secretary") is authorized to provide financial assistance to the States from moneys available for State purposes. Payments may be made to the States by the Secretary as hereafter provided, subject to such terms and conditions as he considers appropriate and in the public interest to carry out the purposes of this Act, for outdoor recreation: (1) planning, (2) acquisition of land, waters, or interests in land or waters, or (3) development.

(b) APPORTIONMENT AMONG STATES; NOTIFICATION.—Sums appropriated and available for State purposes for each fiscal year shall be apportioned among the several States by the Secretary, whose determination shall be final, in accordance with the following formula:

(1) two-fifths shall be apportioned equally among the several States;

(2) three-fifths shall be apportioned in the proportion which the population of each State bears to the total population of the United States.

The Secretary shall notify each State of its apportionments and the amounts thereof shall be available thereafter for payment to such State for planning, acquisition, or development projects as hereafter prescribed. Any amounts apportioned under this subsection for any fiscal year which have not been used or obligated for use by any States prior to the end of two fiscal years following such fiscal year for which apportioned shall be reapportioned by the Secretary among the other States in accordance with the formula used for the original apportionment.

The District of Columbia, Puerto Rico, the Virgin Islands, Guam, and American Samoa shall be treated as States for the purposes of this Act, except for the purpose of paragraph (1) of this subsection. Their population also shall be included as a part of the total population in computing the apportionment under paragraph (2) of this subsection.

(c) MATCHING REQUIREMENTS.—Payments to any State shall cover not more than 50 per centum of the cost of planning projects, and not more than 50 per centum of the cost of acquisition or development projects, that are undertaken by the State. The remaining share of the cost shall be borne by the State in a manner and with such funds or services as shall be satisfactory to the Secretary.

(d) COMPREHENSIVE STATE PLAN REQUIRED; PLANNING PROJECTS.—A comprehensive statewide outdoor recreation plan shall be required prior to the consideration by the Secretary of financial assistance for acquisition or development projects. The plan shall be adequate if, in the judgment of the Secretary, it encompasses and will promote the purposes of this Act. The plan shall contain—

(1) the name of the State agency that will have authority to represent and act for the State in dealing with the Secretary for purposes of this Act;

(2) an evaluation of the demand for and supply of outdoor recreation resources and facilities in the State;

(3) a program for the implementation of the plan; and

(4) other necessary information, as may be determined by the Secretary.

The plan shall take into account relevant Federal resources and programs and shall be correlated so far as practicable with other State, regional, and local plans. Where there exists or is in preparation for any particular State a comprehensive plan financed in part with funds supplied by the Housing and Home Finance Agency; any statewide outdoor recreation plan prepared for purposes of this Act shall be based upon the same population, growth, and other pertinent factors as are used in formulating the Housing and Home Finance Agency financed plans.

(e) PROJECTS FOR LAND AND WATER ACQUISITION; DEVELOPMENT.—In addition to assistance for planning projects, the Secretary may provide financial assistance to any State for the following types of projects or combinations thereof if they are in accordance with the State comprehensive plan:

(1) ACQUISITION OF LAND AND WATERS.—For the acquisition of land, waters, or interests in land or waters, but not including incidental costs relating to acquisition.

(2) DEVELOPMENT.—For development, including but not limited to site planning and development of Federal lands under lease to States for terms of twenty-five years or more.

(f) REQUIREMENTS FOR PROJECT APPROVAL; CONDITION.—Payments may be made to States by the Secretary only for those planning, acquisition, or development projects that are approved by him. The Secretary may make payments from time to time in keeping with the rate of progress toward the satisfactory completion of individual projects: *Provided*, That the approval of all projects and all payments, or any commitments relating thereto, shall be withheld until the Secretary receives appropriate written assurance from the State that the State, political subdivision, or other appropriate public agency has the ability and intention to finance its share of the cost of the particular project, and to operate and maintain by acceptable standards, at State or local expense, the particular properties or facilities acquired or developed for public outdoor recreation use.

Payments for all projects shall be made by the Secretary to the Governor of the State or to a State official or agency designated by the Governor or by State law having authority and responsibility to accept and to administer funds paid hereunder for approved projects. If consistent with an approved project, funds may be transferred by the State to a political subdivision or other appropriate public agency.

No property acquired or developed with assistance under this section shall, without the approval of the Secretary, be converted to other than public outdoor recreation uses. The Secretary shall approve such conversion only if he finds it to be in accord with the then existing comprehensive outdoor recreation plan for the area involved and only upon such conditions as he deems necessary to assure the substitution of other recreation properties of at least equal fair market value and of reasonably equivalent usefulness and location.

No payment shall be made to any State until the State has agreed to (1) provide such reports to the Secretary, in such form and containing such information, as may be reasonably necessary to enable the Secretary to perform his duties under this Act, and (2) provide such fiscal control and fund accounting procedures as may be necessary to assure proper disbursement and accounting for Federal funds paid to the State under this Act.

(g) COORDINATION WITH FEDERAL AGENCIES.—In order to assure consistency in policies and actions under this Act, with other related Federal programs and activities (including those conducted pursuant to title VII of the Housing Act of 1961 and section 701 of the Housing Act of 1954) and to assure coordination of the planning, acquisition, and development assistance to States under this section with other related Federal programs and activities, the President may, prior to the exercise of any authority under this section, issue such regulations with respect thereto as he deems desirable and such assistance may be provided only in accordance with such regulations.

ALLOCATION OF MONEYS FOR FEDERAL PURPOSES

SEC. 6. (a) Moneys appropriated from the fund for Federal purposes shall be allocated by the President, on the basis of a determination of relative needs, for the development of outdoor recreational facilities, as follows:

(1) NATIONAL PARK SYSTEM; RECREATIONAL AREAS.—Within the exterior boundaries of areas of the national park system now or hereafter authorized or established and of areas now or hereafter authorized to be administered by the Secretary of the Interior for outdoor recreation purposes.

(2) NATIONAL FOREST SYSTEM.—Within existing or authorized areas of the national forest system, including areas now or hereafter authorized to be administered by the Secretary of Agriculture for outdoor recreation purposes.

(3) THREATENED SPECIES.—For the purposes of any national area that may be authorized for the preservation of species of fish or wildlife that are threatened with extinction.

(4) RECREATION AT REFUGES.—For the incidental recreation purposes of section 2 of the Act of September 28, 1962 (76 Stat. 653).

(b) None of the money appropriated from the fund for Federal purposes shall be available for the acquisition of any land.

Mr. DOMINICK. Mr. President, I have given much thought and consideration to the drafting of this bill, and I have conferred with many of the persons, groups, and organizations who testified on the administration's bill both in the Senate and in the House. I believe that it is more responsive to the public needs and I commend it to my colleagues for their study and analysis.

I shall give a brief analysis of this bill and, for the sake of comparison, draw some contrasts between it and S. 859.

Section 1 provides that the name of the act is the Outdoor Recreation Fund Act of 1963. Since the avowed purpose of S. 859 is to create a fund for outdoor recreational facilities, I think it is most appropriate to mention it in the title of the act.

Section 2 sets aside a separate account in the Treasury for the outdoor recreation fund. However, this fund is to be financed solely by user fees to be collected at developed outdoor recreational facilities on the public lands. It eliminates the provisions found in S. 859 for the inclusion in the fund of motorboat fuels tax and surplus property sales proceeds.

Section 3 simply provides that after deducting all necessary Federal administrative expenses incurred in implementing the act, that the balance of the proceeds shall be transferred to an outdoor recreation fund, a separate fund in the Treasury. I have eliminated the provisions in S. 859 which would allow the President discretion to allocate such sums as he sees fit to go to miscellaneous receipts before any money goes into the fund.

Section 4 simply provides that the Outdoor Recreation Fund shall be allocated 60 percent for State purposes and 40 percent for Federal purposes. I have eliminated the discretion vested in the President, found in S. 859, to change these allocations by as much as 15 percent. I have also eliminated the provision for a $60 million advance appropriation over a period of 8 years.

Section 5 provides that the 60 percent available for State purposes shall be apportioned as follows: two-fifths equally among the several States, and three-fifths apportioned in the proportion which the population of each State bears to the total population of the United States. I have eliminated the provision in S. 859 which would give the Secretary the authority to apportion one-fifth according to his judgment of the needs of the individual States and I have added this one-fifth to the portion allocated equally among the several States.

The matching requirements for the States are on a 50–50 basis for the planning, acquisition, or development of outdoor recreation projects. This also gives a more favorable matching provision to the States for acquisition and development than does S. 859.

My bill does not put any limit on the amount of its funds that a State may use for development projects, whereas S. 859 would place a 10-percent limitation upon this phase.

Section 6 provides that money from the fund allocated for Federal purposes shall be used by the President for the development of outdoor recreational facilities in the national park system, the national forestry system, and the areas for threatened species and refuges.

There is no authority contained in this section for Federal acquisition of any land. S. 859, on the other hand, contains almost unlimited Federal acquisition authority.

In the preparation of this bill, I have encompassed several of the key recommendations of the President's Citizens Committee for Outdoor Recreation Resources Review Commission. One of the primary points made in the report of this Commission is contained at page 95:

> The States should play the pivotal role in providing outdoor recreation opportunities for their citizens. They are the most logical unities to provide the flexible approach required to see varying needs. States can assess their own needs and take actions accordingly.

I believe that my bill most effectively carries out this objective by providing a 50–50 matching basis for outdoor recreation projects and by allowing the States themselves to determine what portion of their allocations are to be used for planning, development, and acquisition. This also conforms to the specific ORRRC recommendation pertaining to the section dealing with State allocations.

Many of us who participated in the hearings were also concerned about the vast new Federal acquisition program envisioned by S. 859. I believe that the Federal Government should first provide and develop adequate outdoor recreational facilities on the public lands it now owns before proceeding on a new large scale acquisition program. Secretary Freeman and Secretary Udall made it clear when questioned in the Senate hearings that they intend to utilize this fund primarily to acquire new holdings of Federal lands. It was difficult to even engage them in a discussion of what they intended to do by way of developing outdoor recreational facilities on the present public lands. On March 29, Secretary Udall sent lengthy correspondence to the Committee indicating that over a 10-year period it was intended to acquire some 1,373,000 acres of national park land, 1,899,000 acres of endangered species areas, and 3,973,000 acres of Forest Service land, estimated to cost over one-half billion dollars.

I think my colleagues will agree with me that if these acres are actually needed over the next 10 years for national parks, endangered species areas, and Forest Service areas, then the appropriate Secretary should come to Congress with specific requests and not blanket in vast areas under the guise of outdoor recreation. This is especially true considering that the Federal Government presently owns 770 million acres of land which constitutes about 34 percent of all the land in the United States.

Many Senators also expressed their disagreement with an all-purpose, nationwide conservation sticker or user fee. In the public land States, one can hardly turn around without crossing Federal lands. Many of our major State, Federal, and interstate highways cross these public lands. It is neither fair nor equitable to charge people for this. My bill contemplates a user fee at developed outdoor recreational facilities such as campground, trailer camps, and swimming and boating facilities. At these developed areas the public enjoys special benefits not enjoyed by those merely driving or walking across the public lands. I believe that a fee for the use of such special facilities is reasonable and practicable and would equitably assess the user who receives these special benefits. I understand that the Forest Service has been charging fees for some of these special areas with no difficulty in administration and with generally favorable public acceptance.

I do not believe that we should earmark the funds realized from the sale of surplus Federal real and personal property as provided in S. 859. As my colleague, Senator ALLOTT, pointed out in the hearings, these are the capital assets of the Federal Government and should go back into the general account of the Federal Treasury.

Nor can I agree with the wisdom of transferring the proceeds of the motorboat fuel tax from the interstate highway fund to such a fund contemplated by S. 859. This will simply mean that the interstate highway fund will have to seek other revenues to replace these moneys.

In my opinion, the authorization of $480 million in advance appropriations under S. 859, to be repaid without interest, is uncalled for and poor fiscal policy. It is just another method of deficit financing. It was freely admitted by all of the proponents of the administration's bill that the special fund was being created, subject to appropriation, because they were fearful that Congress would refuse to appropriate general revenues for such a gigantic acquisition program.

In conclusion, Mr. President, this bill can be a workable and practicable solution to our outdoor recreation problems. It is financed by those who use special facilities and would still allow the States to play the pivotal role recommended by the ORRRC report. The States would still have to submit and gain approval of a comprehensive plan before receiving any funds. Forty percent of the fund would be available to the Federal Government to develop outdoor

recreation facilities on the lands it already owns.

I ask unanimous consent that the bill may lie on the desk for 1 week so that other interested Senators may add their names as cosponsors.

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

REMOVAL OF CLOUD ON TITLE OF CERTAIN PROPERTY OWNED BY WILMER ALLERS AND JANE B. ALLERS, OF MALIN, OREG.

Mr. MORSE. Mr. President, I introduce, for appropriate reference, a bill to remove a cloud on the title of certain property owned by Wilmer Allers and Jane B. Allers, both of Malin, Oreg. I ask unanimous consent 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. 1713) to remove a cloud on the title of certain property owned by Wilmer Allers and Jane B. Allers, both of Malin, Oreg., introduced by Mr. MORSE, 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 Secretary of the Interior is authorized to release to Wilmer Allers and Jane B. Allers (husband and wife), both of Malin, Oregon, and their heirs and assigns, that interest reserved by the United States in lots 4, 5, 6, and 7 of block 29, supplemental plat of Malin (Klamath County), Oregon, pursuant to the Act of August 30, 1890 (26 Stat. 371), which interest relates to the right of the United States to construct ditches and canals upon and through such lots.

SEC. 2. Upon payment within six months following the date of enactment of this Act by the said Wilmer Allers and Jane B. Allers (or their heirs or assigns) to the Secretary of the Interior of an amount equal to the current fair market value of the interest authorized to be released under the first section as determined by the Secretary after appraisal, the Secretary shall execute and deliver to Wilmer Allers and Jane B. Allers (or their heirs or assigns) an appropriate written instrument which will effect the release so authorized.

ANDRES MENDOZA

Mr. MORSE. Mr. President, I introduce, for appropriate reference, a bill for the relief of Andres Mendoza—also known as Andres Molostvow. I ask unanimous consent 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. 1714) for the relief of Andres Mendoza (also known as Andres Molostvow), introduced by Mr. MORSE, 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 for the purposes of the Immigration and Nationality Act, Andres Mendoza (also known as Andres Molostvow) shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this Act, upon payment of the required visa fee. Upon the granting of permanent residence to such alien as provided for in this Act, the Secretary of State shall instruct the proper quota-control officer to deduct one number from the appropriate quota for the first year that such quota is available.

AMENDMENT OF MANPOWER AND DEVELOPMENT TRAINING ACT OF 1962

Mr. RANDOLPH. Mr. President, on behalf of myself, and Senators CLARK, MCNAMARA, PELL, KENNEDY, and MCINTYRE, I introduce, for appropriate reference, a bill to amend the Manpower and Development Training Act of 1962.

The proposed measure would provide 100 percent Federal funds to the States for retraining allowances for the unemployed after June 30, 1964, under the provisions of the act, and would also support with 100-percent Federal participation the State agreements for vocational retraining of the unemployed after the same date. It would leave unaltered the provisions for on-the-job training and vocational upgrading of employed persons, and in effect, would provide for the continuation of the Manpower and Development Training Act program in fiscal 1965 on the same basis that it has been effectively administered in fiscal 1963, and as it will be administered in fiscal 1964.

This bill, Mr. President, has grown out of our experience of administering the Manpower and Development Training Act during the past year. It is supported by the administration and by evidence gathered by the Department of Labor, and its need is substantiated by abundant testimony presented in recent hearings to the Subcommittee on Manpower and Employment of the Senate Committee on Labor and Public Welfare, on which I am privileged to serve.

According to the Department of Labor, some 40 States have made no plans to provide their 50-percent matching funds after June 30, 1964, as stipulated under the relevant provisions of the original act, and are without funds to do so. This condition was further demonstrated in testimony presented last week to the Subcommittee on Manpower and Employment by five State commissioners of employment security who appeared before our committee. It is for this reason that the authorization for fiscal 1965 must be increased to provide for full Federal participation in the amount that was originally established as the responsibility of the States.

Without the enactment of the proposed measure the Federal Government will not be able to negotiate agreements with the States this fall for training programs that will be initiated next January and which will extend into fiscal 1965.

For this reason it is important that the Congress act with dispatch on the pending bill.

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

The bill (S. 1716) to amend the Manpower Development and Training Act of 1962, introduced by Mr. RANDOLPH (for himself and other Senators), was received, read twice by its title, and referred to the Committee on Labor and Public Welfare.

EXEMPTION OF CERTAIN WAGES AND SALARY OF EMPLOYEES FROM WITHHOLDING FOR TAX PURPOSES

Mr. MONRONEY. Mr. President, I introduce, for appropriate reference, a bill to amend the Interstate Commerce Act and the Federal Aviation Act of 1958 in order to exempt certain wages and salary of employees from withholding for tax purposes under the laws of States or subdivisions thereof other than the State or subdivision of the employee's residence.

In essence the bill provides that wages of certain interstate airline and motor carrier employees shall only be subject to withholding for State or local income tax purposes in the States of their respective residences. The proposed legislation is limited in scope to airline and motor carrier employees actually engaged in operating aircraft or vehicles in interstate commerce.

Both the individuals and the conveyances which they operate are, in a very real sense, actual instrumentalities by which transportation is conducted in interstate commerce and this legislation is designed to protect those instrumentalities and that commerce from unduly burdensome and duplicating tax compliance procedures by States and their local subdivisions.

It should be emphasized that the proposal will not impair the general taxing authority of the States in any way, nor will it relieve the affected employees of their liability to pay taxes properly due. It will prevent the application of collection procedures which create difficulties for the taxed persons and their employers involving expense to them out of all proportion to the benefits which might accrue to the States thereunder.

Serious problems of administration and equity are involved in attempts by States and their subdivisions to tax individuals wherever they may happen to be, even for brief periods of time, and to impose responsibility for collection of such imposts upon their carrier employers.

Contrary to popular conception, the activities of airline pilots and interstate truck drivers do not fall into set patterns of designated routes customarily traveled. Their employment in interstate service is governed, among other things, by diverse operating requirements of carriers and by union work rules. The result is that many of these individuals will be assigned to a succession of operations, each of which may involve different States. Exposure to multiple taxation by a large number of States and

municipalities is obvious. It would be impossible for them to handle these tax compliance problems without employing professional help.

Similarly, the accounting detail which multiple withholding will require of employers would create an expense which, in many cases, would exceed the actual amounts to be withheld for local governments.

The magnitude of the problem is apparent when it is realized that of 37 States imposing income taxes, 35 impose net income taxes on individuals. All of them require withholding on the full amount earned by residents and 31 require withholding on amounts earned by residents and nonresidents within their borders. The four States which do not require withholding from their own residents do require it as to earnings by nonresidents. In addition, 27 cities impose income taxes and 26 of these require withholding as to both residents and nonresidents.

Although a number of jurisdictions have been reluctant to proceed with this type of withholding even though authorized to do so under present laws, the problem upon which congressional action is requested can be expected to multiply in the future, with consequently greater hardships on the parties concerned. For this reason it is imperative that action be taken now to simplify the burdens of these instrumentalities of interstate commerce at a time when it can be done with minimal effect upon State fiscal policies and with clarification as to State tax procedures in the future.

In the final analysis, State and local income tax withholding requirements upon these employees create a very real burden on interstate commerce which the Congress is empowered to, and should, prevent.

Mr. President, I also ask unanimous consent that the full text of this 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. 1719) to amend the Interstate Commerce Act and the Federal Aviation Act of 1958 in order to exempt certain wages and salary of employees from withholding for tax purposes under the laws of States or subdivisions thereof other than the State or subdivision of the employee's residence, introduced by Mr. MONRONEY, was received, read twice by its title, referred to the Committee on Commerce, 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 part II of the Interstate Commerce Act is amended by inserting after section 226 a new section as follows:

"EXEMPTION OF CERTAIN WAGES AND SALARY OF EMPLOYEES FROM WITHHOLDING BY OTHER THAN RESIDENCE STATE

"SEC. 226A. (a) No part of the wages or salary paid by any motor carrier to an employee of such motor carrier engaged in the operation of a motor vehicle in interstate commerce in two or more States shall be withheld for tax purposes pursuant to the laws of any State or subdivision thereof other than the State or subdivision of such employee's residence, as shown on the employment records of such carrier; nor shall such carrier file any information return or other report for tax purposes with respect to such salary or wages with any State or subdivision thereof other than such State or subdivision of residence.

"(b) For the purposes of this section, the term 'State' also means any possession of the United States or the Commonwealth of Puerto Rico."

SEC. 2. Title XI of the Federal Aviation Act of 1958 is amended by inserting after section 1111 the following new section:

"EXEMPTION OF CERTAIN WAGES AND SALARY OF EMPLOYEES FROM WITHHOLDING BY OTHER THAN RESIDENCE STATE

"SEC. 1112. (a) No part of the wages or salary paid by any air carrier to an employee of such air carrier engaged as a flight crew member or flight attendant (including a flight steward or stewardess) aboard aircraft operated in air transportation shall be withheld for tax purposes pursuant to the laws of any State or subdivision thereof other than the State or subdivision of such employee's residence, as shown on the employment records of such carrier; nor shall such carrier file any information return or other report for tax purposes with respect to such salary or wages with any State or subdivision thereof other than such State or subdivision of residence.

"(b) For the purposes of this section, the term 'State' also means the District of Columbia and any of the possessions of the United States."

SEC. 3. That portion of the table of contents contained in the first section of the Federal Aviation Act of 1958 which appears under the heading "Title XI—Miscellaneous" is amended by adding at the end thereof the following:

"Sec. 1112. Exemption of certain wages and salary of employees from withholding by other than residence State."

INCREASING PAYMENTS TO COUNTIES CONTAINING FEDERAL WILDLIFE REFUGES

Mr. HUMPHREY. Mr. President, on behalf of myself and my colleague from Minnesota [Mr. MCCARTHY], I introduce proposed legislation which would authorize increased payments to counties in which Federal wildlife refuges are situated. This bill is identical to S. 3201, which was introduced by Senator MCCARTHY and me last year.

Experience in the management and operation of wildlife refuges over the last two decades has shown the need, and an urgency has developed, for an early revision upward of the formula for making payments to counties having wildlife refuges or wetland areas containing federally owned land.

With the ever-increasing cost of government on all levels, the local subdivisions are in a tighter squeeze than ever before. This situation will tend to intensify in the States of Minnesota, North Dakota, and South Dakota during the next 6 or 7 years as the wetlands acquisition program under Public Law 87–383 gets into full operation.

Mr. President, the Department of the Interior, in its letter of June 20, 1962, to the chairman of the Senate Commerce Committee [Mr. MAGNUSON], strongly recommended enactment of legislation providing for increased payments. It did not go as far as recommending that the payments be 1 percent of the adjusted true value of the federally owned land, as is proposed in my bill, but modestly recommended that the payments to the particular counties be three-fourths of 1 percent of such value. This recommendation is helpful, even though it did not go as far as I had hoped and would have liked.

Under a 1935 act, the formula for the present payment to counties for federally owned land in wildlife or wetland areas is an amount equal to 25 percent of the net proceeds from the refuges therein. Receipts of refuges are derived from the sale of surplus wildlife, timber, hay, grass, or other spontaneous products of the soil, shell, sand, gravel, and from other privileges on wildlife refuges.

In many instances a wildlife refuge yields very little or no returns. Consequently, even if all receipts therefrom were turned over to the county, the amount would be extremely small. The Department's letter report on the proposed legislation states that the smallest payment to a county in 1961 was $1.

The remaining 75 percent of the net refuge receipts remain available to the Department of the Interior, pursuant to a permanent indefinite appropriation provision in the act of September 6, 1950, for the management of the national wildlife refuge system and the enforcement of the Migratory Bird Treaty Act.

Almost all counties derive their sole income, or at any rate their principal income, from taxation of property within the county. Any loss of taxable acreage is a blow to the county's financial structure. This is even more serious when in addition to the tax loss the county may become obligated to make additional expenditures due to the use and development of the land taken off the tax rolls.

The loss of tax revenue through Federal acquisition is one of the measurements which should be applied in evaluating proposals for the most equitable payments to losing counties. Other components of such payments might well be compensation in part for increased costs of policing by peace officers necessitated by the wildlife development and accompanying recreational facilities; necessary and unexpected construction and rerouting of local roads to and around the refuge and other impacts on the finances of the local governmental units.

Mr. President, I do not intend that this bill is, nor should it be construed to be, legislation for reimbursement in lieu of taxes. Counties in which wildlife refuges are located are at present receiving a Federal payment. This legislation merely would put the formula under which that payment is made on a more equitable basis.

I do not want to be understood as saying there are no positive benefits from wildlife refuges, wetland areas, or other migratory waterfowl habitat development. There are many. Most of these, however, are more statewide and national than local.

The very reason for the wetlands acquisition program is to preserve for the

benefit of the Nation's migratory waterfowl, at the earliest possible time, the most important and valuable duck and geese nesting and producing areas in the United States. These are located in the three States I have mentioned.

Despite the many tangible and intangible benefits from wildlife refuges and their development, local governmental officials view such projects with the feeling that the net benefits are negative.

Mr. President, in order to lessen local opposition to the wetlands acquisition program; reduce the impact of land withdrawal from county tax rolls; and as far as possible protect and preserve the financial structure of affected counties, I urge the Senate Commerce Committee and the Senate itself to approve and recommend that payments to counties be on the basis of 1 percent on the adjusted true value of the federally owned lands.

Mr. President, I ask unanimous consent that the bill be printed at this point in the RECORD. I also ask unanimous consent that there be printed in the RECORD a U.S. Department of the Interior press release, dated June 13, 1963, which states that the Department of the Interior strongly supports a change in formula for payments to counties in which wildlife refuges are located.

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

The bill (S. 1720) to amend section 401 of the act of June 15, 1935 (49 Stat. 383; 16 U.S.C. 715s), in order to authorize increased payments to counties in which Federal wildlife refuges are situated, and for other purposes, introduced by Mr. HUMPHREY (for himself and Mr. MCCARTHY), was received, read twice by its title, referred to the Committee on Commerce, 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 section 401 of the Act of June 15, 1935 (49 Stat. 383; 16 U.S.C. 715s), is amended to read as follows:

"SEC. 401. (a) Notwithstanding any other provision of law, the Secretary of the Treasury is authorized to pay at the end of each fiscal year to each county of any State in which any refuge established under the Migratory Bird Conservation Act of February 18, 1929, or under any other law, proclamation, or Executive order administered by the United States Fish and Wildlife Service, Department of the Interior, is situated an amount equal to 1 per centum of the adjusted true value (as determined by the Secretary of the Interior) of the lands of the county included within such refuge, which amount shall be expended for the benefit of the public schools and roads in such county. There are hereby authorized to be appropriated each fiscal year such amounts as may be necessary to carry out the provisions of this subsection.

"(b) All money received during each fiscal year from the sale or other disposition of surplus wildlife, or of timber, hay, grass, or other spontaneous products of the soil, shell, sand, or gravel, and from other privileges on refuges established under the Migratory Bird Conservation Act of February 18, 1929, or under any other law, proclamation, or Executive order administered by the United States Fish and Wildlife Service, Department of the Interior, shall be paid into the miscellaneous receipts of the Treasury: *Provided,* That except as otherwise provided by section 204 of the Federal Property and Administrative Services Act of 1949, as amended, the disposition or sale of surplus animals, and products, and the grant of privileges on said wildlife refuges may be made upon such terms and conditions as the Secretary of the Interior shall determine to be for the best interests of Government or for the advancement of knowledge and the dissemination of information regarding the conservation of wildlife, including sale in the open market, exchange for animals of the same or other kinds, and gifts or loans to public or private institutions for exhibition or propagation: *Provided further,* That except as otherwise provided by section 204 of the Federal Property and Administrative Services Act of 1949, as amended, out of any moneys received from the grant, sale, or disposition of such animals, products, or privileges, or as a bonus upon exchange of such animals the Secretary of the Interior is authorized to pay any necessary expenses incurred in connection with and for the purpose of effecting the removal, grant, disposition, sale, or exchange of such animals, products, or privileges; and such expenditures shall be deducted from the gross receipts collected each fiscal year before such moneys are paid by the Secretary of the Interior into the miscellaneous receipts of the Treasury."

The release presented by Mr. HUMPHREY is as follows:

INTERIOR FAVORS INCREASED SHARED REVENUES FOR COUNTIES HAVING NATIONAL WILDLIFE REFUGES

The Department of the Interior said today it strongly supports a plan now before Congress to increase shared-revenue payments to counties where national wildlife refuges are located.

The Department said proposed legislation, if modified, could remove one of the serious stumbling blocks for waterfowl habitat preservation by setting up a new formula for distributing revenue payments on a more equitable basis. The revenues come from sales of hay, grass, timber, and other products of the refuges.

The Federal Government's wetlands development program received impetus in 1961 by congressional authorization of $105 million for a 7-year accelerated plan, the money to be repaid to the Treasury from future duck stamp sales. The program has been stymied for the past 2 years by State and local opposition to Federal land purchases which take property off local tax rolls.

Under the administration's revenue-sharing proposal, the Department of the Interior estimates that the total payments to the counties would be nearly equal to or exceed what the counties would have received if the lands were in private ownership. A few counties would receive less than they now get, but most counties would receive more.

Details of the Department's proposal were given in a letter from John A. Carver, Jr., Assistant Secretary of the Interior, to Chairman HERBERT C. BONNER of the House of Representatives Committee on Merchant Marine and Fisheries.

Mr. Carver noted that the 1961 Wetlands Act requires that the purchase of lands for waterfowl habitat from the migratory bird conservation fund must first be approved by the respective Governors or appropriate State agency. Considerable acreage of key waterfowl habitat is involved in the States of Minnesota, North Dakota, and South Dakota since these States contain the major duck nesting grounds within the United States outside Alaska.

Under a 1935 law, 25 percent of the net receipts from wildlife refuge lands (timber, minerals, oil, grass, and so forth) is paid each year to the counties where the refuges are located. The money benefits public schools and roads.

The 1935 formula has resulted in inequitable distribution of receipts, Mr. Carver said, because some refuge lands have little or no revenue-producing activities and other counties receive a great deal more revenue than if the lands were in private ownership. The new formula would remedy the situation by putting all revenues into a single fund and distributing them under a formula tied to local real estate values.

Assistant Secretary Carver said that in fiscal year 1961 net receipts from 120 national wildlife refuges, game ranges, and waterfowl production areas were about $2 million. Of this, $496,840 was returned to the 188 counties where these areas are located. The largest payment to any county was some $277,000 and the smallest, $1.

Under the new formula, 203 counties would have received about $620,000, nearly $123,000 more than the actual payment in 1961. A similar calculation for 1962 showed that 218 counties and the State of Alaska would have received about $658,000, or $75,000 more than was actually paid in 1962. This would have included 33 more counties than the 185 receiving payments last year.

"Every county, wherein lands have been acquired as part of the national wildlife refuge system, would share more equitably under our proposal in the total net receipts from the system whether the refuge lands are revenue producing or not," Assistant Secretary Carver added.

The new formula would continue to require use of the fund for the benefit of public schools and roads.

Assistant Secretary Carver said several provisions in pending bills do not relate to the revenue-sharing principle. Accordingly, the Department urges that such sections be excluded.

CONGRESSIONAL MEDAL OF NATIONAL HONOR TO CARL SANDBURG

Mr. DOUGLAS. Mr. President, I introduce, for appropriate reference, a joint resolution to authorize the presentation of a Congressional Medal of National Honor to Carl Sandburg.

A similar joint resolution has been introduced in the House by Representative FRED SCHWENGEL, of Iowa, and the joint resolution I introduce today is intended as a companion measure. I have, however, taken the liberty of asking the legislative counsel of the Senate to make several revisions in form and procedure which appeared to be desirable so this joint resolution, therefore, is not identical to the one introduced in the House.

Carl Sandburg and his contributions to our culture are so well known and appreciated that it is unnecessary for me to attempt to justify this proposal. I hope that this joint resolution will be speedily considered by the committees so that action can be taken during this session to properly honor this famous son of Illinois.

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

The joint resolution (S.J. Res. 89) to authorize the presentation of a Congressional Medal of National Honor to Carl Sandburg, introduced by Mr. DOUGLAS, was received, read twice by its title, and referred to the Committee on Banking and Currency.

EXTENSION AND EXPANSION OF THE NATIONAL SYSTEM OF THE INTERSTATE AND DEFENSE HIGHWAYS PROGRAM

Mr. EDMONDSON. Mr. President, one of the principal reasons which impelled me to aspire to and become Governor of the State of Oklahoma was an inherent interest in the building of roads in the State. Immediately after becoming Governor over 4 years ago, I initiated my roadbuilding program, and my efforts and success during the following 4 years are a matter of record and are known to the citizens of my State, all organizations sponsoring better roads in the Nation, the Bureau of Public Roads of the Department of Commerce, and the users of highways. My efforts in this program covered the needs of my State not only from the standpoint of the State highways, but also the Interstate System and all intermediate levels of roadbuilding, including, of course, the farm-to-market roads.

As you know, Mr. President, Rome was not built in a day, nor are our highway construction programs completed in a few months or even years, and as I learned during my 4 years as Governor, my successors in that office must devote their initiative and energies to the continuation of this work. I found myself unwilling to withdraw from active participation and leadership in this most vital responsibility of the States and the Nation. As was my feeling relative to the governorship, I knew that one of the principal reasons for my desire to come to the U.S. Senate was the opportunity that it would give me to continue active work in the highway building program.

The monumental effort of my colleagues in both the Senate and the House of Representatives which resulted in the enactment of the Federal-Aid Highway Act of 1956 was undoubtedly the greatest accomplishment in this field in the history of the Congress of the United States. I have supported this legislation and the administration of the act, and I recognize the successful and economical administration which had as of December 31, 1962, put into actual passenger and commercial vehicle use 14,336 miles of the Interstate System. The routes of the present Interstate System are limited to 41,000 miles in total extent, which routes have been designated.

This entire program under existing legislation is scheduled for completion in 1972 and already it has been definitely determined that in order to meet the constantly increasing population and expansion of the national economy, the increase in motor vehicle use and highway transportation needs resulting therefrom, together with the needs of the national and civil defense make it advisable that the Congress consider immediately the need for and feasibility of an expansion of the Interstate System. This is to assure that there will be no lag between the completion of the presently authorized 41,000 miles of highways and a higher total mileage authorization.

We must face this requirement and planning must be completed at an early date to utilize the engineering talent that will soon complete their phase of the currently authorized program as well as the construction personnel and management. This Nation is indeed fortunate in having in position and functioning the very excellent and capable Bureau of Public Roads of the Department of Commerce under the brilliant, capable, and responsible leadership of the Honorable Rex M. Whitton, Federal Highway Administrator. I am sure that it is not necessary for me to tell you, my colleagues, of the high quality of services rendered to our Nation by Mr. Rex Whitton.

Pursuant to the foregoing remarks and in my continuing efforts to serve the people of my State and of the entire Nation by providing this necessary commodity of American life—improved highways—I introduce for the consideration of this body and the House of Representatives a concurrent resolution expressing the sense of the Congress that a study should be made with respect to increasing the mileage of the National System of Interstate and Defense Highways.

This concurrent resolution provides that the Secretary of Commerce, in cooperation with the State highway departments, should undertake a comprehensive study and investigation concerning the desirability and feasibility of designating additional mileage for the National System of Interstate and Defense Highways and that the Secretary should submit a final report on his findings with recommendations to the Committees on Public Works of the Senate and of the House of Representatives not later than February 1, 1966.

Finally, but most important of all considerations, is the known savings of human lives resulting from the Interstate System. Much of the research and design improvement work conducted under this program by the Bureau of Public Roads is directly or indirectly concerned with highway safety. The improvement of roads and streets, through this program, has done much to make travel safer and completion of the system will save more than 5,000 lives a year.

I would hope that this concurrent resolution would receive unanimous support of the Senate and of the House of Representatives.

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

The concurrent resolution (S. Con. Res. 49) was referred to the Committee on Public Works, as follows:

Whereas the National System of Interstate and Defense Highways is so located as to connect by routes, as direct as practicable, the principal metropolitan areas, cities, and industrial centers, to serve the national defense and, to the greatest extent possible, to connect at suitable border points with routes of continental importance in the Dominion of Canada and the Republic of Mexico, as provided in section 103(d) of title 23, United States Code; and

Whereas the completed portions of the Interstate System, constructed in accordance with modern design and safety standards, are producing untold benefits to the public, including preservation of lives and substantial savings in time and money; and

Whereas the routes of the Interstate System are presently limited to 41,000 miles in total extent, which routes have been designated; and

Whereas the constantly increasing population and expansion of the national economy, the increase in motor vehicle use and highway transportation needs resulting therefrom, together with the needs for the national and civil defense, make it advisable that the Congress have sufficient data as a sound basis for determining the need for an increase in the mileage of the presently designated Interstate System: Now, therefore, be it

Resolved by the Senate (the House of Representatives concurring), That it is the sense of the Congress that the Secretary of Commerce, in cooperation with the State highway departments, should undertake a comprehensive study and investigation concerning the desirability and feasibility of designating additional mileage for the National System of Interstate and Defense Highways in order to accomplish its objectives as heretofore prescribed by law, and that the Secretary should submit a final report of his findings, with recommendations, to the Committees on Public Works of the Senate and of the House of Representatives not later than February 1, 1966.

PROPOSED STANDING COMMITTEE ON VETERANS' AFFAIRS

Mr. EDMONDSON. Mr. President, I submit a resolution to amend Senate rule XXV, to provide for a standing Committee on Veterans' Affairs, and ask that it be appropriately referred.

Mr. President, Senators are aware of the numerous efforts that have been made to create a Standing Committee on Veterans' Affairs since the introduction of the Reorganization Act of 1946. In the few months I have been privileged to be a Member of this great legislative body I have come increasingly to understand and appreciate the needs which have prompted the efforts to create such a committee.

I have also grown aware, during my brief tenure in the Senate, of the outstanding job done by the Committee on Finance and the Committee on Labor and Public Welfare, both of which now have jurisdiction over matters affecting veterans. The resolution I offer today is not intended as a criticism of those committees, nor is it intended to reflect adversely on their outstanding efforts in the field of veterans' legislation. Rather, Mr. President, the resolution now offered recognizes the manifold duties and responsibilities of these two committees and seeks to relieve them of some of that burden.

The need for a standing Committee on Veterans' Affairs seems manifest. Today, over 22 million Americans are veterans. The 1964 budget proposes an expenditure in excess of $6 billion to finance and administer programs affecting this substantial portion of our populace. To carry out existing programs and to effectively fulfill its responsibilities toward this group, the Veterans' Administration requires a staff of approximately 175,000. An operation of this magnitude requires the guidance of a separate Senate committee.

A number of measures concerning veterans have already been introduced, and

many more may reasonably be expected during this session. Legislation directly affecting such a vast number of people and involving the expenditure of such huge sums of money is deserving of our best efforts. American veterans are deserving of the services of a committee whose members and staff are not burdened with equally important and complex legislation in other fields. In view of the obvious need for a standing Committee on Veterans' Affairs and the expressed desire of many veterans and veterans' groups for such a committee I urge the Senate to give this measure its full support.

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

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

The resolution (S. Res. 160) was referred to the Committee on Rules and Administration, as follows:

Resolved, That rule XXV of the Standing Rules of the Senate (relating to standing committees) is amended by—

(1) striking out subparagraphs 10 through 13 in paragraph (h) of section 1;

(2) striking out subparagraphs 16 through 19 in paragraph (m) of section 1; and

(3) inserting in section 1 after paragraph (p) the following new paragraph:

"(q) Committee on Veterans' Affairs, to consist of nine Senators, to which committee shall be referred all proposed legislation, messages, petitions, memorials, and other matters relating to the following subjects:

"1. Veterans' measures, generally.

"2. Pensions of all wars of the United States, general and special.

"3. Life insurance issued by the Government on account of service in the Armed Forces.

"4. Compensation of veterans.

"5. Vocational rehabilitation and education of veterans.

"6. Veterans' hospitals, medical care, and treatment of veterans.

"7. Soldiers' and sailors' civil relief.

"8. Readjustment of servicemen to civil life."

SEC. 2. Section 4 of rule XXV of the Standing Rules of the Senate is amended by striking out in the second sentence thereof "and the Committee on Rules and Administration" and inserting in lieu thereof "the Committee on Rules and Administration; and the Committee on Veterans' Affairs".

SEC. 3. The Committee on Veterans' Affairs shall as promptly as feasible after its appointment and organization confer with the Committee on Finance and the Committee on Labor and Public Welfare for the purpose of determining what disposition should be made of proposed legislation, messages, petitions, memorials, and other matters theretofore referred to the Committee on Finance and the Committee on Labor and Public Welfare, respectively, during the Eighty-eighth Congress which are within the jurisdiction of the Committee on Veterans' Affairs.

LEGISLATIVE APPROPRIATION BILL, 1964—AMENDMENT

Mr. WILLIAMS of Delaware. Mr. President, today I send to the desk an amendment to H.R. 6868, the bill making appropriations for the legislative branch for fiscal year ending June 30, 1964. The purpose of this amendment is to continue the prohibition of the use by Members of Congress of the franking privilege to send out junk mail—unaddressed mail.

Last year the Senate, in its approval of the Legislative Appropriation Act for fiscal 1963, accepted my amendment, the purpose of which was to repeal the junk mailing privileges of Members of Congress.

Prior thereto Members of Congress could send, under the franking privilege, unaddressed mail to postal patrons in the cities or in the rural areas, a privilege denied to businessmen.

This meant that candidates for reelection could use their franking privilege to circulate the voters of an entire State with the taxpayers paying the postage. In fact, under the old arrangement there was nothing to prohibit a congressional Member who was running for the Presidency from using his franking privilege to circulate the entire United States with political propaganda and letting the taxpayers pay the postage merely by putting his speeches in the CONGRESSIONAL RECORD and having them reprinted.

As evidence of how important that amendment was, I cite certain statistics which were obtained from the Post Office Department:

The volume of mail for the Congress for fiscal year 1961 was 88,821,000 pieces, and the cost was $3,986,000. Then there was added to the supplemental appropriation bill for fiscal 1962 a provision liberalizing the franking privilege to extend to all so-called junk mail—unaddressed mail. Significantly, the volume for Congress that year jumped to 110,944,016 pieces at an estimated cost of $4,867,374. This was an increase of $881,374.

Then last year Congress approved my amendment to the Legislative Appropriation Act which repealed this junk mailing privilege for Congress, and while I do not have the statistics for this year, it is estimated that a similar savings resulted.

With this background I was very much disappointed that on Tuesday of this week the House passed the Legislative Appropriation Act for fiscal 1964 and again repealed this amendment by eliminating all reference to it from the appropriation act itself and including in their report language which specifically states that the old law shall prevail. At this point I ask unanimous consent to have incorporated in the RECORD the two paragraphs dealing with this subject as appearing on page 9 of the House report.

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

Considerations of economy—and that extends not only to the handling by the department but to the addressing in Members offices—plus the added consideration that under the present prohibition we have the absurd situation whereby Members of Congress using the frank do not even have privileges on a parity with private mailers on either rural, star, or city routes or boxes suggest to a majority of the committee the commonsense of discontinuing the restriction. Private mailers can send rural mail addressed simply "Postal patron, local" and city mail without a specific name. Under the present restriction Members of Congress using the frank can do neither—an absurdity on its face. The simplified addressing procedure obtaining prior to last October was entirely permissive and would remain so under the accompanying bill. Members of Congress could continue to use the more complete address if they so prefer. The choice would be solely theirs.

The language included in the Supplemental Appropriation Act, 1962, providing that funds available for reimbursing the Post Office for the cost of congressional mailings should also be available for the expenses, as authorized by existing law, of delivery to postal patrons of mail matter under the congressional frank was not repeated in the 1963 bill because it was permanent law. Repetition was unnecessary. This provision was temporarily set aside by an amendment in the form of a limitation on the use of funds inserted by the Senate and subsequently agreed to by the House in the 1963 bill, but it only attached to the money in the bill and therefore expires June 30, 1963. The restriction—section 105 of the 1963 law—is not repeated in the accompanying bill. The permanent law would again become controlling.

Mr. WILLIAMS of Delaware. I now ask unanimous consent that the amendment which I am offering today which will override the House action and reinstate the law as approved last year be printed at this point.

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

At the proper place in the bill insert the following new section:

"FORM OF ADDRESS ON FRANKED MAIL

"SEC. — (a) Chapter 57 of title 39 of the United States Code is amended by adding at the end thereof a new section as follows:

"'§ 4169. Form of address on franked mail.

"'Mail matter shall not be sent through the mails as franked mail under section 4161, 4162, or 4163 unless it bears the name of an addressee or is addressed to a specific street number.'

"(b) The analysis at the beginning of such chapter is amended by adding at the end thereof a new item as follows:

"'4169. Form of address on franked mail.'"

The VICE PRESIDENT. The amendment will be received, printed, and referred to the Committee on Appropriations.

CONSULAR CONVENTION WITH JAPAN—REMOVAL OF INJUNCTION OF SECRECY

Mr. METCALF. Mr. President, there was transmitted to the Senate today by the President of the United States, Executive I, 88th Congress, 1st session, being a consular convention between the United States of America and Japan, together with a protocol relating thereto, signed at Tokyo on March 22, 1963. As in executive session, I ask unanimous consent that the injunction of secrecy be removed from the convention and protocol, that the message from the President, the convention and protocol be referred to the Committee on Foreign Relations, and that the message from the President be printed in the RECORD.

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

The message from the President is as follows:

To the Senate of the United States:

With a view to receiving the advice and consent of the Senate to ratification, I transmit herewith the consular convention between the United States of America and Japan, together with a protocol relating thereto, signed at Tokyo on March 22, 1963.

I transmit also, for the information of the Senate, the report by the Secretary of State with respect to the convention.

I recommend that the Senate give early and favorable consideration to the convention and protocol submitted herewith and give its advice and consent to their ratification.

JOHN F. KENNEDY.

THE WHITE HOUSE, *June 13, 1963.*

(Enclosures: (1) Report of the Secretary of State; (2) consular convention with Japan, with protocol, signed at Tokyo, March 22, 1963.)

HEARINGS ON NONDIPLOMATIC ACTIVITIES OF REPRESENTATIVES OF FOREIGN GOVERNMENTS

Mr. FULBRIGHT. Mr. President, early last year the Committee on Foreign Relations began a study of nondiplomatic activities of representatives of foreign governments.

With one exception, the O'Donnell case, our study has been confined to staff investigations and executive sessions of the committee. On Friday of this week, we shall begin public sessions, to a large degree consisting of disclosure of the information developed in closed meetings.

Before the public hearings begin, I think it is desirable to attempt to put the study in proper perspective, in the hope that judgments may be made by Congress, the press and the public—not upon the basis of the individuals involved, or their deeds or misdeeds—but rather upon how their activities relate to our foreign policy and our national stature.

If this is to be done, I think it is important that certain background distinctions be made.

One distinction is between the employment of U.S. citizens for purely technical or legal guidance. It is one thing, for example, for a U.S. citizen to represent a foreign interest or government in a highly technical proceeding before the Tariff Commission, and quite another to attempt to influence the public, the press, or the Government on foreign policy issues.

The most important distinction, I think, is that which is involved in the term "foreign agent." There has been confusion among many newspapers, commentators, and I think in the Congress itself, between "foreign agents" and domestic "lobbyists" and their proper roles. There has been too great a tendency to regard some of the activities which have been disclosed as merely examples of lobbying, without regard to the difference betwen a domestic lobbyist petitioning Congress or the Executive, by the various techniques of the trade, contributing, politicking, propagandizing, et cetera, and the foreign agent using the same techniques in behalf of his principal—the foreign government or other interest.

The very use, by the foreign agent, of the techniques developed by the domestic lobbyist or propagandist, has tended to obscure the vital distinctions of right and propriety, which depend upon the question of whom the agent is acting for. The reaction has often been, on the one hand, to condemn the activity as typical of our society, or to excuse it for the same reason.

The failure to make these distinctions, I think, may explain, to a large degree, the rather lax administration of the Foreign Agents Registration Act over many years, the lack of compliance with it, the general toleration of this fact, and the lack of interest in the act and its administration by the Congress heretofore. This is the first investigation of the operation of the act since its passage.

The first amendment to the Constitution guarantees the people the right of petition—and this right, of course, is applicable to both domestic and foreign affairs. The right of petition is so fundamental that it is connected in the first amendment with the rights of freedom of speech, the press, religion, and assembly. Lobbying has been held by the courts to be an important expression of the right of petition—"the healthy essence of the democratic process," as a Federal court has said.

Those foreign agents who use the modern techniques deriving from the right of petition, or lobbying, are regarded by many, and many of them probably regard themselves, as merely exercising that constitutional right, with no greater obligations than those who represent American interests and American citizens.

But this is not correct—or ought not to be. A foreign government or interest does not have the same right of petition under our Constitution. Should it be permitted to acquire such a right by hiring and directing a U.S. agent? There is, in other words, a vital judgment to be based upon who the principal is, rather than entirely upon what the agent does.

Custom and tradition have it that the political and public affairs of a foreign government be performed by regularly accredited diplomatic personnel—whom, in fact, our Government may accredit or not as it chooses, and whom our Government may declare persona non grata if and when they overstep the bounds of propriety.

There are legitimate questions about the regulation of lobbying—and the whole field of propaganda—which have little validity when that lobbying or propagandizing is done on behalf of foreign interests. In the domestic field, we are accustomed to and can identify, evaluate, and discount much of these activities. To a large extent, they are canceled out by conflicting and competing efforts. Furthermore, the right of petition, by our own people, and the freedom of speech and press, being so highly valued, we hesitate to go even so far as we could legitimately, in the fear of impinging, ever so slightly, upon that which is fundamental.

These inhibitions should not concern us to the same degree in dealing with activities of a foreign agent done under the direction or control of a foreign principal.

When these activities coincide with the interests of U.S. citizens or residents and their own foreign policy, it is only incidental. The primary motive, while not necessarily inimical, is at least divergent. Nevertheless, no one is suggesting, nor does the Foreign Agents Registration Act provide, that these activities be forbidden. The obligation is for full disclosure of the activities on the assumption that impropriety will thus be inhibited by publicity.

When an agent or lobbyist deceives an American client into believing that because of his "contacts," "influence," or "connections," he can get our Government to do something, when he cannot—that is a problem between people. If he does the same with a foreign principal, it can become a problem of governments—and one in which our Government has a legitimate interest.

When a politician receives a campaign contribution from an American, he has the right to assume that it comes from an American source. Custom and experience have taught him what it means, if anything, and how to deal with it. He has the right to assume that the American source of the contribution knows, or should know, the contribution does not mean he is bought and paid for. When the contribution actually is from a foreign source, the candidate has no means of evaluating the effect of his acceptance upon the attitude or expectancy of the actual contributor, and the latter may receive an entirely wrong impression.

If a domestic lobbyist represents to a domestic interest that he can influence the appointment of an official who will be concerned with that interest's governmental relations, the domestic interest has full means and opportunity to evaluate such a representation. When a foreign agent represents to his principal that he can influence the appointment of an Ambassador, the foreign principal may or may not be able to evaluate the representation. If the foreign principal believes it, it does not reflect credit upon the United States.

If a public relations concern represents to a domestic company that it can control the news about that company throughout the United States, the company ought to be able to evaluate that representation. If the same public relations firm makes the same representation to a foreign and new country, for example, the latter may or may not believe it. Impressive "brochures" and "documentation" may deceive the uninformed.

Efforts to influence news media by domestic interests are almost certain to be met and counter-balanced by similar efforts of competing domestic interests. Our people usually have the facilities for evaluating news about domestic matters, through experience and observation. To the extent they do not, there is no constitutional cure. Similar efforts by foreign interests neither have the same constitutional sanctity, nor the same safeguards of competition and diversity.

When a group of American citizens band themselves together for political or propaganda action on an issue of foreign policy, no one has the right to question the propriety or the organization, acting on its own. But if they should be financed or controlled by a foreign principal, those whom they seek to influence have the right to know this.

In short, there are ample grounds for distinguishing between what is, or should be, proper activity on behalf of a domestic interest and the same activity on behalf of a foreign principal, and the fact that representatives of one may use the same techniques as representatives of the other should not obscure these grounds for distinction.

I hope that as our public hearings progress these distinctions will be kept in mind.

Again, I should like to repeat, we do not seek to prohibit activities of foreign agents. I believe the American people should not be deprived of political information, even when it comes from, or is controlled or financed by foreign principals. Our purpose is the same as that which Justice Black set forth when he summarized the purpose of the original Foreign Agents Registration Act:

> Resting on the fundamental constitutional principle that our people, adequately informed, may be trusted to distinguish between the true and the false, the bill is intended to label information of foreign origin so that hearers and readers may not be deceived by the belief that the information comes from a disinterested source.

NOTICE OF HEARING ON CONSTITUTIONAL AMENDMENTS

Mr. KEFAUVER. Mr. President, the Subcommittee on Constitutional Amendments will conclude its current series of hearings on Presidential inability with a final hearing on Tuesday, June 18, 1963. The hearing will be at 10:30 a.m. in room 2228, New Senate Office Building.

At that time, we will hear testimony from Deputy Attorney General Nicholas deB. Katzenbach, among others.

HEARINGS ON S. 1561

Mr. RANDOLPH. Mr. President, as chairman of the Health Benefits and Life Insurance Subcommittee of the Committee on Post Office and Civil Service, I wish to announce that public hearings on S. 1561 have been scheduled for 10 a.m. on Monday, June 24, 1963, in room 6202 of the New Senate Office Building. S. 1561 would amend the Federal Employees Health Benefits Act of 1959 by removing certain unforeseen technical problems which have arisen in connection with the application of the act and would simplify its administration. First to testify will be representatives of the U.S. Civil Service Commission.

NOTICE OF HEARINGS ON AMENDMENTS TO IMMIGRATION AND NATIONALITY ACT

Mr. EASTLAND. Mr. President, on behalf of the Subcommittee on Immigration and Naturalization of the Committee on the Judiciary, I wish to announce that public hearings have been scheduled to begin on Wednesday, June 26, 1963, at 10:30 a.m. in room 2228 of the New Senate Office Building on the bill S. 747 to amend the Immigration and Nationality Act.

Anyone desiring to testify or submit a statement for the record should notify the office of the subcommittee, room 2306, New Senate Office Building, phone extension 2347, as soon as possible so that a schedule of witnesses may be prepared.

RESERVATION OF CERTAIN LAND IN WASHINGTON, D.C., FOR CONSTRUCTION OF A BUILDING BY BUREAU OF WATER RESOURCES—ADDITIONAL COSPONSOR OF BILL

Mr. DOMINICK. Mr. President, some time ago I introduced the bill (S. 1610) to authorize the Secretary of the Interior to set aside certain land within the National Capital parks system in Washington, D.C., for construction of a building by the Bureau of Water Resources of the National Rivers and Harbors Congress, and for other purposes, which has been referred to the Committee on Interior and Insular Affairs. I ask unanimous consent that at its next printing the names of the distinguished Senator from California [Mr. KUCHEL] and the distinguished Senator from Utah [Mr. Moss] be allowed to be added as cosponsors of the bill.

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

ADDITIONAL COSPONSORS OF BILLS

Under authority of the orders of the Senate of June 4, 1963, the following names have been added as additional cosponsors for the following bills:

S. 1650. A bill to provide an elected Mayor, City Council, and nonvoting Delegate to the House of Representatives for the District of Columbia, and for other purposes: Mr. BREWSTER, Mr. CASE, Mr. DOUGLAS, and Mr. HART.

S. 1665. A bill to require that all State or local programs supported with Federal funds shall be administered and executed without regard to the race or color of the participants and beneficiaries; Mr. BAYH, Mr. CASE, Mr. KEATING, Mr. LONG of Missouri, Mrs. NEUBERGER, Mr. PROXMIRE, and Mr. YOUNG of Ohio.

S. 1666. A bill to amend section 3 of the Administrative Procedure Act, chapter 324, of the act of June 11, 1946 (60 Stat. 238), to clarify and protect the right of the public to information, and for other purposes; Mr. BOGGS, Mr. NELSON, Mr. RIBICOFF, and Mr. SMATHERS.

SENATOR RUSSELL ADDRESSES UNIVERSITY OF GEORGIA GRADUATES

Mr. TALMADGE. Mr. President, my distinguished colleague, Senator RICHARD B. RUSSELL, the senior Senator from Georgia, has an abiding interest in higher education, and in 30 years of outstanding senatorial service he has dedicated himself to its furtherance. His contributions in this regard have been great and they have been many.

Senator RUSSELL is especially devoted to the University of Georgia, where he was graduated in 1918 with a bachelor of laws degree. Therefore, it was a distinct pleasure for Senator RUSSELL on June 1 to return to his alma mater to address the 1963 graduating class.

Senator RUSSELL spoke to the graduates of the challenges of the future and the opportunities it holds for young people, as well as the pitfalls that await the unwary. He reminded them of the timeless truth that dangers of the present day should not be feared or avoided, but, rather, should be faced squarely, for they present in themselves opportunities to make this a better world in which to live.

And in the context of current events which astound and appall the law-abiding citizens of this Nation, Senator RUSSELL correctly noted that self-restraint is essential to self-government, that local law is entitled to the same measure of obedience that the Federal Government expects for its laws.

Mr. President, I ask unanimous consent that Senator RUSSELL'S address be printed in the RECORD.

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

ADDRESS BY SENATOR RUSSELL AT 160TH COMMENCEMENT EXERCISES AT THE UNIVERSITY OF GEORGIA, JUNE 1, 1963

For me this is an honor that I cherish and an occasion I have anticipated with great pleasure.

Athens and the university have a special place in my affections. Perhaps this is a syndrome that occurs in other graduates of this institution and in graduates of other institutions, but whenever I approach Athens my heartbeat quickens and the sweet sadness of nostalgia suffuses me.

In my own case I am confident this reaction is only a manifestation of my being at heart a perennial undergraduate. I suspect, though, that this feeling is widely shared and that for each of us it is largely the result of recalling some of the pleasures of our undergraduate days. Perhaps it goes back to moments we spent in pausing, or refreshing, or both, at Costa's, or Moon-Winn's, or Cody David's, or the Varsity, or the favorite gathering spot of our era here. For others, it may be caused by a kaleidoscope of football flashbacks, and the finest hours of the Bob McWhorter, the Herdis McCrary, the "Catfish" Smith, the Frank Sinkwich, the Charlie Trippi, or the Francis Tarkenton of our day. For still others, the onrushing thoughts may be chiefly of sorority or fraternity life, or the lasting friendships of days in a dormitory.

I hope, however, that for most of us the memories are heavily sprinkled with thoughts of the principal reason for our having been here—the pursuit of learning—and the faculty members who with varying degrees of success contributed to our quest.

To the graduates of 1963 I extend congratulations and best wishes. You have every reason to feel a sense of accomplishment. Despite commendable progress in broadening education opportunity in this country, only a relatively small part of our population has successfully completed 4 years of college.

The achievements that are commemorated today represent much determination and hard work.

The formal education and the training you have received in this school are assets you will never lose and never regret.

The parents of this year's graduates are also entitled to congratulations and a major part of the credit for the achievement that is noted today. Your graduation is for many of them a culmination of planning, saving, and sacrifice since your birth.

Fortunately, the state of our national economy at this time is such that you do not have to wonder whether you can find a job. Instead, for most of you the decision probably is which job to take.

Although monetary gain should not be the principal objective of education, it must be pleasant for you to realize that information from the 1960 census supports a conclusion that, on the average, 4 years in college result in lifetime earnings of $178,000 more than the earnings of a high school graduate.

Many members of this class will be entering on a period of active duty with the Armed Forces. Graduates of earlier days have brought honor to our university, our State and Nation by devoted and heroic service in the uniform of our country. I would like to think that you regard military service as an opportunity to be cheerfully entered upon instead of a burden to be grudgingly borne.

To me the most important conclusion to be drawn from today's state of world affairs is that we must be militarily strong. The values of an education, the blessing of governing ourselves, the enjoyment of the products of our immense industrial capacity, and life itself, are dependent on our ability to defend ourselves successfully.

Some of you may be surprised if today you do not hear an oversimplified formula for success in life or an exhortation to join the battle against a multiplicity of dangers. Even if I had the inclination to do so, I would not be so presumptuous as to think that I could specify for you the objectives you should seek or the route by which you should pursue them. I know enough of this institution to be confident that each of you has acquired the information and the discriminating judgment that contribute to sound choices of goals.

Neither shall I remind you of the dangers of the present day. These dangers exist, certainly, and many of them seem immediate and formidable. Each generation of humanity has had its troubles though, and to each generation the problems it knew probably seemed as pressing as ours do to us today. However, momentous events and great dangers usually bring universal opportunities. Again I have every confidence that the training you have received here enables you to recognize these dangers and gives you the courage to take up arms against them.

Instead, I should like to talk with you briefly about a subject I hope is dear to all of us, and that is the University of Georgia itself.

As a result of our friendly competition with North Carolina as to which is the oldest State university, many of us have boasted that Georgia is the oldest chartered State university. While we are thus charter conscious, I suspect many of us tend to forget what the charter itself contains. I recently came upon its text again while reading "A Historical Sketch of the University of Georgia" by A. L. Hull. With your indulgence I should like to quote the beginning of the charter now:

"As it is the distinguishing happiness of free governments that civil order should be the result of choice and not necessity, and the common wishes of the people become the law of the land, their public prosperity and even existence, very much depends upon suitably forming the minds and morals of their citizens. When the minds of the people in general are viciously disposed and unprincipled, and their conduct disorderly, a free government will be attended with greater confusions and evils more horrid than the wild uncultivated state of nature: it can only be happy where the public principles and opinions are properly directed and their manners regulated. This is an influence beyond the stretch of laws and punishments, and can be claimed only by religion and education. It should, therefore, be among the first objects of those who wish well to the national prosperity to encourage and support the principles of religion and morality, and early to place the youth under the forming hand of society, that by instruction, they may be molded to the love of virtues and good order. Sending them abroad to other communities for their education will not answer these purposes, is too humiliating an acknowledgment of the ignorance or inferiority of our own, and will always be the cause of so great foreign attachments, that upon principles of policy, it is inadmissible.

"This country in the times of our common danger, and distress, found such security in the principles and abilities which wise regulations had before established in the minds of our countrymen, that our present happiness, joined to the pleasing prospects, should conspire to make us feel ourselves under the strongest obligation to form the youth, the rising hope of our land, to render the like glorious and essential services to our country."

Dr. Bocock, one of the all-time great faculty members of this institution, has been quoted as saying that the first sentence of this charter is one among the five or six great sentences in the English language.

In writing of our charter the late universally beloved Chancellor David Crenshaw Barrow stressed, in connection with our having the distinguishing happiness of living in a land where civil order is the result of choice and not necessity that choice calls for selection and selection demands responsibility. In developing this thought he said: "So in our civil government there are very many who do not meet the requirements of good citizenship. This is brought out in times of excitement, in times of stress, and in times of temptation. It is the greatest human achievement to meet the requirements of freedom, to be worthy to be free. There are very few of us, of older years, who do not find the exercise of freedom of choice, at times, a test of manhood."

Another important part of the charter is that referring to the common wishes of the people becoming the law of the land. Much of the stability of our Government has come from our respecting the choice of the majority and our abiding by this choice, even when we have to accept the verdict of an adverse majority.

Contemporary events in our Nation remind us forcefully that self-restraint is essential to self-government. Neither can a free government long endure unless our highest officials accord the same respect to local ordinances that is expected from all of our people for Federal law. In our system of dual government and divided powers, the majesty of local law, legally enacted, is as supreme in its sphere as the enactment of the national Congress throughout the Nation.

Having the charter as a precept, I think we may say with some satisfaction that the university of today is carrying out its reason for existence with high fidelity. We certainly have passed the stage referred to in the charter of being humiliated by having to send our sons and daughters elsewhere to seek an education. The quality of instruction here needs no defense; graduates of this institution can compete without a handicap and on equal terms with those of any institution in the world.

This does not mean that we have achieved perfection, or that there are no challenges yet to be met. The size of the student body is increasing yearly and this condition will continue for many years to come. A visitor to Athens sees abundant evidence that the physical facilities are being expanded in anticipation of this increase. We should rejoice that this is true, and that more and more of our young people are being exposed to the blessings of a college education. But we should also be careful not to dilute the power or quality of that exposure by spreading it too thin.

This brings us to the question of how one measures the quality of education. Since my experience has been in government rather than in education my views are those of only a profoundly interested observer, and not of an expert.

I think we would all agree that the number or splendor of the buildings, the size of the student body, the faculty-student ratio, the number of volumes in the library, or success in intercollegiate sports competition are not in themselves, either singly or collectively, the things that determine the worthwhile reputation of an institution of learning. This is not to say that each of these factors does not contribute to a school's reputation, some obviously contributing in more important ways than others.

Yet it seems to me that a school's relative position, as reflected by the demeanor and the accomplishments of its graduates, is more influenced by the ability of its administrators and its faculty to inspire intellectual curiosity and discipline in the student body.

It would be impossible for me to draw a specification for a great teacher. They fall into many different patterns, and the reasons some are outstanding are elusive to define. I am convinced, however, that the incidence of their appearance determines the comparative merits of schools and the more fruitful eras within a single school. At Georgia we have been blessed with some faculty members of profound learning and an uncommon ability to inspire. I feel sure we are still so blessed and that we will continue to be in the future.

Kahill Gibran, in "The Prophet," deals interestingly and wisely with the science of teaching.

"Then said a teacher, speak to us of teaching.

"And he said:

"No man can reveal to you aught but that which already lies half asleep in the dawning of your knowledge.

"The teacher who walks in the shadow of the temple, among his followers, gives not of his wisdom but rather of his faith and his lovingness.

"If he is indeed wise he does not bid you enter the house of his wisdom, but rather leads you to the threshold of your own mind.

"The astronomer may speak to you of his understanding of space, but he cannot give you his understanding.

"The musician may sing to you of the rhythm which is in all space, but he cannot give you the ear which arrests the rhythm nor the voice that echoes it.

"And he who is versed in the science of numbers can tell of the regions of weight and measure, but he cannot conduct you thither.

"For the vision of one man lends not its wings to another man.

"And even as each one of you stands alone in God's knowledge, so must each one of you be alone in his knowledge of God and in his understanding of the earth."

I know that your families and the wise teachers of this great university who have "given of their faith and their lovingness" and who have "led you to the threshold of you own mind," to repeat these words from "The Prophet," would like to find their reward and their satisfaction in your contributions to society. Nothing could be more pleasing to them than for you to build on the education they have made possible. With this start, with God's help, and with a liberal application of hard work you have almost unlimited opportunities to solve the problems of our day and to make this a better world for your having lived in it.

In conclusion let me bespeak your continuing interest in and devotion to this school. If each acknowledges our debt to alma mater we will assure even greater con-

tributions to our State and our Nation in the years to come.

I congratulate you again. You have my every good wish for a useful life and happiness.

EROSION OF CONSTITUTIONAL GOVERNMENT

Mr. TALMADGE. Mr. President, on Wednesday the distinguished junior Senator from Virginia [Mr. ROBERTSON] made an eloquent and sincere plea for the preservation of the Constitution, which is repeatedly being undermined by decisions of the Supreme Court, edicts by the executive branch of Government, and what amounts virtually to indifference by the Congress.

The Supreme Court, in one decision after another, is chipping away at the rights of the sovereign States and the liberties of individuals. Indeed, the Court seems bent, not on interpreting and following the law, but on making new law, amending the Constitution, and distorting the intent of our Founding Fathers. Unwarranted and unconstitutional decrees by the Executive in the areas of public housing, employment, public schools, and private enterprise are usurpations of legislative authority, and do great damage to our republican form of government.

In an address before the Minnesota State Bankers Association, my good friend and distinguished colleague from Virginia, Senator WILLIS ROBERTSON, urged that this dangerous trend be reversed, and that the Constitution be protected and preserved as the bedrock of our Government, as intended by the great men who were the architects of what has become the greatest government of all time.

Mr. President, I ask unanimous consent that Senator ROBERTSON'S address be printed in the RECORD.

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

ADDRESS BY SENATOR ROBERTSON BEFORE MINNESOTA STATE BANKERS ASSOCIATION, JUNE 12, 1963, AT ST. PAUL, MINN., ON CONSTITUTIONAL LIBERTY

It is a great honor to be here in the Twin Cities with the officers, members, and distinguished guests of the Minnesota State Bankers Association. As a hunter and a fisherman from the foothills of Virginia's Blue Ridge Mountains, I am pleased to visit your beautiful and richly endowed State. When some nations are dying for lack of water and many areas of our own country are threatened with deficiencies in this precious natural resource, Minnesota has the largest supply of fresh water in the United States. Since steel is the most important basic material of our industrial age, the location in Minnesota of 2 billion or more tons of taconite, which when processed in pellet form is superior to the ore of the Mesabi Range, makes your State a great contributor to our national wealth. And, since the tourist dollar is encompassed about with fewer problems than dollars earned in nearly any other way, the people of Minnesota can take great pride in the value to others of their beloved land of the sky-blue waters.

The year 1963, as you know, is an important anniversary in banking—the 100th anniversary of the National Bank Act, and the 50th anniversary of the Federal Reserve System and the Senate Banking and Currency Committee, which I have the honor to chair. We look ahead this year to a remarkable prospect for growth in population and income for our competitive enterprise economy. It is a good time to pause for awhile and consider the importance to banking and to the economy of a healthy legislative environment and a sound fiscal policy. Without the constitutional liberties that make for political stability, and without the fiscal disciplines that make for economic stability, we cannot release the creative forces of enterprise that have made our Nation the marvel of the modern world.

In the area of business developments, the uncertainty of the winter has given way before continued signs of economic strength. The current expansion has now been underway since February 1961—well over 2 years. The brisk and encouraging advance of that year slowed down and reached a plateau as 1962 moved into its winter of discontent. Now, with spring almost behind us, many business signs are pointing up, and the prospects for the rest of this year are good to excellent in many lines. During the first quarter, the gross national product rose an encouraging $8.5 billion at a seasonally adjusted annual rate. Industrial production in March and April was upward for nearly all industries. In automobiles, the first 5 months of this year topped the pace in record year 1955. New orders of factories rose in April and are 14 percent above a year ago in durable goods. With a record 69 million civilians working, personal incomes are continuing their rise, even though unemployment is still a problem at an average rate of 5.7 percent of the labor force. So, all in all, this anniversary year for banking seems likely to exceed its earlier promise on the business scene.

On this occasion, I shall not comment on legislative proposals that have been or may be considered during this session by the Banking and Currency Committee. We are engaged in studying the meaning and importance to our future of numerous studies recently completed.

Beginning with my Financial Institutions Act of 1957, which did not pass the House but still has had a great deal of influence on subsequent banking legislation, we have seen the results of the $1.3 million study by the National Monetary Commission of the private Committee for Economic Development. After that, we have received the reports this year of the President's Committees on Financial Institutions and on Federal Credit Programs. We have also received the report of the Comptroller's Advisory Committee on the National Banking System. And we have received the report of the comprehensive study by the Securities and Exchange Commission of our securities markets.

The reasons for the interest in our financial institutions do not lie in any concern about their security and soundness during the current prosperity and stability in our economy. Rather, it is the great changes we have experienced since the depression thirties that have called for the new look at banking.

While we are still studying these reports, so far the new look has revealed, in my opinion, no serious flaws. The main conclusion emerging from the reports is that there is no need, to use the Committee for Economic Development's words, for "wholesale overhaul of our financial system." And, the President's Financial Institutions Committee said, "Many of the needed revisions of law and policy * * * are not so urgent as to command the highest priority."

As a result of these studies and current discussion, a number of proposals have been made that deal with banking legislation. I need not take time here to go into them in any detail, but they include increases in FDIC and FSLIC insurance limits, increased supervision of savings and loan associations, Federal Reserve cash requirements for State nonmember banks, Federal charters for mutual savings banks, changes in portfolio regulations, a Federal Banking Commission, and several others.

Recently, the SEC presented to the Congress and our committee three major proposed statutory changes of interest to bankers. These involve establishment of minimum qualifications for individuals and concerns entering the securities business, changes in disciplinary procedures and penalties, and the imposition of basic disclosure and other requirements in companies whose stock is traded over-the-counter.

In general, the legislative proposals relating to financial institutions fall into two categories: proposals to change the governmental framework of regulation, and proposals to change the powers and activities of the various financial institutions themselves.

In my opinion, the Senate Banking and Currency Committee will want to consider all these proposals with great care and attention, with full consideration for the views of all interested parties, and with particular attention to the public interest. It will want to make sure that a given proposal has real merit. It will not vote for change simply for the sake of change.

Of course, bankers are interested in and affected by legislation throughout the broad range of fiscal policy. Bankers may not need much legislation under current conditions. But bankers do need confidence in the future. And this depends upon sound fiscal policy as well as sound banking legislation.

The best legislation for banks in 1963 will be no legislation to continue after July 1 the corporate tax rate of 52 percent. The automatic 5-percent cut when the Korean war rate expires at that time would produce more jobs than a similar cut in the lowest bracket of personal income and would reduce anticipated revenues by a far smaller sum. Cutting the corporate rate to 47 percent reduces revenue by only $2.375 billion, while a 5-percent cut in the bottom personal income bracket reduces revenue by $6.5 billion. What we need in this country today is more economic opportunity for our growing labor force, about to be swollen by record numbers of young people. I would be glad to see all Federal tax rates reduced but as a safeguard against inflationary deficit financing, I think tax cuts should be accompanied by spending cuts.

If we let the corporate rate drop back to 47 percent, I recommend that the revenue loss from such a productive tax reduction be offset by a $1 billion cut in the budget item for a shot to the moon. And a $1½ billion cut in foreign aid.

In the opinion of experts the shot to the moon has no military value, and in the opinion of many eminent scientists it has less than $20 billions of scientific value.

As for the foreign aid program, I have long recognized the vital stake that America has in the sound economic development of our allies and friends. Like others, I am heartened by the reports of some accomplishments for the Alliance for Progress. But since World War II our total foreign aid will have topped the $100 billion mark by the end of this year. We have now given military or economic aid to 111 countries and foreign groups. The Clay Commission itself, in its report on foreign aid, has told us that, "We are trying to do too much for too many too soon, that we are overextended in resources and undercompensated in results, and that no end of foreign aid is either in sight or in mind." And a cut of the size I propose only moves the program back to its level in fiscal 1962 or thereabouts. Surely it is time for our European allies to increase their share of the real foreign aid burden and for us to give Mr. Bell a chance to make some sense out of a confused and scattered effort. Nor can we safely ignore

the fact that foreign recipients of our indiscriminate bounty are storing up one-fourth of the dollars we so generously distribute as a future claim against our depleted gold supply.

We hear much today from learned doctors about national priorities. I, for one, cannot see the national priorities served by a tax-tomorrow-but-spend-today philosophy. I am convinced that it leads to an era of perpetual deficits. I ask, must we rush so fast to shoot a man to the moon and billions of dollars over the face of the globe on a free ride, while hobbling investment in jobs with war-level tax rates?

It does seem that there are some extreme economic planners in Washington who would like to influence America to follow the mood of the Persian poet, Omar Khayyam, who wrote:

"Ah love! could you and I with him conspire
To grasp this sorry scheme of things entire
Would not we shatter it to bits—and then
Remould it nearer to the heart's desire!"

As a Virginian, I cherish the thought that my colonial ancestors helped to cradle and defend the infancy of a nation dedicated to the principles of private enterprise and constitutional liberty. I would be the last to repudiate the philosophy of Patrick Henry, who said that "I have but one lamp by which my feet are guided, and that is the lamp of experience."

Many nations have older and more famous institutions of learning than we. Many nations have produced great scholars, great artists, great scientists, but no nation has rivaled our rapid accumulation of national wealth and our standard of living. Why then, hasn't experience taught us that our system of private enterprise is the best of all economic systems and our system of American constitutional liberty the best environment for "pursuit of happiness" in its fullest sense?

May I close my remarks to the descendants of freedom-loving pioneers of the great northwest area, ceded to the Nation by Virginia as its contribution to the formation of a more perfect Union, by urging the preservation of the Constitution of the United States. Repeatedly, the Supreme Court has usurped authority by amending the Constitution under the guise of interpreting it. Repeatedly, the President of the United States has usurped authority with respect to the use of Federal troops and White House edicts in lieu of legislation with respect to fair employment on public projects, desegregation of FHA-financed mortgages, etc. Repeatedly, has the Congress taken refuge behind a Supreme Court decision that no taxpayer will be heard to challenge congressional spending to appropriate for projects clearly of a welfare state character not authorized by the Constitution. That type of constitutional erosion was mentioned by James Madison, the principal architect of the Constitution when he said: "I believe there are more abuses of the abridgment of the freedom of the people by the gradual and silent encroachment of those in power than by violent and sudden usurpation."

It was with that thought in mind that the immortal George Washington in his Farewell Address urged that the Constitution be preserved and if changed then by the processes provided in the Constitution for that purpose.

Extolling that advice on the 100th anniversary of the birth of George Washington and pleading for the preservation intact of the Constitution, Daniel Webster said: "Other misfortunes may be borne, or their effects overcome. If disastrous war should sweep our commerce from the ocean, another generation may renew it; if it exhaust our treasury, future industry may replenish it; if it desolate and lay waste our fields, still, under a new cultivation, they will grow green again, and ripen to future harvests. It were but a trifle even if the walls of yonder Capitol were to crumble, if its lofty pillars should fall, and its gorgeous decorations be all covered by the dust of the valley. All these might be rebuilt. But who shall reconstruct the fabric of demolished government? Who shall rear again the well-proportioned columns of constitutional liberty? Who shall frame together the skillful architecture which unites national sovereignty with State rights, individual security, and public prosperity? No, if these columns fall, they will be raised not again. Like the Coliseum and the Parthenon, they will be destined to a mournful, a melancholy immortality. Bitterer tears, however, will flow over them, than were ever shed over the monuments of Roman or Grecian art; for they will be the remnants of a more glorious edifice than Greece or Rome ever saw, the edifice of constitutional American liberty."

LATTER-DAY SAINTS (MORMON) YOUTH PROGRAM, 64TH ANNUAL JUNE CONFERENCE

Mr. BENNETT. Mr. President, on June 14 through 16 there will convene in Salt Lake City the 64th annual June Conference of the Mutual Improvement Association of the Church of Jesus Christ of Latter-day Saints—Mormons. There will be present at this conference over 25,000 youth leaders, who will gather together to receive inspiration, instruction, and on-the-spot help in a program designed to better the lives of youth, and thus develop better citizens of this great United States of America. In addition, a similar number of young people will participate in special programs of the conference—making an estimated total attendance of from 50,000 to 60,000 persons.

We hear a great deal about the increasing problems of juvenile delinquency in this country, and many and varied theories are offered in the attempt to combat and reverse this trend. The constructive program of the MIA is one of the Mormon Church's answers to this problem, and in its long history it has achieved amazing results.

I should like to take a few moments to highlight some of the features of June conference and to relate some of the programs and activities which combine to make the MIA organization one of the outstanding youth programs ever devised, an organization from which other religious and civic groups frequently borrow ideas for incorporation into their own programs.

The program at June conference will cover cultural, recreational, and character-building spiritual instructions to leaders of youth. These leaders, in turn, are then better fitted to give guidance and direction to approximately 300,000 young people enrolled in the MIA in the United States. Through general sessions, departmental workshops, demonstrations, and special events, the youth leaders will gain new ideas and enthusiasm and instruction to aid them in their important task.

The 1963 conference will stress the importance to youth of moral and physical fitness, talent and cultural development and spiritual growth. This is the goal and purpose of the Mutual Improvement Association, which it has been diligently striving to carry out since its formal organization in 1869 by Brigham Young.

A Mormon youngster enters MIA at the age of 12, and progresses through well-organized departmental groups, each comprising lessons and activities designed for the interests of his particular age, as well as participating with the entire organization in special programs and planned recreation and outings.

Let me highlight briefly some of the activities carried out by the MIA:

Speech: To the MIA has been given the great responsibility for speech training and developing in the young people confidence to stand before men and express themselves orally. The speech program seeks to develop the ability and desire for self-expression. A speech competition will be one of the events of the June conference.

Music: The MIA music program is designed to provide top-quality musical activity among the youth. It seeks to uncover and develop musical talent, and to provide youth opportunity for musical experience and expression in choruses, quartets, trios, recreational singing, special class lessons, and instrumental ensembles.

Drama: Another program designed to encourage self-expression and develop talent is drama. The drama department has a twofold assignment: to help the participants enjoy this stimulating activity; and to produce plays for the enjoyment of the entire MIA.

Young women's sports-camp program: An activity which has great appeal is the young women's sports-camp program. In some localities, mountain retreats are owned and maintained for the purpose of providing camping facilities for the surrounding MIA groups. Here and in public campgrounds throughout the United States, organized groups may camp for a day or a week or longer, and participate in outdoor activities and sports, as well as in handicrafts, first-aid instruction, nature walks, and so forth, all under the supervision of their own class leaders.

Young men's athletic program: The young men's organization carries out an extensive athletic program, which consists of basketball, volleyball, softball, golf, and horseshoes. The Young Men's Mutual Improvement Association sponsors the largest basketball league in the world. Some 3,500 teams from the various wards—the equivalent of a parish in other churches—first compete to win their stake—diocese—championships, and a division playoff between the winners of several stakes is then held to determine the teams which will represent the division in the finals. Then the 75 to 100 winning teams from all over the United States assemble each year in Salt Lake City, during the latter part of February, for the finale of this massive all-church tournament. If one were to select the one most outstanding feature of

the tournament, I believe it would surely be the extraordinarily high quality of sportsmanship and good fellowship which is constantly displayed at these games and throughout the athletic program.

Dance: Dancing has always been an integral part of the recreational and social life of the Mormons, from the earliest days of the church. While crossing the plains, the pioneers occasionally paused at the end of their hard day's trek to sing songs around the campfire and to join in a square dance to brighten and restore their tired spirits. The MIA strives to teach the art of dancing, so it may be enjoyed by everyone, and to provide clean, wholesome dancing parties. I quote president David O. McKay, of the Church of Jesus Christ of Latter-day Saints, on the worth of the dance program:

Our people deserve, yes, merit, the opportunity to mingle in dance under the most favorable circumstances and under the influence of righteousness. By holding our standards high in personal conduct, dress, dancing positions, social graces, and performance of fundamental dance techniques, we learn to respect and appreciate each other while enjoying this outstanding social activity.

During this June conference the great biennial dance festival, held in the University of Utah stadium on two separate evenings, will be enjoyed by approximately 50,000 spectators. This event, which will culminate several months of preparation by indivdual wards and stakes, will involve over 6,000 costumed youthful dancers from all over the United States.

Scouting: This year marks the 50th anniversary of the Boy Scout program in the MIA, an event which will be commemorated at the conference with a pageant, "The Golden Years of Scouting." The Mormon Church was the first religious body in the United States to sponsor the Boy Scout program. All boys who join the MIA at the age of 12 participate in the Scout program, and as MIA members they have the opportunity to advance through all its levels and receive its highest awards. The president of the Boy Scouts of America and the chief Scout executive will be among guests attending and participating in this year's jubilee. The National Council of the Boy Scouts of America, at its recent convention in New York City, adopted a resolution commending the Mormon Church for its role in the scouting program. In this connection, I ask that an article appearing in the Deseret News of May 25, 1963, be included in the RECORD at this point in my remarks.

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

[From the Deseret News of May 25, 1963]

CHURCH GAINS U.S. PRAISE FOR SCOUTING

NEW YORK CITY.—Commendation of the Church of Jesus Christ of Latter-day Saints on its 50th anniversary of scouting was passed here Friday in a resolution at the annual convention, Boy Scouts of America.

Also during the convention, Elder Harold B. Lee, of the Council of the Twelve of the Church, was presented the Silver Beaver Award for noteworthy service to boyhood.

The 2,500 scout leaders of the Nation unanimously adopted the commendation to the church which said:

OPTIMISTIC FUTURE

"*Resolved*, That the National Council, Boy Scouts of America, sincerely recognizes and deeply commends the Church of Jesus Christ of Latter-day Saints on this the 50th anniversary of scouting in the Church and looks forward to another 50 years of wonderful, happy experiences together."

The church's response to the resolution was made at the special awards banquet Friday evening by Elder Ezra Taft Benson of the Council of Twelve. Elder Benson, chairman of Region 12, is also a member of the national committee.

PRESENTS PLAQUE

Elder Benson made a statement of the position of the scout and explorer programs in the church and then presented the national council with a silver plaque commemorating the 50 years of scouting in the church.

The church official explained that scouting and exploring are an integral part of the church's program for boys and not an optional program. He quoted from a letter of the first presidency issued in December 1960 expressing the desire that all boys of the church affiliate with the Boy Scout program. He said the "50 years of the full scouting program in the church has been a happy, productive and fruitful experience. Some 90 percent of all eligible boys are enrolled in scouting."

SCOUTING HISTORY

Elder Benson traced the history in the church which began with the MIA Scouts in early 1911, and followed by affiliation with the national program on May 21, 1913—50 years ago this week.

Elder Benson also told the council meeting that in a telephone conversation Friday with president David O. McKay, the church leader asked that his warm personal wishes be conveyed to the Boy Scouts of America.

The silver plaque presented by Elder Benson on behalf of the church read:

"Presented to the Boy Scouts of America by the Church of Jesus Christ of Latter-day Saints.

CORDIAL RELATIONSHIP

"In appreciation for the cordial relationship and the bonds of brotherhood that have existed through 50 years of partnership in the great Scout movement; and for the supplemental support of scouting in the citizenship, physical fitness, character and spiritual uplift that have been part of the lives of thousands of Mormon boys who have participated in this wonderful program."

Mr. BENNETT. Mr. President, another of the activities of the MIA is the Beehive program: The MIA provides a companion program for early teenage girls, called the Beehive program. The first 50 years of this organization will also be celebrated this year with a "Golden Bee Jubilee." The beehive, taking its symbolism from the industry of the bee, is the State symbol of Utah.

To sum up, Mr. President, we in Utah are proud of the MIA and its outstanding youth program. We believe, with Marion D. Hanks, a Latter-day Saints member of the President's Council on Youth Fitness, who has said, "Anyone who is working with and for youth is battling on the front lines of the century."

BANQUET IN HONOR OF SENATOR AND MRS. ANDERSON

Mr. METCALF. Mr. President, it was my privilege to be one of some 3 dozen Members of the Senate to attend the banquet at which a dozen national conservation organizations honored our distinguished colleague, the senior Senator from New Mexico [Mr. ANDERSON] and also Mrs. Anderson.

This was the national conservation testimonial dinner for Senator CLINTON P. ANDERSON. It was sponsored by the American Conservation Association, American Forestry Association, Conservation Foundation, Izaak Walton League of America, National Audubon Society, National Parks Association, National Wildlife Federation, North American Wildlife Foundation, Sierra Club, Sport Fishing Institute, the Wilderness Society, and the Wildlife Management Institute.

With C. R. Gutermuth as toastmaster, the dinner program included an invocation by the Chaplain of the Senate, the Reverend Frederick B. Harris; introductions of the many distinguished guests; tributes to Senator ANDERSON by Secretary of Agriculture Orville L. Freeman and Secretary of the Interior Stewart L. Udall; presentation of the award to Senator ANDERSON by the National Wildlife Federation's executive director, Thomas L. Kimball; an address by Senator ANDERSON; and presentation of the award to Mrs. Anderson by Howard C. Zahniser, executive director and editor of the Wilderness Society. The evening closed with musical presentations by Jack Morton Productions.

RECEIVED BY THE PRESIDENT

Earlier in the day, at noon, the President of the United States had received at the White House, Senator ANDERSON and his family and conservation leaders from the organizations sponsoring the testimonial dinner. The President commended Senator ANDERSON's conservation record and spoke particularly of the importance of the wilderness bill, now the Senate's Wilderness Act—S. 4—of which Senator ANDERSON is the outstanding champion. The President also spoke of the importance of our pending outdoor recreation programs, and urged the importance of conservation.

GUTERMUTH—A SKILLFUL TOASTMASTER

Toastmaster Gutermuth, who is vice president of the Wildlife Management Institute, presented for due recognition Mrs. Wanda Johnson, of the Institute's secretarial staff, and Daniel Poole, editor of the Outdoor News Bulletin, who, with Mr. Gutermuth, had been responsible for many of the arrangements for the evening.

Mr. Gutermuth conducted the evening with his usual skill and good taste, and it was indeed a pleasure to listen to the tributes and presentations of awards—not only because of the enjoyment in hearing Senator ANDERSON commended, as he so well deserves, but also because of the sentiments so well expressed. There was fun in "Pink" Gutermuth's revelation that the "C" in his "C.R." initials stands for "Clinton" and his puckish introduction of Howard Zahniser as Howard Clinton Zahniser, the program having been arranged to include Zahniser's seldom-used middle initial. It was clearly an honor on this occasion to be named Clinton.

SENATOR ANDERSON'S REMARKS NOTABLE

Most notable during the evening were the remarks that Senator ANDERSON himself made after receiving his award.

The award was a plaque carrying the following citation:

The National Conservation Award presented to Senator CLINTON P. ANDERSON in appreciation of his dynamic leadership and vigorous participation in the conservation of America's natural heritage by the American Conservation Association, American Forestry Association, Izaak Walton League of America, National Audubon Society, National Parks Association, National Wildlife Federation, North American Wildlife Foundation, Sierra Club, Sport Fishing Institute, the Conservation Foundation, the Wilderness Society, and Wildlife Management Institute (1963).

SENATOR ANDERSON COMMENTS ON LOYALTY

Senator ANDERSON's remarks included an especially inspiring comment on loyalty.

Referring to Henry James' book entitled "The Philosophy of Loyalty," and its definition of loyalty as "constant unswerving devotion to a cause—a cause greater than ourselves, to which we commit ourselves," Senator ANDERSON said:

Very largely the story of our life is the story of our loyalties—the things to which we have given our time and energy with no holding back of a part of the price: the causes to which we have given our determined assistance.

MRS. ANDERSON HONORED

It was a particular pleasure to see Mrs. Anderson honored also and presented a plaque that includes a reproduction of the one presented to the Senator and, in addition, the citation:

Presented to Henrietta McCartney Anderson for her devoted assistance to her distinguished husband.

Of Senator ANDERSON's years of accomplishment that we now honor—

Said Howard Zahniser in presenting this plaque—

1 score and 10, by his own estimate, we can well appreciate as an extension of his years that we owe to Mrs. Anderson. They are a measure of the gratitude and appreciation we have for her. She has conserved a great conservationist.

TEXTS OF REMARKS ASSEMBLED

So important has this occasion seemed to me that I have been interested in assembling the texts or reconstructions or representations of the remarks made by the various speakers. This effort has been successful to a gratifying extent, and these papers have now been assembled—along with the printed program; a news report from the New York Times of May 21, 1963; an editorial from the Washington Post on the following Sunday, May 26, 1963; and a news release from the May 31, 1963, issue of the Wildlife Management Institutes' Outdoor News Bulletin.

These are as follows:

Exhibit A: "Anderson Testimonial Dinner Rated Outstanding," a news report from the Outdoor News Bulletin for May 31, 1963.

Exhibit B: The printed program, entitled "Conservation Testimonial Dinner for the Honorable CLINTON P. ANDERSON, U.S. Senator of New Mexico, Presidential Room, Statler Hilton Hotel, Washington, D.C., May 20, 1963."

Exhibit C: Remarks by the Secretary of Agriculture, Orville L. Freeman, at the dinner honoring Senator CLINTON P. ANDERSON, at the Statler Hilton Hotel, on May 20, 1963.

Exhibit D: Excerpts from remarks by the Secretary of the Interior at a dinner honoring Senator ANDERSON.

Exhibit E: Remarks by Thomas L. Kimball in presenting the award to Senator ANDERSON at the testimonial dinner.

Exhibit F: The citation on the plaque presented at the memorial dinner, May 20, 1963, to Senator ANDERSON.

Exhibit G: Remarks by Senator ANDERSON.

Exhibit H: "She Has Conserved a Great Conservationist," remarks by Howard C. Zahniser, in presenting an award to Mrs. Anderson.

Exhibit I: "President To Visit Wilderness Areas," a news report from the New York Times of Tuesday, May 21, 1963.

Exhibit J: "True Conservative," an editorial from the Washington Post of Sunday 26, 1963.

Mr. President, I request unanimous consent that these items be printed in the CONGRSSIONAL RECORD at the conclusion of my remarks.

There being no objection, the program, addresses, and other documents were ordered to be printed in the RECORD, as follows:

EXHIBIT A

[From the Outdoor News Bulletin, May 31, 1963]

ANDERSON TESTIMONIAL DINNER RATED OUTSTANDING

The national conservation testimonial dinner for Senator CLINTON P. ANDERSON, of New Mexico, held Monday evening, May 20, at the Statler Hilton Hotel in Washington, D.C., was attended by a capacity audience of more than 600 persons from all levels of public and private life and natural resources backgrounds and interests, according to the Wildlife Management Institute.

Taking part in honoring the popular New Mexican, who earlier this year stepped down as chairman of the Senate Interior and Insular Affairs Committee that handles much of the Nation's natural resources legislation, were three members of the President's Cabinet—Stewart L. Udall, Secretary of the Interior; Orville L. Freeman, Secretary of Agriculture; and Luther H. Hodges, Secretary of Commerce—more than 30 Senators, many Congressmen, the Governor of New Mexico, heads and key personnel of Federal agencies, and officers and staff personnel of national conservation groups.

The sponsoring groups presented Senator ANDERSON with a plaque that cited his long service to the cause of conservation and improved resources management. A replica of the plaque also was given to Mrs. Anderson. Earlier in the day the members of the Anderson family, accompanied by a group of conservation leaders, visited with the President at the White House.

The testimonial dinner was sponsored by the American Conservation Association, American Forestry Association, Conservation Foundation, Izaak Walton League of America, National Audubon Society, National Parks Association, National Wildlife Federation, North American Wildlife Foundation, Sierra Club, Sport Fishing Institute, the Wilderness Society, and the Wildlife Management Institute.

EXHIBIT B

CONSERVATION TESTIMONIAL DINNER FOR THE HONORABLE CLINTON P. ANDERSON, U.S. SENATOR, NEW MEXICO, PRESIDENTIAL ROOM, STATLER HILTON HOTEL, WASHINGTON, D.C., MAY 20, 1963

PROGRAM

Invocation: The Reverend Frederick Brown Harris, Chaplain of the Senate.

Toastmaster: C. R. Gutermuth.

Introduction of distinguished guests

Tribute by the Honorable Orville L. Freeman, Secretary of Agriculture, and the Honorable Stewart L. Udall, Secretary of the Interior.

Presentation of awards by Thomas L. Kimball and Howard C. Zahniser.

Music presentation by Jack Morton Productions.

Sponsors: American Conservation Association, American Forestry Association, Izaak Walton League of America, National Audubon Society, National Parks Association, National Wildlife Federation, North American Wildlife Foundation, Sierra Club, Sport Fishing Institute, the Conservation Foundation, the Wilderness Society, and the Wildlife Management Institute.

EXHIBIT C

REMARKS BY THE SECRETARY OF AGRICULTURE, ORVILLE L. FREEMAN, AT A DINNER HONORING SENATOR CLINTON P. ANDERSON, STATLER HOTEL, MAY 20, 1963

We are gathered here to honor a man who can rightly be called Mr. Conservation. In his long years of public service, first as a Congressman, then as my predecessor in the Department of Agriculture, and now as a Senator, he has been an advocate of conservation of the public's soil and water resources. As a farmer and rancher, he has practiced in private what he has preached in public.

Thus, as an individual, he epitomizes the emerging concept of conservation not as a cold abstraction but in its truest sense as a policy of using land and water to meet human needs now and in the future.

Our progress in the development of this dynamic sense of conservation has not been as rapid as many of us would like. In fact, we are not now making the best and wisest use of our land and water to serve our national well-being. This is true of public as well as privately owned resources.

But, with the leadership of a man like Senator ANDERSON, we are moving in the right direction.

I need not remind you that he was the sponsor of the legislation creating the Outdoor Recreation Resources Review Commission and now, as a member of the Commission, is the driving force behind this effort to preserve and make available the resources of land and water for outdoor recreation.

As a Minnesotan I am grateful for the actions which the Senator took as Secretary of Agriculture under President Truman. We have in northern Minnesota one of the great wilderness areas of this country. It is a place were man can go only by canoe, and it is being managed today under the plan initiated by Senator ANDERSON when he served as my predecessor.

The wilderness system, which provides that all of us may use forest, soil, and water resources in their natural state, owes a great deal to the Senator. He helped to expand it as Secretary of Agriculture, and he has helped to guard it as a Senator.

But his interests in conservation—in recognizing that using soil and water resources does not impoverish them, but misusing them does—is not reserved for public lands. As Secretary, he expanded the technical and financial help provided landowners through

programs to encourage local soil conservation districts. During his 3 years as Secretary, more than 500 new districts were organized. And he, himself, is a member of his local soil conservation district.

In many ways, the emergence of the Department of Agriculture as a great conservation agency can be traced back to the actions of Senator ANDERSON.

It is on these foundations that we are today proceeding to encourage programs and policies which will insure the conservation—the proper land and water use to satisfy human needs now and in the future—of not only public lands but also private lands.

We have reached the point in our national development where we are able to satisfy easily the needs of people for food and fiber, but we are just beginning to learn how we should use our land and water resources to satisfy human needs for outdoor recreation, for green areas around cities and towns, for open space to look at * * * to climb on * * * to walk through * * * or to meditate in.

When we look around for the land that is available, the majority of it we find is privately owned. As true conservationists, our challenge is clear. We must seek alternative land and water uses that will serve people in worthwhile ways * * * that will preserve local enterprise and the rural economy * * * and which will avoid the idling of vast tracts of land.

We look forward to this challenge with the idealism which Senator ANDERSON, Mr. Conservation, brings to the task of making wise use of our soil and water resources.

EXHIBIT D

EXCERPTS FROM REMARKS OF SECRETARY OF THE INTERIOR UDALL AT DINNER HONORING SENATOR CLINTON P. ANDERSON, MONDAY, MAY 20, 1963

We honor here tonight a man who, by any standards, is one of the foremost conservation leaders of his generation. "CLINT" has earned the admiration of this distinguished company through his sensitivity and his fairness in dealing with a wide range of conservation problems over many years.

The record we are speaking of tonight is his conservation record, but the richness of Senator ANDERSON'S service extends to many other aspects of our national lives. Permit me, for just a minute, to illustrate the magnitude of this man's accomplishments. Senator ANDERSON has served the people of this country in the House of Representatives, in the Cabinet as Secretary of Agriculture, and in the Senate of the United States.

His competence and the great range of his interests are reflected in his Senate activities; he has been a tireless leader for the wise and careful development of atomic energy; he has fought the good fight for civil rights and for a system of equitable taxation; only last summer he endangered his health by the vigor of his efforts for adequate medical care for our senior citizens; and he is now the chairman of the Aeronautical and Space Committee. If conservation is the first love of Senator ANDERSON, these other fields in which he contributes so significantly indicate his versatility, his wholeness as a man.

As a conservationist, "CLINT" has that attribute which another great conservationist, Teddy Roosevelt, 50 years ago singled out for commendation—he has "distance in his eyes." Since his boyhood days on a South Dakota farm, and through long familiarity with the conservation problems of the West, he has demonstrated that we can have a fresh and inspiring land, and at the same time sustain its productivity.

However, nothing I might tell you about CLINTON P. ANDERSON reveals more about the inner man, his convictions, his conception of the worth of individuality, his ideas as to the duties we owe the generations which are to inherit our land, than his own words.

In a university commencement address 2 years ago, the Senator threw out a challenge that mirrors his own outlook on the duties and responsibilities of freemen:

"The methods of the past will be of little help in coping with the exigencies ahead. We must recognize the new fashion in global combat and harden ourselves to the harsh likelihood that the struggle will not end in our lifetimes. But in the words of the late French patriot and author, Albert Camus: 'Let us rejoice at being faced with cruel truths * * *. Let us seek the respite where it is—in the very thick of the battle.' "

Senator ANDERSON has spent his public lifetime on the firing line of making great decisions, sane decisions. A conservationist to the core, he has conserved his own equanimity and inspiring peace of mind, while giving firm counsel to his country.

Not long ago, Senator ANDERSON was asked by an organization to submit a statement of his philosophy on conservation. The highly personal statement he provided is so eloquent—and so expressive of the man so many of us know, that I want to read parts of it to you:

"In my boyhood on a South Dakota farm I learned from my father the true meaning of conservation. This philosophy was instilled in me daily by him as he sought to 'make land' on the Dakota prairies, and the philosophy I hold today reflects those early formative years in a family that loved the soil and all of nature's wonders.

"Conservation is to a democratic government of freemen as the roots of a tree are to its leaves * * *.

"For as we have and hold dear to our practices of conservation, we say to the other peoples of the world that ours is not an exploitive society—solely materialistic in outlook. We take a positive position—conservation means we have the faith that our way of life will go on and we are surely building for those who we know will follow.

"There is a spiritual side to conservation, and wilderness typifies this. Wilderness is a demonstration by our people that we can put aside a portion of this which we have as a tribute to the Maker and say—this we will leave as we found it.

"Wilderness is an anchor to windward. Knowing it is there, we can also know that we are still a rich Nation, tending to our resources as we should—not a people in despair searching every last nook and cranny of our land for a board of lumber, a barrel of oil, a blade of grass, or a tank of water.

"I believe we must carefully harvest our renewable resources so that the amount we remove over any period balances the growth. The timber, the grass, and the wildlife are rich examples.

"I believe we must do more than just balance growth and harvest. We must replace what we take with a new crop high in quality and utility to mankind.

"Over a century ago there crossed the American scene a man from Massachusetts. He was an educator who achieved a national stature based upon the work he did in his native State. His name was Horace Mann. The admonition he passed on was: 'Be ashamed to die until you have done something for humanity.' "

CLINTON P. ANDERSON augments his legacy to humanity by daily deeds in behalf of wilderness, water, parks, and forests—all enhanced by an outlook which Albert Schweitzer has called, "a reverence for life."

In his early years in New Mexico, CLINT had the privilege of friendship with a wise forester and outdoorsman whose name needs no introduction to this audience. I would like to conclude these remarks with a quotation from the late Aldo Leopold, because they summarize what CLINTON ANDERSON stands for and why the rest of us are here:

"We abuse the land because we regard it as a commodity belonging to us. When we see land as a community to which we belong, we may begin to use it with love and respect."

EXHIBIT E

REMARKS BY THOMAS L. KIMBALL IN PRESENTING THE AWARD TO SENATOR CLINTON P. ANDERSON AT A TESTIMONIAL DINNER, MAY 20, 1963

A Missouri resident of some fame, who also served in the Senate of the United States before moving on to higher office, has been credited with some notworthy expressions. One of these is to the effect that persons who cannot stand the heat should stay out of the kitchen.

By such a definition, our guest of honor certainly qualifies as a foremost "cook" because he long has been in the midst of controversial national conservation issues. From a varied background as journalist and insurance businessman, he has been exceptionally active since moving into public service 30 years ago. Many of his major accomplishments have been in the field of natural resources. He served as Secretary of Agriculture and contributed efforts to agencies of the New Mexico State government in addition to his work in both Houses of the Congress.

Those of us here tonight are well aware of the leadership that Senator CLINTON P. ANDERSON has given to passage this year of the wilderness bill (S. 4), the program for outdoor recreation (S. 20), and the Water Resources Research Act (S. 2). We all applaud his sponsorship of the Water Resources Planning Act (S. 1111) and of the proposal to preserve shoreline areas (S. 42).

To refresh our memories on his many other noteworthy accomplishments, I invite your attention to:

First. Outdoor recreation and his sponsorship in the 85th Congress of the measure establishing the Outdoor Recreation Resources Review Commission, followed by his outstanding service as a member. The study prepared by the Commission is regarded as a landmark in outdoor recreation and it will continue to pay dividends for many years. The Senator has also been a leader in securing appropriations for national forest recreation programs.

Second. Water conservation, wherein he has served with distinction on the Senate Select Committee on National Water Resources and many of his legislative proposals have been designed to implement recommendations of this important group. As early as the 82d Congress, Senator ANDERSON authored a law to study weather modification in an effort to increase the amounts of precipitation in arid areas of the West. In 1958 he coauthored a bill for the creation of a saline water conversion demonstration program, and in the 84th Congress he cosponsored the Colorado River Storage Project Act. The stamp of his work also may be found on compacts relating to waters of the Canadian and Pecos Rivers, to projects in the Arkansas—Red and White River Basins, and to the Navajo-San Juan-Chama project.

Third. Soil conservation and Public Law 566, enacted in the 83d Congress, became an agricultural landmark. This was the Small Watershed Protection Act which Senator ANDERSON joined in sponsoring. In 1954 he was a leader in securing appropriations for emergency wind erosion control.

Fourth. Forestry—the Anderson-Mansfield Act, enacted by the 81st Congress, established an accelerated and continuing program for reforestation and revegetation of

national forests and grazing lands. In the 84th Congress he joined in protecting national forest lands from unnecessary mining operations. His sustained-yield, multiple-use philosophy won national attention in settlement of the Klamath Indian timber problem in 1958.

Ladies and gentlemen, I could go on to enumerate other of Senator ANDERSON'S accomplishments in the broad field of natural resources. I could list legislation to protect scenic values in several forests, parks, and monuments. I could set out his work on Indian areas; and I could detail his efforts at phreatophyte control.

These additional citations, however, seem unnecessary. From the foregoing, I am sure all of us recognize the many and varied contributions of Senator ANDERSON to conservation. It is an honor and a pleasure for me to have this opportunity of paying tribute to a truly remarkable gentleman and his equally remarkable career.

Most certainly, he has flourished in the hottest sort of kitchens, and most certainly generations of Americans yet unborn will profit from Senator ANDERSON'S public service in providing for the conservation and wise use of our Nation's great wealth of renewable resources.

EXHIBIT F

CITATION ON PLAQUE PRESENTED AT MEMORIAL DINNER MAY 20, 1963, TO SENATOR CLINTON P. ANDERSON, OF NEW MEXICO

The National Conservation Award presented to Senator CLINTON P. ANDERSON in appreciation of his dynamic leadership and vigorous participation in the conservation of America's natural heritage by the American Conservation Association, American Forestry Association, Izaak Walton League of America, National Audubon Society, National Parks Association, National Wildlife Federation, North American Wildlife Foundation, Sierra Club, Sport Fishing Institute, the Conservation Foundation, the Wilderness Society, and Wildlife Management Institute (1963).

EXHIBIT G

REMARKS OF SENATOR CLINTON P. ANDERSON, CONSERVATION TESTIMONIAL DINNER, STATLER HILTON HOTEL, WASHINGTON, D.C., MAY 20, 1963

For more than 20 years I have enjoyed the bewhiskered story of the hod carrier who died just after a new attorney was hired by his union. The new mouthpiece claimed the privilege of saying a few words at the funeral, and while he carefully researched the history of membership of the deceased in the union, he added a great many flowery touches as to his private life and personal accomplishments. At the end, the mother asked one of the children to please tiptoe up to the coffin and see if it was their father in the casket.

I have watched my own children look about incredulously tonight wondering what happened to that other father of theirs who has been wanting to quit Washington and come home to a few flat, irrigated acres where a dozen western cow ponies nibble in a nearby pasture. There is no splendid solitude in that piece of irrigated ground; no rush of mountain streams, not even a problem of silt accumulation or soil erosion.

Who is this fellow who is being so graciously commended this evening? Well, I know him better than most, and I can tell you.

Henry James has a book which I have had in my library for the past 40 years. It is called "The Philosophy of Loyalty," and is a series of lectures which he delivered at Harvard. I have used that volume to crib material for talks many times in the past. But both my notes and the volume are in New Mexico which is normal: when I want something for a talk in New Mexico, my notes are in Washington. These notes that I wanted tonight are in New Mexico.

But the book defines "loyalty" as the constant unswerving devotion to a cause—a cause greater than ourselves to which we commit ourselves.

Very largely the story of our life is a story of our loyalties—the things to which we have given our time and energy with no holding back of a part of the price—the causes to which we have given our determined assistance. I wonder if we always know how we become involved in these causes. During the past few weeks I have been looking back over the trail of the half century since I left high school to see what brought me to this dinner tonight.

Forty-five years ago as a reporter, I met Aldo Leopold, who had taken a position with my hometown chamber of commerce. He was an excellent source of news, but truly his heart was in the Gila wilderness and its establishment.

A year or two later, I joined forces with Ward Shepard, then of the regional forester's office at Albuquerque, to select in the Cibola National Forest a site for a Boy Scout camp. We went into a country that then had few trails and no roads. We carved out a little empire with a running stream and a hundred acres of fine trees. Today, the trees are gone and the stream dried up. The Boy Scouts long since have sold the property—first to ranchers and they to subdividers. But the memory remains of how Ward Shepard could find his way in and out by the trees and types of vegetation in the same fashion that you and I follow street numbers and highway maps.

These two men first interested me in the out-of-doors.

Then after a long breathing spell, I came into the Department of Agriculture and under the influence of Lyle Watts, then head of the Forest Service and Hugh Bennett, the father of soil conservation. Here were men who, once having laid their hands on you, never let you go. I owe them a great deal.

But those who educated me were not confined to the Department of Agriculture. In the Cabinet, I never got on a basis of intimate friendship with the old curmudgeon, Harold Ickes. I could never be sure where "Honest Harold" would lead me. But I was always certain that when a helping hand needed to be stretched out to pull me away from trouble, the hand of Oscar Chapman would be there. And there were many others in the Park Service—men like Horace Albright who once had headed it.

If time permitted, I would enjoy nothing more than to be privileged to call the roll of helpful people in a host of other circumstances. But I must mention one more. There have been probably many eras of good feeling between the White House and the Congress, but there was one period during the 80th Congress when the feeling was not so good. The man who handled the Department of Agriculture appropriation was EVERETT MCKINLEY DIRKSEN of Illinois who had served with me in the House of Representatives and had permitted me to be drawn into the circle of his friendship. With the change in control of Congress, he had a dominant position in appropriations for Agriculture. He came to my office to say that he was ready to trust me more than some of the testimony he was likely to get and that if the occasion arose where I knew his committee was wrong in its final judgment, he wanted me to bring the facts straight to him so that he might correct it. How many times, since we both have been serving in the Senate, have I remembered that day.

All of which leads me to say that I know considerably more about the conservation worker who has been so graciously discussed here this evening than any of those who have spoken. I happen to know that he has had a lot of help both on and off the Senate floor, just as he had help from within and without his office when he was in the executive department.

I happen to know that, probably more often than not, when he was alone in his office after taking on a chore, he has leaned back and wondered, "Why in the devil did I let them push me into this one."

My difficulty, in accepting all that has been said this evening, is in having a too intimate knowledge of the details of some of these efforts to keep the country abreast of conservation needs. I have been able to sit up here and identify—sitting around with every appearance of complete innocence—a large number of people who have repeatedly taken advantage of the inability of the subject of the evening to say "No," and to stick to it.

No one would suspect from anything he has said this evening that the chairman of this meeting, Mr. Gutermuth, ever instigated any of these conservation efforts. He has. If the law in some States in regard to repeated offenses were effective, he would be serving at least five life terms as an habitual criminal. And I would be proud to be jailed with him.

But he wouldn't be in solitary confinement. He would have in the cell with him his whole delegation of arm-twisters and leg-pullers.

The distinguished majority leader of the Senate, the senior Senator from Montana, who can keep the straightest face of anyone I ever saw, would be somewhere nearby.

MIKE attempted to start this affair off early on the Senate floor the other day when we had a water resources research bill up for debate.

He extolled the author of the bill for his diligence and leadership on conservation matters without even hinting he had himself started the water running five years ago in Senate Resolution 48, which established the Senate Select Committee on National Water Problems. I had to point out that he turned on the faucet and the rest of us are just manning the pumps.

MIKE'S cell would be well filled too. He keeps a considerable squad with him, I am glad to say.

On the occasion I mentioned, when the water research bill was up, there were 61 by actual count in his retinue, including many delightful strays from EVERETT DIRKSEN'S flock.

On an occasion two or three weeks before, there were 73. I would love to call the roll of those because the cause of conservation is not now and never has been a political issue.

Of course, I am deeply honored by the three Cabinet officers who are here tonight. I have known Secretary of Commerce Luther Hodges since 1926. As Secretary of Agriculture I needed to try to make some sort of sense out of the books of the Commodity Credit Corporation and its wartime purchases, sales and shipments. I asked Luther to leave his New York responsibility, forget his high salary and come to Washington at $10 a day to straighten out the account. I have never seen a finer example of shrewd business judgment, tied to unending devotion, to bring about such an inspiring result.

I am delighted that the able and upright Secretary of Agriculture, Orville Freeman, is here tonight. I have known every Secretary of Agriculture since the days of Mr. Jardine. I know how delicate their relationships must be with the Department of the Interior because of bureaucratic zeal. And I have never known a man to display a greater willingness to work with the Secretary of the Interior for the advancement of the cause of conservation and the ultimate good of the Nation than Orville Freeman.

What can I say of my buoyant and devoted friend who, I am sure, must have been the instigator of this occasion, the Secretary of the Interior, Stewart L. Udall? I wrote down hundreds of words that I would have liked to use to pledge my loyal support

to him but as Kate Smith was singing on the "Ed Sullivan Show," Sunday night, I found in two lines of one of her songs all I need to say and all he needs to know. These are the words: "As long as he needs me, I know where I will be."

I could also include here two or three pages about Ben Stong, but I know Ben wouldn't like that, and so I shall simply say he is one of those for whom I also say special thanks.

It just isn't possible to stand here and tell you how much I appreciate this occasion and everything about it—those who sponsored it—the fact of the presence of each of you—the kind things that you have said. I accept your kindness not as a proper recipient but on behalf of my colleagues in the Senate and the House whose servant I have been in the execution of their legislative desires.

I appreciate it all very, very deeply, but it is more attention than any one man deserves—certainly more than I deserve—and what I have been trying to say is that the effort to make wise provision for our resources is moving forward because a great many people—a host of them—develop a loyalty to that cause and push it ever forward.

From beginning to end—if there ever were to be an end to conservation policymaking—there are invariably dozens, hundreds, and often a good many thousands of leaders involved, from those people with ideas, through those who write letters and send telegrams, to those who cast votes in the House of Representatives and in the Senate.

I wish I were somehow able to reapportion out to each of you your proper share of the kindness so generously bestowed on me this evening, for you deserve it.

And it is you—all of you combined—who will carry forward the continuing effort to meet man's needs for resources of every kind—whether the need be for water in our lakes and rivers, for forests of oak and pine and redwood, for minerals that may carry man on spaceships to faraway planets—or whether it be merely for quiet places of solitude where God dwells and where man may rest his soul in that companionship.

On behalf of my family—both personal and official—those who tolerate me during the day and those who await my return at night—I thank you deeply and sincerely for this occasion.

EXHIBIT H

"SHE HAS CONSERVED A GREAT CONSERVATIONIST"—REMARKS BY HOWARD C. ZAHNISER IN PRESENTING AN AWARD TO MRS. CLINTON P. ANDERSON

Mr. Toastmaster, distinguished guests, ladies and gentlemen, it is my privilege to express at this time our special appreciation to Mrs. Anderson, and, if I may so add, an appreciation thus to all the ladies who are with us and to all those others, too, who do so much for conservation but are so seldom recognized.

Those of us who have worked in conservation fields have realized especially well that without the support and cooperation, the tolerance and charity, of a good and sweet wife—who may also be strict and stern on occasion—it is difficult indeed to continue long or maintain an effectiveness.

When we began, with this occasion in mind, to consider the innumerable accomplishments of Senator ANDERSON, remembering the many times we have seen his gallant effectiveness, we soon surmised that he must be accustomed to setting forth from home with the blessing of someone with patience and charm, perhaps some authority too, and certainly a contagious assurance.

What we had surmised, investigation readily confirmed. Mrs. Anderson's services, like those of the Senator himself, have been far greater than ordinary, although like those of most wives, they have been little known.

Henrietta McCartney knew when she became the bride of CLINTON ANDERSON that she was undertaking more than ordinary wifely responsibilities.

Her husband's repeated health problems, his impatience with inactivity, his refusal to excuse himself from responsibilities, his consequent almost continuous lavish expenditure of energies—which in his case are unusually precious—have through the years tested her resources and have in truth proved her conservation of this great man to be truly phenomenal.

Of Senator ANDERSON'S years of accomplishment that we now honor, 1 score and 10, by his own estimate, we can well appreciate as an extension of his years that we owe to Mrs. Anderson. They are a measure of the gratitude and appreciation we have for her. She has conserved a great conservationist.

So we have learned what our hearts had led us to expect, and we have been pleased to prepare a plaque for Mrs. Anderson, also, for her devoted assistance to her distinguished husband.

"Her husband is known in the gates, when he sitteth among the elders of the land." (Proverbs 31:23). In his eminence, as the writer of Proverbs long ago led us to expect, we see her virtues and with him we honor her too.

Mrs. Anderson, it is my pleasure, a privilege indeed, to present to you, with our compliments and appreciation, this plaque, which includes a reproduction of that presented to the great man with whom you live, and, in addition, reads as follows: "Presented to Henrietta McCartney Anderson for her devoted assistance to her distinguished husband."

EXHIBIT I

[From the New York Times, May 21, 1963]

PRESIDENT TO VISIT WILDERNESS AREAS

WASHINGTON.—President Kennedy said today he hoped to see some of the Nation's resources, natural wonders and wilderness areas, which he hopes to preserve.

The President said he planned a trip to the Midwest, the Rocky Mountains and the Southwest. He said it would be a good idea for "all of us in Washington" to do this and for the people of the country generally.

Mr. Kennedy spoke about his travel hopes to representatives of a dozen private organizations interested in conservation and particularly to Senator CLINTON P. ANDERSON, Democrat of New Mexico. They gathered in the White House rose garden.

The President praised Senator ANDERSON today as a man who had worked hard all his life to preserve the heritage of natural resources.

Mr. Kennedy has recommended legislation to preserve wilderness areas, promote outdoor recreation spots and guard natural resources. He said he appreciated Senator ANDERSON'S work for the wilderness bill and other legislation in recent years and his long record of accomplishment.

Mr. ANDERSON told the President that conservationists "would like to see you get out with this group of men and see what they are doing."

EXHIBIT J

[From the Washington Post, May 26, 1963]

TRUE CONSERVATIVE

Senator CLINTON P. ANDERSON of New Mexico is the kind of conservative who wants to save as much as possible of America's natural wonders before the country is paved over, coast to coast. He eminently deserves the testimonial he received this week from a dozen conservationist organizations. The most fitting salute came from President Kennedy, who said he planned to visit wilderness areas that one of Mr. ANDERSON'S bills proposes to save. It would do all of us in Washington good, Mr. Kennedy remarked, if we got out and saw more of the country. And it would do the Nation good if Congress enacted the wilderness bill in order to assure future generations that there will be something left to see. The Senate, paced by Mr. ANDERSON, has approved the bill; when will the House begin to move?

FREEDOM OF INFORMATION

Mr. PROXMIRE. Mr. President, recently the Senator from Missouri [Mr. LONG] introduced an excellent bill termed the freedom of information bill, which I am very proud to cosponsor and support. In connection with that bill I hope the Congress will follow the lead of Wisconsin in bringing the cleansing light of public scrutiny into government's action and activity. This government business is the taxpayer's business. He pays for it. What right have public officials to shut him out?

In 1959 the State of Wisconsin enacted a law requiring open meetings of governmental bodies and agencies.

Wisconsin has been the only State in the Union in which every citizen is assured access to information regarding governmental affairs. The Wisconsin law declared that:

> No formal action of any kind shall be introduced, deliberated upon or adopted at any closed executive session or closed meeting.

The difficulty of gaining similar access to information held by the executive branch of the Federal Government is recognized by newsmen, legislators, and other interested parties, yet as the years go by little seems to be done in a substantive way to correct this situation.

A Federal Government which daily makes decisions affecting not only the lives of its citizens but the virtual existence of all men cannot afford to withhold capriciously the facts on which these judgments are based.

Among other things, the freedom of information bill recently introduced by the Senator from Missouri [Mr. LONG] would require each agency to publish in the Federal Register—

First, descriptions of its organization and places where the public may obtain information;

Second, statements of the general course and procedure by which its functions are performed; and

Third, substantive rules and statements of general policy.

In this way, the Long bill, which I am cosponsoring, sets the door of public scrutiny ajar, although the Wisconsin law opens it wide.

With the passage of this legislation, the Federal Government will begin to follow Wisconsin's lead in guaranteeing the prerequisites of communication between the people and their Government without which no popular democracy can survive.

We all recognize that some military, diplomatic, and personnel information must and should remain classified and secret. At the same time, the overwhelming amount of information which is classified should not be classified. By classifying, the Government prevents the public, which has the best right of all

to know what is going on, from knowing. I feel that the bill introduced by the Senator from Missouri [Mr. LONG] deserves support in the Congress. I hope that it will pass this year.

I yield the floor.

PROPOSED DEMONSTRATION AT THE CAPITOL

Mr. ROBERTSON. Mr. President, in a thoughtful editorial in his June 17 issue of U.S. News & World Report, the distinguished columnist, David Lawrence, said:

> The Supreme Court of the United States in a group of six cases recently reversed the convictions of several Negroes arrested for breaches of the peace in restaurants, lunch counters in stores, and recreation grounds in parks in the South.
>
> The laws of "trespass" have been imbedded in our system of government for many decades. The Louisiana Legislature, for example, passed a law which wiped out all segregation ordinances and defined disturbance of the peace as including "the commission of any act as would foreseeably disturb or alarm the public."
>
> The Supreme Court now has held, in effect, however, that the ordinances covering disorders were too broad and that the "mental urges" of the police were designed to maintain segregated service, while the "mental urges" of the demonstrators were merely motivated by the pursuance of a constitutional objective. The High Court declared: "It is said that failure to obey the command of a police officer constitutes a traditional form of breach of the peace. Obviously, however, one cannot be punished for failing to obey the command of an officer if that command is itself violative of the Constitution. And the possibility of disorder by others cannot justify exclusion of persons from a place if they otherwise have a constitutional right—founded upon the equal protection clause—to be present."
>
> This is an invitation to mass violence in America and virtually blocks preventive action by the local police as mobs gather. The officers must wait until persons and property have been injured. They cannot thwart a riot or a foreseeable disorder because, conceivably, some constitutional objective is in the minds of the demonstrators.

In view of the fact that there have been in recent weeks proposals made by Negro leaders for a mass demonstration at the Capitol of the United States, which Martin Luther King said would include 50,000 from Harlem alone, it may be well for me to remind all Government officials of the fact that we have for the protection of the Capitol and the entire seat of Government in the District of Columbia an act of Congress similar to city ordinances relating to unauthorized parades, processions, and assemblages which have been openly violated in the South and for which the violators have been granted immunity by the Highest Court in the land.

The law in question is to be found in title 40, United States Code 193(g) and reads as follows:

> It is forbidden to parade, stand or move in processions or assemblages in said United States Capitol Grounds, or to display therein any flag, banner, or device designed or adapted to bring into public notice any party, organization, or movement, except as hereinafter provided in sections 193(j) and 193(k) of this title.

Before the demonstrators being whipped into a frenzy by Martin Luther King reach our Capital City, I think someone in authority should publicly announce whether or not the law against illegal parades and assemblages is going to be enforced.

LET US NOT HAVE KING-SIZE FEDERAL SALARIES

Mr. YOUNG of Ohio. Mr. President, a committee, which has been considering fixing a proper and adequate scale of pay for officials in the executive, legislative, and judicial branches of the Federal Government, headed by Clarence Randall, a retired Chicago steel executive, finally made its report and recommendations to the President yesterday. It has not as yet been made public.

It is evident that the members of this Committee are no strangers to king sized executive salaries in industry. It is anticipated that the Committee will propose really colossal salaries for officials in the legislative, executive, and judicial branches of our Government. Clarence Randall is himself a former president of the Inland Steel Co. The steel industry, from whence he retired, is noted for paying princely salaries to its executives. President Kennedy appointed this Committee, whose function was to make a study of salaries paid to Members of Congress, Supreme Court Justices, Cabinet members, administrative heads of Federal agencies, and other top Federal officials. Then, having studied the salaries paid to all Federal officials and employees, to make its report and recommendations.

If these advance notices are correct, apparently our Chief Executive made a mistake in not placing some average individuals or ordinary citizens on this Committee. Perhaps a more equitable recommendation would have come forth had he selected for this public service a few men like myself, whose way of life has been to work hard all their adult life and in the past have been very hard pressed financially for some years, and who have acquired a habit of living conservatively. Furthermore, a sprinkling of university professors and instructors, whose salaries are far from being princely, might have leavened the expected final report somewhat. It appears that this Committee was well larded with executives and former executives in private industry, known for profitable operations and high salaries to executives.

The facts are that private industry bases its pay scales on profits, and where the profits are great the salaries in many instances are super colossal. I make no complaint regarding such policies. No such factors govern the Federal Government's payroll. Our Government's only source of income for paying salaries is the taxpayer. There is already a heavy burden upon our taxpayers. I think citizens generally wish public officials to be paid adequately. I am certain it would be foreign to our American way of life were Congressmen, for example, to be denied adequate compensation. It would be unfortunate were only men and women born to great wealth, or who had acquired great wealth, able to afford to occupy public office, elective or appointive. No one wants that. On the other hand, it is reported that this Committee has come forth with overly generous and, in fact, outrageously high salary recommendations. If so, I believe that the recommendations of this Committee should be denied.

It would be well for a joint congressional committee, instead of retired steel executives and other wealthy men, to make recommendations as to what are and are not appropriate salaries. Do we want Washington bureaucrats to become America's new economic royalty? It is true that in order to attract outstanding men and women into Government service, salaries should not be miserly. They should probably be somewhat comparable to those offered in private industry. However, this Committee reputedly proposes a fantastic raid upon the Public Treasury. Long ago it was written:

> Enter ye the strait gate: for wide is the gate, and broad is the way that leadeth to destruction, and many there be which go in thereat: because strait is the gate, and narrow is the way, which leadeth unto life, and few there be who find it.

The gate to the Public Treasury is wide and broad is the way. Far too many there be which go in thereat. Let us guard this gate and protect to the utmost against raids upon the Public Treasury.

The Committee report is expected to recommend that salaries of Supreme Court Justices be increased to $60,000 a year, salaries of Cabinet officers to $50,000, and now we come to the heads of independent agencies, assistant secretaries, and commissioners. The minimum for these officials—and there are a multiplicity of them—is an increase to $30,000 with increases ranging from that sum of $50,000 a year. Can Senators imagine the chaos that would follow such increases? Other deputy commissioners, administrative assistants, executive assistants, and right down the line would very properly demand that their salaries be doubled or nearly doubled when they observe, for example, that a Supreme Court Justice has his salary hiked from $35,000 to $60,000 per year.

Furthermore, the vast body of our public employees, when they reach retirement age, feel they are fortunate, indeed—and they are—that as long as they live an adequate retirement annuity will be paid to them. Supreme Court Justices and other Federal judges, upon retirement at the age of 70, or for disability before that age following 15 years in office, receive their full salary as long as they live.

Mr. President, it is well known that whenever there is a vacancy on the Federal bench, Members of Congress, and in particular Senators, are importuned by a large number of lawyers ambitious to serve as U.S. district judge or appellate judge. There are probably only a few hundred lawyers in our Nation who, if offered today an appointment to the Federal bench, would not accept. I suspect if the salary of Members of the Congress were to be increased to $35,000

a year, approximately the same number who now seek election from our citizens, would be asking for election to Congress.

The VICE PRESIDENT. The time of the Senator from Ohio has expired.

Mr. METCALF. Mr. President, I ask unanimous consent that the Senator from Ohio may be given an additional 3 minutes.

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

Mr. YOUNG of Ohio. Mr. President, no doubt the same men and women would be returned to Congress. I will continue to speak out against, and I shall vote against such salary increases for elected and appointed Federal offices. Furthermore, it seems to me outrageous to propose that the administrator of some independent agency should receive the same salary or a salary in excess of that of a U.S. Senator. Senators seek election, often at great personal expense, and following election we necessarily maintain two residences, report constantly to our constituents, and incur considerable travel and entertainment expense. We make no complaint about this. It goes along with our job. Apparently many citizens consider that a Senator has an expense account in addition to his salary. We do not. Facts are that at this time without any pay raise whatever, very few men and women of high achievement in private life would refuse appointment or certain election to the U.S. Senate or to the House of Representatives. Most Americans are eager to serve their country.

If preliminary reports are correct, I assert that the recommendations of this Committee are really somewhat frightening. Were they to be carried out salaries all along the line would be increased and taxpayers would sweat on and on. A further reason, if it should be necessary to give any further reasons why such proposals should be disregarded, is that they would result in outrageous increases in the cost of all Federal programs. The entire situation would be unrealistic.

Perhaps our President would be well advised to thank the Committee members for their services and then terminate their services and dissolve the Committee.

I yield the floor.

CLOTURE ON CIVIL RIGHTS LEGISLATION

Mr. JAVITS. Mr. President, the tragic assassination of Medgar W. Evers, 37-year-old field secretary of the National Association for the Advancement of Colored People, in a sneaky and dastardly attack is yet another reminder of the grim seriousness of the civil rights struggle. This is an offense against our Nation as well as a tragic crime involving an American and his family. The crime appears to be an effort to intimidate the NAACP in working for constitutional rights of Americans in Mississippi. It underscores the emergency nature of the current crisis, which demands action now at all levels of Government, especially by the Congress, which has lagged behind the other branches of the Federal Government on civil rights. I am sure the Attorney General of the United States will invoke the full resources of the FBI as well as the full power and authority of the executive department under existing law to track down the guilty; and I know he will insist upon the State of Mississippi exercising all its authority toward the same end.

So, too, the fatal shooting, this time of a white mechanic at Lexington, N.C., and rioting in Danville, Va., and Cambridge, Md., a day or two ago, all are apparently attributable to racial tensions. All of these events underline the seriousness of what is going on and the earnestness with which the Congress must perform its responsibility for safeguarding the civil rights of U.S. citizens in this national crisis according to the call of the President at long last for meaningful congressional action, proportioned to the size and intensity of both the constitutional and moral issues.

Under the dreadful pall of such events and while we dedicate every facility of law enforcement to finding and punishing the guilty, it is at the same time of critical importance to examine our own historic responsibility and to enable these events to sharpen our judgment and deepen our determination to do our part in giving our country the structure and means to avert these, the dread and unreasoning dangers of racial violence which beset us.

The crusade for human dignity to which the President summoned the Nation Tuesday evening must be fought on every level of our society. One of the major struggles will be here in the Senate of the United States, and I would like to address myself to that.

The basic issue in the Senate struggle will be cloture. If there was any doubt about that, our colleague the Senator from Georgia [Mr. RUSSELL] acknowledged leader of the Southern Senators on this issue—made that clear yesterday when he pledged to oppose civil rights bills with every means and resource at his command.

Although the showdown may be a couple of months away, it is time to begin the national debate on the issue of cloture—so that the public will understand it fully and will be enabled to get their views to have a real impact on the proceedings here in the Senate.

The fight for cloture is a case of simple arithmetic. The Nation is aware of the division within the Democratic Party on this issue. It is said that of the 67 members on the Democratic side, we can expect no fewer than 40 votes and no more than 45 votes for cloture. It is thus clear that the Republican Party holds the key to cloture, for we will need at least 22 votes on this side—and an optimum of 25 assured votes—to win this epochal struggle.

It will take the maximum to beat a filibuster; and a filibuster has been promised us by none other than the leader of the southern Senators, the Senator from Georgia [Mr. RUSSELL], as recently as yesterday.

It is important for my party to understand that as the fateful vote for cloture approaches, the spotlight will be on Republicans in the Senate as never before. Our party's great heritage, our fidelity to Lincolnian principles, our responsibility for national leadership at time of crisis—all these will be tested by this struggle.

The Nation will understand these issues—and I hope my party will, too. It may appear to be a battle of U.S. Senators alone. But it is much more than that. I hope every Governor, every national leader, every party official will stand up and be counted before the vote on cloture takes place.

I also would like to express the hope that the Senate leadership will make the necessary move to ensure that when the time comes, it will not be a so-called gentleman's filibuster. The issues are too grave to permit such niceties, for as we have found in the past, the "gentleman's filibuster" has simply been an aid to the small group of Senators seeking to block a vote in the Senate on civil rights. Use of the rules to the fullest extent possible, in the same way the minority uses those rules in a filibuster to prevent a vote, will be needed, and consideration will have to be given at some stage to round-the-clock sessions, if necessary, as again this issue is likely to be fought out late in the session. Anything less will reflect a lack of determination which the Nation will not understand in the present crisis on civil rights.

The attention of the country is focused now upon the fact that cloture will be the critical civil rights vote. There can be all the meaningful legislation in the basket anyone can think of, but if we cannot get cloture, there will never be civil rights legislation. Without cloture, no effort to make our contribution and to exercise our responsibility can head off these dread dangers to the national tranquility to which I have referred.

Those of us who are interested must fix the attention of the people of the country upon that fact now. The people must make it known to their Senators that they understand it is the vote on cloture which is important if we are to get civil rights legislation.

The VICE PRESIDENT. The time of the Senator has expired.

Mr. JAVITS. I ask unanimous consent to proceed for 30 seconds.

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

Mr. JAVITS. I intend to reiterate this proposition time and time again on this floor in the coming weeks, until we come to a decisive vote, in order to let the country understand that there is no substitute for a vote on cloture if we really want to meet our responsibility to head off the dread dangers which are facing the country.

THE SPACE PROGRAM

Mr. EDMONDSON. Mr. President, I hesitate to make a statement on the floor of the Senate in this vein, but in view of statements by former President Eisenhower, wherein he again was quite critical of the space program of this Government, I feel compelled as a member of the Senate Aeronautical and

Space Sciences Committee to rise and express my complete confidence in this vital national effort and in those administering it.

Mr. Eisenhower is a distinguished American, indeed, one of our Nation's great leaders, but I must call to your attention the tremendous success we have begun to enjoy in the conquest of outer space and remind you of the surge of national pride which we all have felt as a result of the triumphant flight of *Faith 7*.

We stand in the position of leader for the free world as we battle for superiority in this challenging field. We cannot afford to do less than we are now doing.

The national goals set by the President of the United States and ably administered by the distinguished James E. Webb deserve the united support of Americans, for it is this program which assures this country preeminence in space.

RATIFICATION BY NEW HAMPSHIRE OF ANTI-POLL-TAX AMENDMENT

Mr. HOLLAND. Mr. President, I am happy to announce that the State of New Hampshire yesterday ratified the anti-poll-tax amendment to the U.S. Constitution when the senate of that State's legislature adopted the resolution of ratification approving the amendment, by a voice vote. The house on May 16 had previously approved the resolution ratifying the amendment, likewise by a voice vote.

Thus, Mr. President, New Hampshire—the Granite State—becomes the 35th State to ratify this important amendment to the Constitution, leaving only 3 States needed to achieve the 38 required. I am indeed indebted to my two distinguished colleagues from New Hampshire—Senator COTTON, who cosponsored, stanchly supported, and voted for my resolution in the 87th Congress proposing this amendment, and who, with Senator MCINTYRE, has worked valiantly to achieve ratification by their great State. I am indeed indebted to both Senators for their splendid efforts, and I am especially grateful to Senator MCINTYRE for advising me this morning of the final action taken by the legislature of his State.

Again, Mr. President, this is another example of the complete bipartisanship with which Members of the Congress, the Governors of the respective States, and the State legislatures have approached this matter. I, indeed, salute all those in New Hampshire for the splendid bipartisanship they have shown in accomplishing the ratification by their great State.

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

Mr. HOLLAND. I am glad to yield to the distinguished senior Senator from New Hampshire.

Mr. COTTON. Mr. President, speaking for myself—and I am sure that my distinguished colleague from New Hampshire will voice the same thought—I am grateful indeed for the kind words of the Senator from Florida. It has been my privilege and pleasure, as it has been my colleague's, to do my best to speed this action by our legislature. I must add, however, that one reason that I have been diligent is that the distinguished Senator from Florida has not allowed me to be otherwise. He has frequently reminded me that New Hampshire should act, and I agreed with him.

It is highly fitting—and I say this somewhat facetiously—that just before the Senate is apparently about to be plunged into a situation which may resemble a reenactment of the Civil War, it has been demonstrated what influence a great southern Senator has over the two Yankee Senators from New Hampshire.

In all seriousness, I am gratified by this action of the New Hampshire Legislature. This constitutional amendment, of which I was a cosponsor in the Senate, is thoroughly deserving of ratification by the requisite number of States. It is a source of pride to me that New Hampshire, consistent with its history of responsibility, has met and discharged this important obligation.

Mr. HOLLAND. The Senator is more than kind in his comment. I am particularly happy that New Hampshire has taken this action, because as he knows that State finally made possible the adoption of the Constitution of the United States, by casting the deciding vote in 1788.

I am glad now to yield to the distinguished junior Senator from New Hampshire.

Mr. MCINTYRE. Mr. President, I thank my esteemed and able colleague, the senior Senator from Florida, for his kind remarks and congratulate him for his continued efforts in behalf of the proposed 24th amendment to the Constitution of the United States.

Through the good work of the Senator from Florida, and with the cooperation of various Governors and State legislators, 35 of the needed 38 States now have ratified the amendment.

It is, I feel, and I know that my senior colleague, Senator COTTON joins in this thought, most fitting that New Hampshire—which 175 years ago this month became the ninth and deciding State to ratify the Constitution—should, through its general court, approve this amendment, aimed at the protection of a fundamental right of all our citizens.

The poll tax bears no reasonable relation to the rights and privileges of citizenship. The protection of the fundamental liberties of the citizen is a legitimate function of government and one intimately related to the role our Nation has come to play in a world where human rights are a matter of increasing concern.

Mr. President, I trust that the legislatures of some of our other great States recognize this fact, and will see fit in the near future to join New Hampshire and the 34 other States in approving the proposed 24th amendment.

Mr. HOLLAND. Mr. President, I am deeply grateful for the kind comments of my distinguished friends from New Hampshire. It would have been impossible to reach this stage if we had not had their determined and indefatigable efforts, for which I thank them.

THE CURRENT CRISIS AT THE UNITED NATIONS

Mr. KEATING. Mr. President, the eyes and ears of the world have turned with increasing concern in recent days toward the United Nations in New York, where the Communists have again mounted a determined effort to undermine the effectiveness of the world body. The Soviet bloc, in fact, has been trying to bring on the worst crisis in the U.N.'s history.

The severity of the Communist challenge cannot be minimized. It seeks particularly to subvert the peacekeeping mechanisms the U.N. has painfully evolved over recent years—functions which hold great promise for calming potential conflicts in the future.

If the U.N. cannot come up with means to strengthen—and finance—its peacekeeping efforts, it may disintegrate into a meaningless, ineffective international debating society instead of the responsible, effective instrument for peace it could be.

There should be no doubt in anyone's mind about the fact that the U.N. does have ways and means to help keep the peace. On more than one occasion in the past it has helped divert potentially explosive disputes into nonviolent channels. This has come about by providing a forum for airing differences between nations, by serving as a center for negotiations, and by mounting economic, administrative, and policing actions to meet situations which might lead to open conflict.

It is for the very reason that the U.N. has been able to help maintain peace—and contain Communist aims—that the Soviet bloc is so anxious to sabotage it.

The current Communist attack in the special session of the General Assembly has taken three courses.

First, the Soviets have continued their refusal to pay their share of the peacekeeping operations in the Middle East and the Congo.

Second, they have added five other items in the budget to which they object and which they therefore refuse to help finance. These range from service on U.N. bonds to upkeep of the U.N. cemetery in Korea.

Finally, the Communists reportedly tried to force Secretary General U Thant to bring the issue of sending observers to Yemen before the Security Council. This would set a precedent that the dispatch of all peacekeeping missions must be authorized by the Security Council—where the Soviet Union can exercise its veto—and would strip the General Assembly of this vital function.

Mr. President, if the Soviet bloc gets away with these moves, they could hamstring the U.N. and be well on their way to reducing the organization to the status of a talking society. It will take firm, decisive leadership by the American delegation to rally opposition to

the Communist campaign of sabotage and obstructionism.

The moves made thus far by the Russians in the special session of the General Assembly may be just the beginning of a sustained campaign to interfere with the progress of the U.N. Although, as I have indicated, this is actually a tribute to the effectiveness of the world body in thwarting the Communist goal of global conquest, the Soviet moves will be seized upon by some critics as an excuse for urging American withdrawal from the organization.

I think those people who say that because the U.N. has not been a complete success it is therefore a failure and worthless are missing the mark completely. Certainly the U.N. is not a perfect instrument and many improvements must be made.

But, just because everything does not go exactly as we might wish is no reason to throw up our hands and quit. Rather than turning our backs on this great opportunity for strengthening the organization in the cause of peace, we should roll up our sleeves and get to work to bring about needed changes.

This is a task which will require all the ingenuity, patience, energy, faith, and determination at our command. Solutions will not be easily found—nor implemented.

But the stake—world peace—is high. We must not quit just because the going is rough.

I am hopeful the current session of the General Assembly will come up with some answers to the problems confronting it. I am not optimistic about the outcome, but I shall not be discouraged by the results.

It is vitally important for all Americans who are concerned about peace to keep themselves informed about what is going on at the United Nations and about the problems which confront the organization. That is why I have always been so vitally interested in and have supported so strongly the fine programs of the American Association for the United Nations.

This organization has done a splendid job of informing the American people about the U.N. and its work. In so doing, it has strengthened the hand of our Government and our delegates to the U.N. in carrying out their vital work.

The AAUN, perhaps more than any other nongovernmental organization, has helped create a climate of thought in this country in which strong American support for the U.N. has been able to grow and prosper. My hat is off to those in this organization who are responsible for the excellent record it has compiled and will continue to compile in the days ahead.

My home city of Rochester, N.Y., is extremely proud of the enlightened and vigorous activities of its chapter of the AAUN. This group has done much to stimulate constructive thought about the U.N. and to educate people about the world body's work.

Recently, Joseph Sisco of the U.S. mission to the United Nations, addressed the Rochester Association for the United Nations. Although not everyone will agree with all he said, he did deliver a provocative and important address on the present and future of the U.N. I ask unanimous consent that Mr. Sisco's remarks be printed at this point in the RECORD.

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

ADDRESS BY MR. JOSEPH SISCO, DEPARTMENT OF STATE, OFFICE OF UNITED NATIONS POLITICAL AFFAIRS, TO THE ROCHESTER ASSOCIATION FOR THE UNITED NATIONS ON MAY 21, 1963

Secretary Rusk said recently, "We tend to forget so much and so fast. Nowadays there are those who seem to think that * * * the United Nations is a fanciful exercise for those who wish to talk somewhat idly about a world which has not and cannot come into existence. In truth, a central issue of the cold war is the United Nations itself, its charter, its concept of a decent world order, its commitment to peaceful settlement of disputes, its concern for human rights, the expansion of trade, economic and social progress, and our deepest aspirations toward a disarmed and peaceful world."

Moreover, because world community does not exist at a time when world interdependence has become a reality, the United Nations is not a fanciful exercise but an indispensable necessity.

All of us, I believe, accept the fact that there are no absolute answers to the agonies and searchings of our time. The process of giving flesh to the bones of the United Nations Charter has been going on for 17 years, and the millenium is obviously not just around the corner. This is scarcely a matter for surprise or discouragement. No more arduous task, no more necessary task, has ever been undertaken by mankind in recorded history. For as President Kennedy has said: "Arms alone are not enough to keep the peace. It must be kept by men. Our instrument and our hope is the United Nations. * * * We may not always agree with every detailed action by every officer of the United Nations, nor with every voting majority, but as an institution it should have in the future, as it has had in the past since its inception, no stronger or more faithful member than the United States of America."

Regrettably, an assessment of the United Nations in terms of U.S. national interests has been obscured or distorted by both ardent friends and implacable foes, by those who feel the United Nations does too little and those who feel it does too much.

What I say here today is not intended to provide ammunition for either enthusiastic friend or hard-bitten foe. My hope is that you will find in my words a dispassionate summing up of both the capacities and limitations of the United Nations, for, above all, the United Nations is a human institution reflecting both the strengths and weaknesses of mankind.

SCOPE OF THE UNITED NATIONS

The scope of the United Nations today is impressive.

In the Middle East the United Nations Relief and Works Agency continues to feed and clothe over a million refugees. The United Nations Emergency Force patrols daily the armistice demarcation lines. The United Nations Truce Supervisory Organization copes with touchy incidents which could spark into broader conflagrations. A U.N. observer group is expected to go to Yemen soon to help verify disengagement undertakings assumed by the United Arab Republic and Saudi Arabia.

In the Far East the United Nations Temporary Executive Authority is helping to assure peaceful transfer of West New Guinea from the Dutch to Indonesian administration, prior to arrangements being made by Indonesia and the United Nations for the exercise of self-determination. A ceremony is being held today in West New Guinea at which the U.N. is formally turning over administration to Indonesia. A representative of the Secretary-General is actively engaged in easing relations between Thailand and Cambodia. U.N. observers in Kashmir continue to police the cease-fire lines.

In Africa, United Nations' "presences" are important elements of stability, in addition to the Organization's key role in the Congo.

The United Nations has an economic commission in Europe, in Latin America, in the Far East and in Africa. There are 53 resident representatives, primarily in underdeveloped areas, providing essential technical and administrative guidance.

PURSUING U.S. NATIONAL INTERESTS THROUGH THE UNITED NATIONS

The United Nations is not a substitute for policy. It is an Organization in which the United States pursues its national interests through peaceful means.

Let us use this measuring rod to determine how well the United States came out in three ways: first, at the Seventeenth Session of the General Assembly which concluded this past winter; secondly, during the Cuban crisis; and thirdly, in connection with the United Nations operation in the Congo.

THE RESTRAINED AND REASONABLE 17TH ASSEMBLY

Restraint and reason, for the most part, prevailed in the 17th General Assembly of the United Nations. A recently completed tabulation of the voting on 29 key issues before the Assembly shows that the majority coincided with the U.S. position 22 times.

For those who fear that the United States is being submerged within the huge voting blocs of the present 110-nation U.N., a brief look at some of the key results of the 17th Assembly is worthwhile.

The Assembly elected U Thant Secretary-General for a full term. The troika never got out of the barn, and the Soviets were forced to rein in their attempt to get a veto over the U.N. Secretariat.

The World Court's opinion was accepted by an overwhelming majority, thereby making payment of the Congo and Middle East peacekeeping expenses obligatory for member states. But we must guard against optimism. This was an important action but only a preliminary bout won; the main decision will have to come at the special Assembly session on finances. Collective financial responsibility—or lack of it—can mean the difference between an effective and ineffective United Nations. It can mean the difference between a conference-type United Nations and one with real executive and peacekeeping capacities. The U.S. position on any possible future contributions above our regular scale assessment for peace-keeping operations will be decisively influenced in the months ahead by the financial support which other members of the United Nations actually provide.

The Chinese representation vote came out even better than last year. Once again we succeeded in preventing Red China from getting a seat in the United Nations.

A resolution reaffirming the United States position on Korean unification was again adopted.

The Assembly asked the Secretary-General to establish a U.N. presence in South-West Africa.

The Assembly once again endorsed our position on Hungary; it has called upon the Secretary-General to take a hand in the matter.

Under the general umbrella of the decade of development, the Assembly asked for a study of a proposed U.N. institute for training and research in U.N. operations, called

a United Nations conference to study problems of international trade and development, affirmed the importance and the legal rights of private investment in developing countries, and passed a resolution on population which was at once historic in its recognition of the problem and moderate in its proposals for dealing with it.

These results are on the plus side of the ledger. But we must face frankly that on colonial issues we frequently favored more moderate recommendations than some adopted by the Assembly. The preoccupation of the United Nations with colonialism, understandable as it may be, is of course also exploited by the Soviet Union.

But it must be recognized that the basic problems arising from the breakup of old colonial patterns are, for the most part, ones which the United States would have to face whether or not there were a United Nations. The United States launched and has long been committed to the principle of self-determination. As a leader of the free world, it has a legitimate interest in orderly progress toward self-government. The fact that this progress is faster and less orderly in some cases than we would desire is perhaps inherent in the present irresistible drive for independence. This drive does not originate in the United Nations. While the existence of the United Nations probably helps intensify the drive for self-determination, it also has provided a valuable safety valve as well as a restraining brake. And the existence of United Nations machinery has eased the painful shift from old established patterns with a minimum of disturbance and disorder in most cases.

The end of traditional colonialism is in sight. But among the problems which remain are some of the toughest ones. Nevertheless, the impact of the colonial issue can be expected to diminish before too long.

Where the West is able to take a position that is responsive to the basic objectives that the Africans and the Asians deem important, we can influence them toward moderation.

THE CUBAN CRISIS

Let me turn to the Cuban crisis of last fall.

The Cuban crisis demonstrated the utility of the various diplomatic instruments available to the United States in a crisis. Coordination of national action, bilateral diplomacy, regional arrangements, and the United Nations system marked the handling of the crisis throughout.

The United Nations was important in three ways: as a forum for exposing Soviet duplicity and enlisting diplomatic support; as an effective instrumentality for international conciliation and a defuser of the crisis; and as an institution willing and able on short notice to serve as inspector to verify the removal of the offensive weapons and to guard against their reintroduction.

Ambassador Stevenson's speeches in the Security Council, together with the photographs and explanations to the delegations, presented convincing evidence of the presence of Soviet offensive weapons in a dramatic and effective way. In addition, the United Nations provided a forum in which the American Republics could impress on the world and on the Secretary General their solidarity on this issue. This public exposure in the United Nations was one factor—and I do not contend it was the most important factor—for what followed. Shortly thereafter, Chairman Khrushchev admitted the presence of offensive weapons in Cuba and agreed to withdraw them.

The Secretary General was an effective go-between, especially during the early days. His intervention on the second day of the Security Council debate, at the request of a large number of United Nations representatives, helped defuse the crisis and led to the cooling-off formula under which Soviet ships stayed away from the interception area. This was a classic example of the use of the United Nations as a third-party instrumentality.

The readiness of the U.N. to provide on-site inspection in rapid order, after Khrushchev had agreed, attests further to its utility in this crisis. This did not succeed, of course, because Castro would not permit U.N. inspection on Cuban soil, but the rejection helped to underscore that the dispute was not only one between Cuba and the Organization of American States, but also one between Cuba and the United Nations.

In short, the United Nations proved useful in a big power dispute—in an issue of peace and war.

THE CONGO CRISIS

Now I turn to the third test, the Congo. Today, after 2½ years of difficulties and frustrations, reasonable quiet has returned to the Congo.

I believe the conclusion is inescapable. The United Nations operation in the Congo has served the national interest of the United States.

It has helped to maintain a free, moderate government for the Congo as a whole.

It has warded off dangers of civil war.

It has helped avoid direct great-power intervention which could have resulted in American forces fighting in the Congo.

It has ended secession from the left and from the right and has spiked the ambitions of the Communists to establish a base in the heart of central Africa.

I believe history will prove that the decision made by the Eisenhower administration in the summer of 1960 and reaffirmed by President Kennedy subsequently to support a U.N. peacekeeping operation was the correct one. Surely those who are critical of the decision to support the United Nations in the Congo would not have preferred the direct use of American military force.

Most Americans recognize the merit in these arguments, yet a number of specific questions about the Congo are still raised.

First, as to its legality. The U.N. operation is and was a legal operation. The United Nations was asked to come in by the Government of the Congo. Moreover, the military actions taken by the United Nations force were pursuant to the mandate laid down by the Security Council. The fighting which occurred this past December was initiated by the Katangese; the actions taken by the United Nations were in self-defense and in the exercise of freedom of movement throughout the Katanga.

Moreover, the United Nations action did not constitute intervention in the internal affairs of the Congo. The situation there was clearly a threat to international peace and security because of the actual or potential involvement of outside powers. It was in this kind of a situation that the Government of the Congo asked for United Nations help.

There are those who have felt in the Congo we somehow turned our back on the traditional U.S. support for the principle of self-determination. This is certainly not the case. Too few people realize that Tshombe could not pretend to speak for all of the Katanga. As leader of the Lunda Tribe, his main support resided in south Katanga. In the north he has been strongly opposed by the Baluba Tribe. Tshombe's party gained only 25 in a 60-seat assembly in the only popular election ever held in the Katanga. He received less than a majority in the Katanga Parliament. Support which he has received during the past 2½ years has been from a rump parliament lacking full Baluba representation.

And it is worth repeating that Tshombe himself agreed to the concept of a single Congolese state at the Brussels roundtable conference of January 1960. At the Kitona conference, he did so again. In accepting the Thant conciliation plan, he once more opted for a unified Congo.

All of these are important facts since they relate to questions which are being asked frequently by Americans.

LOOKING AHEAD IN THE CONGO

But now we must look ahead to the important task of reconstruction and reconciliation. The Congo remains a paradox—staggering problems in the present and impressive prospects in the future.

As it enters the reconstruction phase of its young life, the Republic of the Congo faces three key obstacles to progress.

First, regrettably it still has an underdeveloped political system which is not yet able to take vigorous, executive action which will make itself felt throughout the territorial confines of the Congo.

Second, it is maintaining an expensive military establishment which needs more training before it can assume a progressively greater share of the problem of maintaining law and order in all the provinces of the Congo. In the absence of U.N. forces, an internal security vacuum could result inviting outside meddling.

Third, the Congo has a financial administration which collects much less revenue than it needs and than it could.

More than external aid, success in the reconstruction effort in the Congo depends on developing the administrative fiber, to train the national army, get the fiscal system under control, and construct a political system featuring a strong executive. If these prerequisites can be met, the Congo should not be a burden on its friends for long because its resources are great.

What is needed now is an agenda for reconstruction in the Congo, including as one part the tying up of the loose ends of the Katanga's reintegration. The U Thant plan for peaceful reintegration of Katanga has been partly bypassed by the events of last December and this past January.

A de facto federalism is actually developing in the Congo.

The integration of the currency, as envisaged in the U Thant plan, is well underway.

The Katanga gendarmerie are being slowly integrated into the National Congolese Army, but much more needs to be done.

Katanga's foreign affairs establishment remains to be eliminated.

The executive amnesty already announced for Tshombe and his colleagues is in effect.

We hope a training program for the Congolese armed forces can get started at a reasonably early date. It should be possible to reduce the United Nations force level rather quickly so that the financial drain on the United Nations can be reduced.

Inflation is a serious problem in the Congo largely because governmental expenditures exceed revenues despite the growing production and rising exports. For every franc taken in by the Central Government last year, the Government spent nearly five. Nothing less than a well-financed, well-coordinated, and well-staffed stabilization program, pursued with resolution and resourcefulness, will avoid the runaway inflation which could bring serious political trouble to the Congo.

IMPACT OF CONGO CRISIS

This is the United Nations story in the Congo, past and future. The situation is better, but risks and uncertainties remain. And I like to think, too, that the 31-month Congo crisis may well have brought Africa of age.

In July 1960, Africa was hurtling toward national independence, colonialism evoked deep stirrings. In some quarters, the Soviet Union was regarded as a friend of Africa, or at least a force that could be safely used to one's advantage. Leftist politicians like

Patrice Lumumba were able to secure wide followings.

The Congo's grim ordeal has helped to change some of this. It has impressed upon the Africans some valuable and lasting lessons which they are the first to acknowledge.

The fact that unprepared independence is not in anyone's best interest was perhaps the most vivid, single lesson of the Congo. Evidence that this lesson was learned, at least by some leaders in Africa, came midway in the Congo experience when Rwanda and Burundi achieved independence in circumstances quite different than the Congo. A U.N. presence there helped ease the birth pangs.

More and more African nations are learning to make the distinction between colonialism, on the one hand, and legitimate foreign investment on the other.

Efforts to proclaim a rigid U.N. deadline for total independence everywhere could not muster majority support in the last Assembly.

There are also some signs at the United Nations of a new appreciation of the neocolonialism which the Soviet imperialist system and doctrinaire dogma represent. More and more Soviet colonialism is being denounced at the United Nations.

Moreover, it is significant that the United States emerged from the Congo with solid African support. The U.S. key role in unifying the Congo has by no means been overlooked by the Africans. Soviet refusal to support the United Nations effort by contrast has also been an eyeopener.

None of this is true without exception everywhere in Africa. Communism has not thrown in the sponge, nor have all Africans shaken off the effects of past mistreatment.

However, a decade of growth has been concentrated, admittedly painfully, into 2½ tumultuous years.

REPORT TO SENATE FOREIGN RELATIONS AND APPROPRIATION COMMITTEES

I wish to bring to your attention a few observations made in a report submitted recently to the Senate Foreign Relations and Appropriation Committees by Senators GORE and ALLOTT after their participation at the 17th General Assembly as members of the U.S. delegation. The report includes three significant points regarding U.S. participation in the United Nations.

"In the first place, our view of the world makes it inescapable that we should maintain the position that 'the first principle of a free system is an untramelled flow of words in an open forum.' This tedium and palaver, which characterizes U.N. procedures, is at once its most exasperating aspect and its most saving grace.

"Secondly, the United States regards the United Nations as at least potentially the best available multilateral instrument for preserving the peace, not only between the great powers, but also in superficially less important areas, especially where the great powers might feel impelled to intervene. In keeping with this aim, our country also labors at the United Nations in an effort to damp down explosive forces which might easily involve free world members in open conflict with one another. Unfortunately, this policy often has the byproduct of making it seem that the United States is heavily absorbed in essentially negative tasks no matter how desirable their outcome.

"Thirdly, the United States regards the United Nations as an educational device of great value * * * the mere act of participating in the deliberations at the United Nations tends to educate the delegates from non-Western societies in concepts favoring our view of the world community."

The report goes on to say that "it is easy to assess the U.S. position as being far more defensive and static than is really the case. This is particularly true at times when the Communist states, which by definition can accept only a totalitarian world community, step up their troublemaking and their attacks on the procedures and organization of the United Nations. Rather than seeing these attacks as a measure of the success of U.S. policy in influencing the United Nations to reflect our concepts, some of our citizens appear to believe that the United Nations is wide open to Communist influence.

"With full recognition of the problems involved * * * it is nevertheless clear that there could be diminishing public approval for the United Nations in this country unless these factors are made more comprehensible to our citizens. This continues to be especially true with respect to the United Nations operation in the Congo."

These observations are of direct interest to your association.

U.N. GOALS: OUR GOAL

I have one final thought. It might be well to recall that the Founding Fathers of our great Nation took upon themselves the responsibility for the creation of a new and independent state on American soil. They did so with firm trust in the future and with firm belief in the basic decency of man. In that spirit, they managed to weld together in one nation people from many nations. In its belief for freedom and in its hope for world unity, the Charter of the United Nations expresses an approach to the political problems of man which would have been well understood by men like Jefferson and Lincoln.

Aristotle said that the end of politics must be the good of man. Man's greatest good and greatest present need is to establish world peace. Without it, the democratic enterprise—one might even say the human enterprise—will be utterly, fatally doomed. The United Nations is striving to achieve such a peace.

OLIVER WENDELL HOLMES ASSOCIATION

Mr. KEATING. Mr. President, May was Senior Citizens Month, and the attention of the Nation was focused on the problems and potentials of our older citizens. As a member of the Senate Special Committee on the Aging, I take a personal interest in the welfare of these citizens, and am particularly pleased to learn of programs which will make use of their talents and put to profitable use, their golden years.

The Oliver Wendell Holmes Association in New York City has proposed such a program. They hope to make opportunities available to persons who have retired from business life or other active occupations, to continue a life of culture and learning under the guidance of emeriti professors. The organization is aptly named after the great Chief Justice who proved that the life of the mind, and the learning experience should continue as long as man lives. The organization hopes to make this possible, not only for senior students, but for retired academicians whose experience and ability we cannot afford to retire.

In order that my colleagues may be more fully informed as to the aims and purposes of the Oliver Wendell Holmes Association, I ask unanimous consent that the text of a short pamphlet outlining their plan be printed in the RECORD at this point.

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

THE OLIVER WENDELL HOLMES ASSOCIATION

A number of outstanding educators and other leaders in public affairs have joined in the formation of the Oliver Wendell Holmes Association, under a charter of the Board of Regents of the University of the State of New York.

Its purpose is to set up, in cooperation with communities, and wherever possible in association with colleges in various parts of the United States, institutes "of, by, and for emeriti," offering an opportunity to persons of mature age, who have retired fully or partially, to continue a life of learning under the guidance of emeriti professors and other instructors.

The association is based on the faith of its founders in the values to the individual citizen and to society of bringing together, in an organized way, the inadequately deployed or as yet largely untapped human resources of men and women who have reached the period of retirement, with the invaluable human resources of emeriti professors of our Nation's universities, colleges and schools who possess a sustained intellectual vigor and pedagogical skill.

Science, engineering and machines are in these days releasing Americans for longer leisure time and permitting freedom from routine jobs earlier in life than ever before in history. At the same time, science and applied medicine are enabling Americans to live longer and to continue the development of their intellectual, social and spiritual potentials beyond the Biblical age of three score years and ten.

Adult education during on-the-job years is increasingly important. Equally imperative is the need to provide opportunity for those whose business and professional careers are largely behind them to continue learning for learning's sake and to make education a lifelong experience.

The program of the association is intended to make this possible in a distinctive way; to provide for continued interaction between the worlds of intellect, culture and public affairs; and to demonstrate the extensive range of socially responsive intellectual vitality as long as people live and are, or can be, stimulated by association with other informed active minds.

There is in this, the prospect of implementing the thought of the late Mr. Justice Holmes who wrote of: "the subtile rapture of a postponed power."

The association's program is sufficiently advanced so that it can promptly be put into effect. The planned fields of study include the following:

1. The physical world: The world in which we now live; how we acquired our knowledge of it; the vast as yet inadequately explored or totally unexplored reaches at whose rim we now stand.

With such subjects as: "The Geography of History"; "The Universe of Space"; "New Knowledge of the Nature of Matter and Energy"; "The New World of Potential Abundance and Inescapable Interdependence."

Consulting professor: Dr. Kirtley F. Mather.

2. The human world: The anthropological record; old and new societies; the psychological and sociological forces and trends that have shaped and are shaping our lives.

With such subjects as: "Human Origins"; "Societies of Yesterday"; "Psychology; Sociology"; "The Rational, the Emotional, and the Unknown."

Consulting professor: Dr. Margaret Mead.

3. The historical political world: The historical developments and forces that have appeared down the corridors of time; their ebbs and flows; their meaning to our national and international destinies.

With such subjects as: "The Ancient World"; "The Roots of Western Civilization"; "The History of Modern Nationalism"; "The American Experiment"; "Today's Asia"; "Europe, Africa, and the Western Hemisphere."

Consulting professor: Dr. Hans Kohn.

4. The cultural world: Our heritage in creative expression from classical times and onward to our own days; in song and story; in theater and dance; in music; art; sculpture and architecture; in all that is revealing of human expression and creativeness.

With such subjects as: "Our English Heritage"; "The Heritage of Greece and Rome"; "The Hebraic Influence"; "The Story Teller"; "Poetry and Drama"; "The Visual Arts"; "Music."

Consulting professor: Dr. Walter Muir Whitehill.

5. The reflective world: With such subjects as: "The Philosophies of Man"; "The Religions by Which We Have Lived"; "Moral and Ethical Concepts."

Consulting professor: Dr. Cornelius Krusé.

6. Today's creative world: Contemporary developments; the search for dependable economic, political and social guideposts to a better world and to the good life.

With such subjects as: "Today's Communications"; "Contemporary Political Tensions"; "Current Events and Philosophies."

Consulting professor: Dr. Everett R. Clinchy.

The faculty and the courses for these institutes will be under the guidance of the consultants.

The proposed institutes will not require funds for permanent campuses. Nor, in light of the planned use of emeriti already receiving pensions, will they involve heavy faculty costs. The locations will be in communities in various parts of the United States that attract older citizens as residents or as long-term seasonal vacationists—men and women who have fully or partially retired and who have a continuing intellectual vitality and willingness to cultivate these interests; who have, in brief, "a love of learning."

The plan envisages that each community will provide the meeting facilities, and the transportation, maintenance and fees for the faculty, during sessions of from 5 to 14 weeks such as each community may find most suitable.

The association will also work with industrial companies, business and labor organizations in refresher programs for their executives who have been away from college and university life for a generation or more and who want to be updated concerning the newest developments in our scientific and cultural life.

It is the hope of those who have founded the Oliver Wendell Holmes Association that this will initiate a major educational development that can spread throughout the United States and the world, and create a body of mature men and women who can have a profound influence in directing the forces for peaceful social change in this revolutionary age.

AMERICAN JEWISH COMMITTEE RESOLUTIONS

Mr. KEATING. Mr. President, the following two resolutions were adopted by the American Jewish Committee at their annual national meeting in New York City. It is my opinion that these resolutions present a clear and comprehensive picture of the problems of Israel's existence in a threatening environment. In addition, both statements propose concrete suggestions for the amelioration of the present conflict between Arab countries and Israel.

The American Jewish Committee emphasizes the contribution of foreign scientists to the development of a Middle Eastern arms race which could easily lead to the greater possibility of war in this area.

The American Jewish Committee also points out the importance of the American position in connection with the balance of power between the Arab countries and Israel. The statement points out the problems involved in the present attitudes of our Government, and presents several useful suggestions for the clarification and implementation of U.S. policy in the Middle Eastern States.

Mr. President, I ask unanimous consent to have printed in the RECORD following my remarks the texts of these two resolutions.

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

STATEMENT ON GERMAN SCIENTISTS IN EGYPT OF THE AMERICAN JEWISH COMMITTEE, 56TH ANNUAL MEETING, MAY 16–19, 1963

The recent disclosures of the contributions being made by citizens of the Federal Republic of Germany to the United Arab Republic's program toward the development of advanced armaments, whose primary objective is the domination of the Middle East, have aroused great concern throughout the Western World.

The American Jewish Committee feels that the efforts of Western scientists and technicians to create a more powerful war machine has exacerbated tensions in the Middle East. These activities have increased the danger of an accelerated Middle East arms race which may lead to war.

There is evidence that some of the Germans employed by the UAR are pro-Nazi and have expressed strong antidemocratic and anti-Semitic attitudes. The UAR has made warfare and aggression a foundation of its foreign policy. It has publicly proclaimed, in violation of international agreements, its intention to destroy the State of Israel whose population consists largely of survivors of the Nazi holocaust. In view of the history of the Nazi era, we are sure that the German Government and a large sector of German public opinion are particularly sensitive to the participation of German nationals in activities which increase the possibility of war.

The German Government has condemned such activities and declared that it is eager "to cause the return to Germany of German scientists whose activities abroad could contribute to an increase in political tensions." Many outstanding figures in political, religious, and academic life are trying to put this decision into effect.

We therefore urge the Federal Republic of Germany to utilize existing legal and administrative means to prevent her citizens from contributing to the war potential of the United Arab Republic. In addition, we hope the Federal Republic of Germany will seek new means, if necessary, to control such activities. In this connection the present efforts in the Bundestag to seek amendments to the basic law are encouraging.

STATEMENT ON THE MIDDLE EAST OF THE AMERICAN JEWISH COMMITTEE, 56TH ANNUAL MEETING, MAY 19, 1963

Current developments in the Middle East confirm that this strategic area continues to be a center of violence and political instability. The threat to international peace has now substantially increased.

Arab animosity toward Israel continues without abatement. The joint declaration, signed in Cairo on April 17, 1963, establishing a federation among the United Arab Republic (Egypt), the Syrian Arab Republic and Iraq, incorporates for the first time in a constitutional document the "liberation of Palestine" as a basic objective. Unless effective action is taken now, there is real danger of armed conflict in the area.

The United States, as leader of the free world, must assume a primary and continuing responsibility, both directly and through the United Nations, for the maintenance of peace and security in this turbulent region.

The American Jewish Committee welcomes President Kennedy's statement, at his press conference of May 8, 1963, that our Government's policy supports "the security of both Israel and her neighbors," seeks "to limit the Near East arms race," and is "strongly opposed to the use of force, or the threat of force, in the Near East." We are also gratified by the President's reaffirmation that:

"In the event of aggression, or the preparation for aggression, whether direct or indirect, we would support appropriate measures in the United Nations and adopt other courses of action on our own to prevent or put a stop to such aggression."

The President thus confirms fundamental and longstanding tenets of our foreign policy. We believe his statement should be supplemented and clarified to preclude any possibility of miscalculation as to the firm determination of the United States to employ its full resources to meet any threat to peace in the Middle East. Our Government should make clear—as it did during the Lebanese and Jordanian crises of 1958—that covert acts designed to provoke internal upheaval can constitute aggression as much as direct military action.

The continuation of indirect aggression today may precipitate an even more explosive situation than 5 years ago. Our official recognition of the Nasser-backed rebel regime in Yemen—whose power is maintained only through the continued presence of one-third of Egypt's Regular Army—has created doubts about our determination to oppose subversion and military aggression in the area.

The United States should vigorously pursue all avenues of negotiation, particularly with the Soviet Union, to remove the Middle East from the cold war arena. But as long as the Soviet bloc continues to supply Arab countries with ultramodern weapons—including jet fighters, bombers, submarines, and missiles—effective limitation of armaments is virtually impossible. The United States and other Western powers should take immediate and sustained action to maintain the balance of arms between the Arab countries and Israel.

The swift destructiveness of modern weapons, particularly when used against small and vulnerable nations, makes prior assurances of U.S. assistance crucial. A formal U.S. guarantee of the independence and integrity of any state in the Middle East which requests such a guarantee would have a significant deterrent effect. It would discourage open military aggression. It would also reduce the likelihood that a peaceful nation which considered its security threatened might undertake defensive counteraction, on its own, to stem indirect aggression by others wishing to upset the present tenuous balance in the area.

We further urge our Government to press for the elimination of inflammatory Arab propaganda and hate campaigns, which are a major obstacle to peace in the Middle East.

Our Government's policy of impartiality toward all nations in the Middle East cannot succeed unless they are willing, in all good faith, to coexist. In the absence of good faith, our policy of equal treatment seems to condone, if not actively support, the aggressive designs of the Arab States against the very existence of Israel. Our present policy

has not succeeded in convincing President Nasser to fulfill his promise to withdraw Egyptian military forces from Yemen. Nor has it deterred him from seeking arms in increasing quantities from the Soviet bloc, thereby furthering Communist penetration.

Finally, a peace settlement between Israel and the Arab States is essential to the creation of a stable and secure Middle East. We urge our Government steadfastly to continue its efforts toward this prime objective.

The American Jewish Committee believes that implementation of U.S. policy requires our Government to: (1) Clearly define what it would consider aggression; (2) intensify efforts to end the arms race in the area, meanwhile assuring that the balance of arms is not upset; (3) provide a formal guarantee, upon request, of the independence and integrity of any state in the region; (4) vigorously discourage the violent hate campaign against Israel conducted by the Arab States; and (5) reevaluate the present U.S. policy of impartiality toward peaceful nations and those nations pursuing belligerent policies inimical to the peace and stability of the Middle East.

FEDERAL AID IN NEW YORK STATE

Mr. KEATING. Mr. President, the inequities of the Federal aid program are clearly demonstrated by the example of New York State. New York State contributes 20 percent of all Federal tax revenue yet we only receive a very modest sum of Federal aid in return. More specifically, it costs New Yorkers an initial sum of $2.07 for every dollar we receive in the form of Federal aid. These figures—recently released by the Tax Foundation—show that New York State suffers the greatest loss of any State in the Union.

I do not question the value of many Federal aid programs. There is no doubt that they can be very beneficial to those States which are in most need of financial assistance. But I do dispute the gross difference between what New Yorkers contribute to the Federal fund and what they get back in return.

An editorial which appeared in the May 5 edition of the Rochester (N.Y.) Democrat & Chronicle points up some of these inequities.

Mr. President, I ask unanimous consent that following my remarks the text of the editorial be printed in the RECORD.

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

COSTLY DOLLARS

New York State every year receives in Federal aid a modest bundle of the most precious dollars dispensed by Uncle Sam. Why precious? Because every dollar sent to this State costs this State $2.07.

Figures released by the Tax Foundation show that in comparison to $965.5 million computed as New York State's burden for Federal aid, the State got back $467.2 million in 1961, the latest year for which such a study has been made. This was the biggest loss suffered by any State.

In the allocation of more than $7 billion in Federal grants 14 States took losses and 36 were gainers over the amounts of their contributions in taxes. The losers, of course, were many of the wealthier States. This would indicate the richer States get poorer. An exception was California, a luscious $107 million gainer.

The theory, of course, is that the States most able should help the less fortunate ones, which include every Southern State except Maryland and Florida and every State west of the Mississippi.

It can be argued that the well being of the Nation as a whole is the real stake in the Federal aid program. A perusal of the sagging economies of some States lends some support to the view. What of the other side of the coin? New York State is experiencing severe budget pains. In Monroe County and Rochester officials are hard pressed to provide ample funds for the quality schools the community demands and expects. With the funds which leave this State to assist other States, better educational facilities would be possible.

We do not dispute the value of the Federal aid program but it is occasionally worth remembering there are inequities as well as advantages.

INDIAN AFFAIRS—RESOLUTIONS OF ILLINOIS FEDERATION OF WOMEN'S CLUBS

Mr. DOUGLAS. Mr. President, the Illinois Federation of Women's Clubs, a fine and public-spirited group, recently held its annual convention in Chicago. One of the many important matters in which this group has taken an active and leading interest is Indian affairs. I ask unanimous consent that resolutions passed by the convention on this subject be printed in the CONGRESSIONAL RECORD for the information of the Congress.

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

INDIAN AFFAIRS

Whereas the Termination Act of 1955 for American Indians which encouraged them to leave the reservations has been misinterpreted, poorly administered, and has created great hardships for our American Indians, and

Whereas the General Federation of Women's Clubs has called for a repeal of this law: Therefore, be it

Resolved, That the Illinois Federation of Women's Clubs support the General Federation in its attempt to secure the repeal of the Termination Act.

Whereas the General Federation of Women's Clubs has asked the Congress of the United States to develop programs which will train Indians for economic opportunities similar to those provided by the point 4 technical assistance program to underdeveloped countries: Therefore be it

Resolved, That the Illinois Federation of Women's Clubs support the General Federation in its efforts to secure this type of program for our American Indians.

LIBERALIZED IMMIGRATION

Mr. DODD. Mr. President, our distinguished colleague, the junior Senator from Michigan [Mr. HART] was the principal speaker at the third annual national symposium dinner of the American Committee on Italian Migration, which was held Monday night, June 10, at the Mayflower Hotel.

Senator HART made a very compelling case in support of a liberalized immigration policy.

The concluding sentence in his speech is:

We seek an immigration policy for America which speaks a welcome to all peoples in the spirit of brotherhood and justice.

Because this is precisely what Senator HART's immigration bill seeks to do, 35 of us, from both parties, have joined with him in sponsoring S. 747.

There is agreement among many people, in Congress, and throughout the country, that our immigration laws are in need of extensive revision. And no one has worked harder and more ably, to accomplish this goal than my good friend and colleague from Michigan.

So that many others will have an opportunity to read his fine address, I ask unanimous consent that the text be printed in the RECORD at this point.

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

REMARKS OF SENATOR PHILIP A. HART AT THE THIRD ANNUAL NATIONAL SYMPOSIUM DINNER OF THE AMERICAN COMMITTEE ON ITALIAN MIGRATION, MAYFLOWER HOTEL, WASHINGTON, D.C., JUNE 10, 1963

You are kind to have me at your symposium. You meet in truly historic times. The barriers to equality for all Americans are crumbling. There is a surge for justice in American attitudes and actions. We are in an era when the core of our democratic credo—the dignity of the individual—is making daily headlines from one end of the country to the other.

We're making progress in removing a grotesque blemish from the face of America. And this is as it should be—for the good of America's Negro citizens, the Nation as a whole, and the forces of freedom the world over.

Less dramatic, but an equally intolerable blemish, is the nationally discriminatory and racially biased quota system of our basic immigration statute, the Immigration and Nationality Act of 1952.

The act's well-known restrictive provisions against immigrants from eastern and southern Europe, its token quotas for Asian countries, and the racist implications of its Asia-Pacific triangle clauses should have no place in our public policy of the mid-sixties.

Enactment of S. 747, the reform bill I introduced on behalf of myself and 35 other Senators from both national parties, would remove these purely arbitrary racial and nationality barriers to immigration. The bill substitutes a new formula based on equality and fairplay for people of all races and nations.

The impressive support for S. 747—in the Congress and throughout the country—evidences, I believe, a growing public awareness of the need for reform, and a fast evolving consensus as to the kind of reform that is needed.

I commend all of you here for your vigorous role in producing this consensus. The American Committee on Italian Migration has broadcast far and wide the need for reform. You have helped mightily in alerting us to still another area where we must see that our American creed shapes our national policy.

I am confident that your efforts, and those of like-minded Americans, will produce results in the coming months.

President Kennedy, during his service in the Senate, was a leader in the effort to liberalize our immigration laws. His recent statements that his administration is working on legislative proposals to change the quota system are most welcome. We must have the President's full and active support.

With such support we will win a major victory. The basic principles of S. 747 will be enacted into law. Discrimination in our immigration policy will once and for all be left for the study of historians.

The discrimination built in the act of 1952 is reason enough for reform legislation. But

in effecting an equitable admissions policy, this bill also accomplishes other important changes.

Parents of American citizens would be admitted to the United States on a nonquota basis.

There would be a flexible provision for the admission of a reasonable number of refugees without the necessity of enacting emergency bills.

Priority would be given to the admission of those with special skills needed in this country.

The lack of these provisions in the act of 1952 has necessitated many special, temporary, legislative enactments. The list is a long one—from the Refugee Relief Act of 1953, through the act passed in the closing days of the last Congress to allow several thousand skilled persons and relatives of Americans to enter this country.

The latter act cleared the way for a number of distinguished scientists whose special talents are vital to the performance of important defense work. Nearly 50 hospitals, universities and research organizations in all parts of the Nation are benefiting by this special law. Under the quota system of the act of 1952 these exceptional persons, as well as many relatives of Americans, were inadmissible to our country. S. 747 corrects this situation and brings our basic statute into a a creative relation with the needs of the sixties.

Enactment of S. 747 would not flood this country with immigrants, a charge I have heard made. It does not substantially alter the present rate of immigration. Nor does it eliminate the health, literacy, security and financial screening that each prospective immigrant must pass.

It is simply a reasonable and factual approach to the problem and need of determining an equitable and useful immigration policy for America.

Opposition comes from many quarters. Some oppose reform—and immigration generally—because of prejudice, intolerance and a strange belief in long-discredited racial and nationality myths. But the spirit of this age is against them.

Others look upon the immigrant as an economic liability—as a competitor for jobs. This is a legitimate concern—even for those of us favorably disposed toward reform.

The economic aspects of immigration of course are complex—I would be the first to say it. But as I pointed out recently in the Senate, S. 747 was introduced only after thoughtful consideration by its sponsors of the economic impact on our complex technological economy. We do believe our bill has economic value. We firmly believe its enactment will stimulate national economic growth. The best data available confirms this.

President Kennedy's words at Yale University over a year ago have a real relevance to the economics of immigration. "Mythology distracts us everywhere," he said. "We must move on from the reassuring repetition of stale phrases to a new difficult essential confrontation with reality."

The presence of racial, economic, social, and political myths—in any segment of public policy—can only stifle America's growth and keep us from a broad area of potential achievement.

No responsible citizen will deny that our immigration policies do, indeed, have an impact on our economy. But let's not deal in mythology. Let's be honest with ourselves.

That we continue to need the economic stimulus of immigration, is outlined graphically in recent studies by the Department of Labor. Officials point out that the favorable prognosis for job opportunities over the next decade would not be upset if the current level of immigration is maintained. They even suggest a slight increase in admissions during this period would be a boon—in terms of economic growth—if the skill level and occupational composition of added immigration fell in categories of need. I remind you—this is one of the priorities of S. 747.

Under our present immigration policy we add through immigration—including quota immigration and nonquota immigration from the Western Hemisphere—about 125,000 workers a year to our national labor force. The best estimates are that under the terms of S. 747 this figure would be increased by about 75,000.

When we compare these 75,000 new workers with the number of new workers which will be added to our labor force through population growth each year, then we see the impact of immigration on employment in its proper perspective.

It is estimated that approximately 2.6 million young people will be added to our labor force in each of the next 10 years as our population grows. The addition of workers which might come under a revised immigration program is only 2.9 percent of that figure—and it is only 0.1 percent of our total national labor force today.

We must attack the problem of unemployment and underemployment in this Nation.

This is a high priority in President Kennedy's program. The solutions lie—at least in part—in training the unskilled, in removing racial bars to equal employment opportunities, and in expanding the economy through sound tax reform and fiscal policies designed to stimulate economic growth.

It is in these ways that we must attack this situation where far too many Americans cannot fully use their talents and contribute to their own and the Nation's well being.

It serves no useful purpose to make immigration the scapegoat for the problem of unemployment. Such reasoning only generates confusion, perpetuates our problems, creates a false issue, gives cause for doubt among our friends, and ammunition to our enemies on the claimed vitality of our democratic society.

We have a great cause in reforming the Immigration and Nationality Act of 1952. We seek a law free from injustice, and from offense to those races and peoples who under the policy of existing law have been declared less desirable members of the human family. This is a good cause and a practical one—consistent with our democratic ideals and our efforts to build a stronger America. All of you here can be proud of what you are doing to help.

If we are to achieve our goals you, the friends and supporters of basic immigration reform, must continue to stand together as we proceed along the difficult legislative road ahead.

There will be times when it will seem easier to settle for half a loaf—when it may seem practical to have again only a temporary bill to admit a few thousand from the backlogged quota of a particular nation.

It is my sincere hope that the united support which has so successfully developed in the drafting of S. 747 will stand together as we work in the Congress for acceptance of this bill.

We have here the framework within which significant and fundamental changes can be made in our immigration policy. We can compromise and adjust within this framework. But the eyes of all of us must remain together on the goal—a goal each of us believes is right.

We seek an immigration policy for America which speaks a welcome to all peoples in the spirit of brotherhood and justice.

SUMMER EMPLOYMENT PROGRAM OF DEPARTMENT OF THE INTERIOR

Mr. MORSE. Mr. President, I ask unanimous consent that a letter from Mr. J. W. Penfold, conservation director of the Izaak Walton League of America and a statement prepared by the Izaak Walton League on a joint Interior Department-Izaak Walton League summer employment program, be printed in the RECORD at the conclusion of my remarks. As Mr. Penfold points out, both the Izaak Walton League and the National Wildlife Federation choose 13 boys for summer employment with the Department of the Interior.

This is an excellent program and one which I am pleased that the Secretary of the Interior has encouraged. In order to qualify as a candidate the young man must have an interest in conservation and a desire to study the natural resource field. This program is one which I hope will be expanded further for it provides an excellent basis for developing the natural resource managers which our Nation will need both for public and private conservation.

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

THE IZAAK WALTON LEAGUE OF AMERICA, INC.,
Glenview, Ill., May 9, 1963.

Hon. WAYNE LYMAN MORSE,
U.S. Senate,
Washington, D.C.

DEAR SENATOR MORSE: You will be interested to learn that Mr. Robert D. Fallow, Jr., of 203 B Avenue, La Grande, Oreg., is among the 13 winners of a nationwide program sponsored jointly by the Izaak Walton League of America and the U.S. Department of the Interior to reserve a few of Interior's summer jobs for highly qualified young men planning careers in natural resources conservation. The 13 winners were selected from top candidates picked by the league's State divisions.

Thus, Mr. Fallow competed first at the State level, then at the National level. He is an outstanding young man.

Enclosed is a detailed description of the program.

Sincerely,

J. W. PENFOLD,
Conservation Director IWLA.

JOINT INTERIOR DEPARTMENT-IZAAK WALTON LEAGUE SUMMER EMPLOYMENT PROGRAM

The Izaak Walton League of America cooperated this spring with the Department of the Interior in a program of reserving a few of the Department's summer jobs for highly qualified young men planning careers in conservation. The league, a national conservation organization, selected 13 outstanding high school senior boys for fieldwork with the Department this summer.

In similar fashion, the National Wildlife Federation also chose 13 boys for employment with the Department.

When first discussing the program with the league, Secretary Udall wrote:

"I have long been concerned with what appears to be the limited opportunities available to high-caliber young men interested in the field of conservation to gain practical experience by working in the outdoors on a conservation project under experienced and qualified supervision. It is my hope that with the cooperation of your organization and that of the National Wildlife Federation a few summer jobs in the Department of the Interior can be set aside for selected young men who demonstrate an interest in natural resources conservation and a need for practical experience.

"Because of the difficulty involved in a Federal agency handling such a program, I hope to gain the assistance of the league and the federation in publicizing the program

and processing and selecting the applicants. The Department is not so organized nor so distributed nationally as to handle these functions effectively and fairly."

The Department of the Interior each summer employs a limited number of seasonal personnel to do needed conservation work in the national parks, national wildlife refuges, and public forest and rangelands other than those in the National Forest System, and to help furnish public services to tourists and sportsmen. Under this year's pilot program, a few of these jobs were reserved for high school graduates who are planning careers in some aspect of natural resources management and who want field experience before entering college. The work experience which these young men receive will help them to solidify career plans and provide them with invaluable practical backgrounds for later studies. They will also earn money with which to begin college. Wages will be commensurate with Federal salary standards and local wage scales.

Every effort will be made to locate the selected employees as close to their homes as possible, since each employee will be expected to pay his own travel expenses to and from the area of his work.

To qualify for one of these jobs, a young man was required to be a high school senior expecting to graduate this spring, to be 18 years of age by June 15, 1963, and to have definite plans to enter a college or university for ultimate study in a natural resource field—including, but not limited to, forestry, soil and range conservation, land management, fish and wildlife, outdoor recreation, or geology. He was required to have an above average scholastic record, to possess leadership qualities, and to have shown a continuing interest in natural resources conservation.

Program publicity in the various States included press, radio, and TV announcements, as well as information given to high schools and youth organizations.

The 13 winners named by the league were selected under a competitive system which began at the State level. The president of each league State division appointed a selection committee to process all applications from his State. These committees, chaired by league representatives, were largely made up of university professors, ministers, conservation agency personnel, and others of similar position in order to assure impartial evaluation of applicants. Nominees chosen by the divisions were judged at the national level by a committee composed of Dr. William A. Wallace of the league's executive board, Mr. Victor Gauzza of Secretary Udall's office, and Dr. Henry Clepper of the Society of American Foresters.

All selections were made on the basis of the following materials submitted by each applicant: (1) A completed U.S. Government form No. 57 employment application; (2) a transcript of his high school record to date; (3) a written recommendation from some adult, other than family, who knows the applicant and his qualifications for the program; (4) a letter from him indicating his college and career plans, describing his extracurricular activities in high school and any conservation work he has done, and discussing his reasons for seeking summer employment with the Department of Interior.

The 13 winners were unanimous choices of the national selection committee. They are: Patrick M. Navolanic, 411 Scholl Drive, Glendale, Calif.; Alexander D. Neighbors, 1823 13th Street, Greeley, Colo.; Robert T. Schwarzkopf, Jr., 9 Golfview Lane, Carpentersville, Ill.; Lester C. Ehrsam, Jr., 4325 North Clinton St., Fort Wayne, Ind.; Jerry Wayne Cook, 70 Dixon Avenue, Aberdeen, Md.; Guy Rodger Stafford, 1535 Glastonbury, Ann Arbor, Mich.; Vernon Roy Riddle, Wheaton, Minn.; Eric Lloyd Kindig, R.D. 1, Box 7, Lodi, Ohio; Robert D. Fallow, Jr., 203 B. Avenue, La Grande, Oreg.; Grant W. Hagadorn, 120 Sullivan Road, Wayne, Pa.; William R. Butler, 122 Kingsley Road SE., Vienna, Va.; John L. Keller, Route No. 2, Stratford, Marathon County, Wis.; John Nelson Cundy, 643 Wood Street, Powell, Wyo.

JAPAN IN TODAY'S WORLD

Mr. FONG. Mr. President, in recent weeks several noteworthy studies which mirror the excitement of modern Japan's pace of progress, economically, socially, and politically, have been published.

I would like to mention particularly the report of the distinguished Committee for Economic Development, entitled "Japan in the Free World Economy"; a special supplement of the Washington Post, dated May 26, 1963, entitled "Japan in Today's World"; and a report on "Japan's Democracy" appearing in the Wall Street Journal of June 11, 1963.

As an editorial appearing in the Honolulu Advertiser on May 6, 1963, pointed out, since World War II "few developments have been more amazing than the rapid expansion of the Japanese economy, which is, indeed, the fastest growing economy in the world."

Overall, having visited Japan several times and after reading these articles, I am reassured of the rapid and continuing growth of that great nation.

I am tremendously impressed by the figures which illustrate its remarkable economic recovery. For example, a sampling of available statistics and facts show that the country's average yearly growth rate has been about 9 percent; per capita income has risen from $258 in 1958 to $416 in 1961, to an estimated $450 last year.

Japan is the only Asian nation whose economy is characterized by a labor shortage. This has given impetus to the development of automated factories and vending machines, supermarkets and instant miso soup, and electronic computers.

The popular notion that Japan is a land of paradoxes is beautifully etched out by the Washington Post Supplement:

> There are the polite, gentle Japanese people, but there are also rush-hour subway stampedes; there is quiet beauty and quaint architectural symmetry, but also the huge bustling metropolis of Tokyo; there are peasant farmers, but also electric water pumps at the wells, tractors, and TV aerials on thatched roofs; there are quiet, contemplative philosophies of Zen Buddhism and those of other spiritual commitments, but also advertising signs, expense accounts, and the continuously loud sounds of thousands of automobiles and construction in the cities.

It is a nation in which democratic practices have, according to the Wall Street Journal, "taken firm root," not only in the national government, but also on the small-town level.

It is a highly industrialized economy that is moving ahead rapidly.

Separated both by geography and history, Japan is the only major free world industrial country outside the North Atlantic community. While the nation plays a significant role in world trade and in the defense of the free world, Japan does not yet occupy its proper place in international councils. Although its aid to underdeveloped countries is eagerly sought in the Development Assistance Committee of the Organization for Economic Cooperation and Development, it is not a member of the OECD.

Because Japan has not been included in world trade councils, she has not been in a position to participate fully in the joint economic planning of the Atlantic community—even though she has much to contribute by way of example and experience.

If Japan were more fully integrated within the councils of this community, it would constitute a valuable link between the advanced industrial countries of the North Atlantic and the developing countries of Asia and Africa, struggling to lift their standards of living without abridging individual freedom.

As an outstanding example of successful economic development and rapid growth within the framework of individual enterprise, Japan has much significant practical knowledge to offer the developing countries.

Prime Minister Hayato Ikeda has aptly pointed out that Japan is, after all, admirably suited to be, and, indeed, wants to be "a bridge between the industrialized nations of the West and the underdeveloped countries of Asia and Africa. We understand them both," he said.

Japan's application for membership is now pending before the OECD. She should, it seems to me, be admitted without the slightest hesitation. I am in hearty accord with one of the Committee for Economic Development's conclusions: it is vital that Japan "pursue its economic aspirations in close association with the United States and the rest of the free world."

America's policies should continue to be those of encouragement and promotion of closer ties binding Japan to the United States and the rest of the free world in a community of nations.

Mr. President, I ask unanimous consent that the following texts be printed at this point in the RECORD: the conclusions and recommendations of the CED report on "Japan in the Free World Economy"; the lead article, "Nippon's Obvious Affluence Has Deceptive Side," from the Washington Post supplement; and the Wall Street Journal article, "Japan's Democracy."

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

JAPAN IN THE FREE WORLD ECONOMY

It is our general view, underlying our proposals here, that there is nothing in Japan's situation that makes it unduly hard for her to accept the responsibilities of full partnership with the other major industrial powers. At the same time, we see no reason why Japan's industrial trading partners should not extend to her the benefits of full partnership in the free world economic system.

In a recent policy statement, this committee aid: "We consider it of the utmost importance that Japan should take its place as an equal partner in free world trade. The present position of Japan is highly irregular. Many European countries have declined to extend to Japan the tariff concessions extended to other members of the General

Agreement on Tariffs and Trade. Japan voluntarily limits its exports of some products to the United States. Japan restricts its own imports by high tariffs and exchange controls. All of this not only depresses the efficiency of the free world economy but also strains free world political solidarity." [1]

Our proposals are designed to help fit Japan into an international economic policy system whose major policy is aimed at securing to the whole free world its maximum strength by permitting each nation to use its particular comparative advantages as supplier of goods, services, and capital.

Special reservations against full Japanese participation in the making and functioning of free world international economic policy should be removed. Japan is not a full member of the Organization for Economic Cooperation and Development, although she participates in its Committee for Coordinating Development Assistance. The OECD was formed in 1960 to take the place of the Organization for European Economic Cooperation, the European agency through which Western Europe planned for and made use of Marshall plan assistance from the United States. OECD broadened the cooperative functions beyond Europe by the addition of the United States and Canada as members.

Japan, the leading free industrial nation not now included, should be given full membership in OECD. We welcome the strong support given Japanese membership in OECD by the United States, Belgium, and Great Britain.

We recommend seven additional steps toward full partnership for Japan in a competitive free world economic system.

1. AN END TO DISCRIMINATION AGAINST JAPAN

Nondiscrimination is a basic principle of international trade in the free world. This principle is concretely embodied in the most-favored-nation rule, by which a country undertakes to extend to all other countries (subject to limited exceptions) the terms of trade extended to its most favored trade partner. This rule has a long history. It is now incorporated in the General Agreement on Tariffs and Trade, to which Japan, the United States, the Western European countries, and most other free world countries are parties.

Nevertheless, Japan is denied most-favored-nation treatment in her trade with many other parties to GATT, principally those in Western Europe, and Japan is the only party to GATT so treated on a substantial scale.

In most cases this discrimination has been carried out by the application against Japan of article 35 of the general agreement. Article 35 permits parties to the GATT to withhold most-favored-nation treatment from new signatories if they wish to do so. Nations that are already parties to the GATT may invoke article 35 against countries newly coming into the agreement, and nations coming in may invoke it against countries already in the GATT. The article permits nations invoking it to apply special trade restraints against exports of a particular nation, without being considered in violation of the basic GATT trade principle of nondiscriminatory trade.

Nineteen countries have at some time invoked article 35 against Japan and 13 still do. They are Australia, Austria, Belgium, France, Great Britain, Haiti, Luxembourg, Netherlands, Nigeria, Rhodesia, Sierra Leone, South Africa, and Tanganyika. Great Britain, Belgium, and France have indicated that they will soon give up the application of article 35 against Japan.

Some countries, including Italy, maintain discriminatory provisions against Japanese trade without using article 35.

[1] "A New Trade Policy for the United States," a statement on national policy by the research and policy committee of CED (April 1962).

Most countries discriminating against Japan have been easing their restrictions in recent years. But it is clear that in the case of Japan free world trade is being conducted under a very widespread exception to the rule that there should be no discrimination among nations:

Present discrimination against Japan, whether or not based on article 35 of the GATT, should be abolished and most-favored-nation treatment should be granted to her.

A certain gradualness may be justified in the removal of these discriminations, to avoid hardship in some cases. But the discriminations are so offensive to the basic principles of the free economy that they should be removed as promptly as possible and the countries now practicing discrimination should accept responsibility for the domestic measures needed to assist adjustment of the resulting imports.

2. RELAXATION AND REMOVAL OF VOLUNTARY QUOTAS

The United States does not directly deny Japan most-favored-nation treatment. But the United States has been a prime mover in the use of the second major form of discrimination against Japanese trade.

This is the voluntary quota, by which Japan keeps its export sales of particular goods lower than they would otherwise be.

The use of voluntary quotas grew out of rapid increases—concentrated in a few products—in Japanese exports to the United States of cotton textiles in the early 1950's. The Japanese were trying to recapture their prewar share of the American cotton textile market, which had been about 2 percent of U.S. consumption. Although this overall goal was small, the drive concentrated during 1950–55 in a few lines of cotton textile products; chiefly, gingham, velveteen fabrics, pillow cases, blouses and shirts. By 1955 imports from Japan accounted for one-half of sales in the U.S. velveteen market, and for about one-fifth of the U.S. market for blouses. By 1956, Japanese imports accounted for over a quarter of the U.S. gingham market.

These imports raised demands for protection. Complaints to the U.S. Tariff Commission resulted in a ruling that Japanese sales of velveteens were causing serious injury to U.S. producers.

The first use of a voluntary quota soon followed, in 1955. It limited the sales of Japanese cotton blouses in the United States. Since then, the two Governments have been in almost continuous consultation on voluntary quota arrangements. At the end of 1961, the Japanese had adopted voluntary export quotas on their sales of 25 products in the U.S. market. These quotas affected 25 to 35 percent of Japan's exports to the United States. A few of the quotas were adopted as a means of limiting competition among Japanese exporters in the United States and thus of sustaining prices and profits of Japanese producers.

The use of voluntary quotas has now spread to a part of Japan's trade with Canada and Europe. Some of the European countries that are no longer invoking article 35 have asked the Japanese to limit sales in their markets by applying voluntary quotas.

The voluntariness of voluntary quotas does not change their basic character as quantitative restrictions on imports of particular goods from particular countries. In fact, their voluntary nature carries with it certain disadvantages of its own, one of which is that the standards by which the quotas are applied are not publicly known and discussible.

We recognize that some producers and workers in the United States and Europe are now enjoying the protection of these quotas. Termination of the quotas should be phased out over a sufficient period to avoid serious hardship to these protected interests. Affected firms and workers should be eligible for adjustment assistance of the kind now provided in the United States and other countries. Voluntary quotas and other quantitative restrictions on exports to the United States and Europe should be relaxed and removed together, so that the immediate impact of freer imports will not be concentrated on one country. But the basic objective should be to eliminate voluntary quotas on an orderly schedule over a reasonable period of time.

The special case of cotton textiles

Early in 1962 a new multilateral arrangement for controlling international trade in cotton textiles was adopted by the main exporting and importing countries. To a considerable extent the new arrangement was inspired by inequities that arose in the use of voluntary quotas on Japanese sales of cotton textiles in the United States.

Sales in the United States of cotton textiles imported from all sources rose from 2 percent of the U.S. market in the early 1950's to 6 percent in 1960. But Japan's share of the U.S. market remained unchanged, at 2 percent, while sales of cotton imports from India, Hong Kong, Pakistan, Spain and Portugal increased substantially. This convinced Japanese producers that the voluntary quota system holding down their sales in the United States was inequitable. Meanwhile, very tight import restraints in Europe kept cotton imports from any source from increasing significantly. This convinced U.S. cotton textile producers that they were bearing an unfair share of the burden of adjustment to increased production of cotton textiles in the low-wage countries.

The new Long-Term Cotton Textile Arrangement is to remain in force for 5 years from October 1, 1962. The importing members of the agreement are Australia, Austria, Canada, Denmark, Norway, Sweden, Great Britain, United States, Belgium, France, West Germany, Italy, Luxembourg, and the Netherlands. They agree to enlarge their quotas on importation of cotton textiles by at least three 5-percent steps during this period. At the same time an importing country is entitled to ask exporting countries to restrain increases in exports when necessary to avoid disruption in the importing country's markets. If the exporting members—India, Japan, Pakistan, Portugal, Spain and Hong Kong—do not voluntarily restrict their sales the importing country may limit imports to the desired degree by use of import quotas.

As a transitional device to escape from the difficulties arising under the Japanese voluntary quota on cotton textile imports to the United States, the new arrangement has merit. It may result in a more even sharing of the burden of export restraint between Japan and other exporters and a more even sharing of the burden of adjustment to imports between the United States and other importers. It is also intended to bring about a gradual enlargement of imports.

There may be other cases in which this mechanism may serve a similar purpose, although it is noteworthy that the parties to the Cotton Textile Arrangement declared that the measures incorporated in it "are not to be considered as lending themselves to application in other fields." However we wish to emphasize our belief that such arrangements are acceptable only as steps toward freedom from quota restrictions and not as substitutes for that freedom.

One other subject should be mentioned with respect to the special problem of cotton textiles. This is the two-price U.S. cotton system. It is an example of Government intervention in the competitive system leading to redoubled Government intervention: the two-price system came about because Government support of U.S. raw cotton prices made U.S. cotton too high priced to sell in

world markets. To make U.S. raw cotton competitive, the Government paid a subsidy on its export. This allowed foreign cotton textiles makers to get U.S. raw cotton more cheaply than could U.S. makers of cotton cloth. This, in turn, intensified the feeling of U.S. cotton textiles producers that they deserve more tariff, or quota, protection.

We made recommendations[2] recently for adaptation of American agriculture over a 5-year period to competitive market conditions. These recommendations included the immediate reduction of the domestic price of cotton to this world level. Adoption of such a program would, in addition to correcting a misuse of our resources in agriculture, release the United States from the above policy dilemma, and permit both cotton growers and cotton textiles makers in the United States to get back into world trade on a sound footing.

3. JAPANESE ELIMINATION OF QUANTITATIVE RESTRAINTS ON IMPORTS

Japan alone among the industrial countries of the free world still uses a system of exchange licensing to control the amount of her imports. Under this system, a license must be obtained from the government to import any items on a list of imports subject to license control. Japan justifies continued use of this policy on the ground that she feels herself to be peculiarly exposed to balance-of-payments difficulties.

In 1959 Japan adopted a policy to remove these restrictions. By October 1962 commodities which had accounted for 88 percent of Japanese imports in 1959 were free of exchange license control and it has been announced that this figure will be raised to 90 percent by April 1963. This will not mean that the items still under control would account for only 10 percent of Japanese imports if there were no control. It will mean that the items still under control composed only 10 percent of Japanese imports in 1960, and this number is low in part because imports of these items were limited by controls.

Controls have tended to be retained on the items that were most competitive, imports of which would rise the most if controls were eliminated. Presumably the still-controlled items would account for much more than 10 percent of Japanese imports if all controls were abolished. Moreover, some items freed of exchange licensing controls are still subject to quantitative quotas. The importation of petroleum is subject to quantitative limits based essentially on refinery runs. At the same time it should be pointed out that the volume of licenses given for items still under control has been enlarged.

Japan does not have persistent large balance-of-payments deficits that justify use of exchange controls. Her tendency to cyclical balance-of-payments deficits can be managed, as it largely has been, by domestic financial policy. We believe that Japan should eliminate her exchange controls and other quantitative restrictions on imports. In this case, as in others where we recommend trade liberalization, we recognize the need for orderly timing. But we believe that Japan can proceed more rapidly in this direction than it has been doing.

4. GENERAL TARIFF REDUCTIONS

The voluntary quotas, quantitative restrictions, discrimination and exchange controls that hamper trade in both directions with Japan are inconsistent with the principles of the free world economy. They should be eliminated in an orderly manner, but in a reasonable time and thoroughly. Every country imposing such restraints has an obligation to move in this direction without expecting compensation from others for thus coming into line with the basic requirements of the international economic system.

Aside from these special restrictions, high tariffs imposed by Japan and by other countries impede trade between Japan and the rest of the world. We believe that these tariffs should be substantially reduced in a process of bargaining in which at least the United States, Western Europe, Canada, Australia, and Japan, would participate.[3] The reasons for this are, we hope, clear from what has been said above about the principles of the free world economy (section 2). We have explained them more explicity with reference to tariff policy in the near future in "A New Trade Policy for the United States" (April 1962).[4]

The Trade Expansion Act of 1962 embodies the belief that the United States will gain from substantial, mutual tariff reduction between us and our chief trading partners. In motivation and form this act was primarily directed to reduction of tariffs between the United States and the European Common Market. It authorizes complete elimination of tariffs on items of which the United States and the Common Market supply 80 percent or more of world exports. But it also authorizes reductions of up to 50 percent on U.S. tariffs that do not fall within this category. We hope that this authority will be used in bargaining for a reduction of Japanese tariffs and of United States and European tariffs on items of which Japan is a major exporter.[5]

Western tariffs of particular interest to Japan will be substantially reduced only if Japan is prepared to reduce tariffs of special interest to the West. Participation of Japan in this process may be impeded by the traditional Japanese view of her foreign trade as essentially a means of obtaining raw materials that she doesn't produce at all and only as a last resort certain highly special manufactures. However the benefits to Japan of being both an importer and exporter of manufactures, as other industrial countries are, would be large and we hope that they will be recognized.

In all countries, fear of hardship to domestic industry is an obstacle to reduction of tariffs. In the West this fear is likely to be intensified with respect to Japan by a misunderstanding of the significance of low Japanese wage rates. As we have explained earlier (pp. 24–25) low Japanese wage rates are not a source of danger or injury to her actual or potential customers. A sudden expansion of imports from any source may cause hardship to domestic producers, but such a sudden expansion is not more likely to come from a low wage country than from a higher wage country. What is important for the possibility of a great upsurge of imports is the total supply and cost situation of the potential exporter, not just the wage level.

The possibility of hardship to domestic industries does call for a timing of tariff reductions that is adapted to the situations of particular industries. We believe that it will almost always be possible to achieve some tariff reduction without real hardship if a reasonable period is allowed. Moreover the pace of tariff reduction that is possible without hardship can be speeded up by use of the machinery for adjustment assistance that exists in the United States and many other nations.

We note a concern, in Japan and elsewhere, that the value of tariff concessions granted by the United States may be seriously impaired by the U.S. escape clause machinery. There is fear that if U.S. tariff concessions, received in exchange for concessions made by others, lead to substantial increase of U.S. imports of particular goods the concessions will be withdrawn. We have recommended in the past, and we repeat the recommendation here, that the escape clause should be used sparingly, only in serious cases, and even then only for a temporary withdrawal of concessions.

While we understand the concern of our trading partners, we believe that the concern has been exaggerated. The United States is committed to grant compensation when it withdraws concessions under the escape clause. Moreover, the escape clause was used only 15 times in the 15 years from 1948 through 1962. In five of these cases Japanese products were involved to an important extent. The five cases together involve Japanese sales in the United States of $30 million a year, compared with total Japanese exports to the United States of over $1 billion a year.

We strongly urge that the advanced countries of the free world seize the opportunity lying before them to increase their efficiency, growth, and solidarity by substantially reducing their tariffs. Japan's participation in giving and receiving tariff concessions is essential to the idea that there is a free world.

5. U.S. GOVERNMENT PROCUREMENT IN JAPAN

Before 1961 the U.S. Government made substantial purchases of goods in Japan to be used in the U.S. economic and military aid programs, particularly in Asia. In general these purchases were made in Japan because Japan was the cheapest source of supply. Beginning in 1961 the United States reduced such purchases, in Japan as elsewhere abroad, as one step to control the U.S. balance of payments deficit by reducing the outflow of dollars. This had an adverse effect upon some industries in Japan, such as fertilizer production, and also in some degree upon the Japanese balance of payments.

Reduction of offshore procurement is an acceptable method of dealing with the U.S. balance of payments only if it is regarded as a purely temporary measure. But in general the principle that we, and others, will be best off if we buy from the cheapest source of supply is no less valid for the U.S. Government than for U.S. private citizens. We recommend that the United States should resume worldwide procurement as soon as its balance of payments position permits.

6. JAPAN'S TRADE WITH THE SINO-SOVIET BLOC

Before World War II, a fifth of Japan's trade was with countries that are now members of the Sino-Soviet bloc. Japan's alinement with the West in the cold war has

[2] "An Adaptive Program for Agriculture," a statement on national policy by the Research and Policy Committee of CED (July 1962).

[3] Memoranda of comment, reservation, or dissent by Alvin R. Jennings: "Certainly net benefits to all parties are implicit in freer trade between Japan and the other free nations. And, in my opinion, the reciprocal actions that are recommended (pp. 36–53) contain the necessary cautions, safeguards, and caveats to avoid undue damage to any of the parties from suddenness in removing existing bars, restrictions, and discriminations (e.g., 'gradualness' in removing discriminations under GATT, p. 40); phasing out of quantitative quotas over a sufficient period to avoid hardship (p. 41); orderly timing in eliminating exchange controls and quantitative restrictions on imports (p. 44); etc."

[4] A statement on national policy by the Research and Policy Committee of the CED (April 1962).

[5] Memoranda of comment, reservation, or dissent by Frederick R. Kappel: "It seems unrealistic to recommend that our tariff reduction authority under the Trade Expansion Act of 1962 be used on behalf of Japanese exports. Since the Japanese have made greater use of tariff and quota protection, more emphasis should be placed on the possibility of trade concessions on their part as an instrument in bargaining for the lowering of restrictions on Japanese exports."

prevented her from making a full effort to recover this formerly big market.

However, Japan has in recent years been exchanging trade missions with Russia, the East European Communist countries, and with Red China. Japanese trade with bloc countries is still very small, but it is growing. In theory, at least, Japan can see in the need of the Communist countries for capital goods, and in the possible supplies from Communist countries of raw materials that Japan needs, a basis for large scale Japanese-bloc trade.

The practical outlook, however, is not for any large increase in the near future. In 1961, in the first year of a 3-year trade agreement with the U.S.S.R., and on the basis of new trade contracts with Hungary, Rumania, Bulgaria, and Communist China, Japan exported $103 million worth of commodities to bloc countries, and imported commodities valued at $217 million. This was about 2.6 percent of Japan's world exports in 1961, and 3.7 percent of her imports, around a tenth of Japan's prewar trade with countries now in the Sino-Soviet bloc.

According to what has become known of bloc offers to the Japanese, the bloc countries have been able to promise Japan only limited additional amounts of raw materials. Japan has no strong interest in making substantial exports to the Communist countries on credit. These two conditions appear to limit the possibilities of Japanese-bloc trade, under present conditions, to fairly small amounts. However, Japan appears to be anxious to exploit fully the present possibilities of trade with the bloc, and to widen them if feasible.

Japan embargoes the shipment of military and strategic goods to bloc countries, in line with general free world policy.

The free world needs a new set of principles that will be followed by all members in trade with the Sino-Soviet bloc. In the absence of such principles there are two important things to say about Japan's position.

First, Japan's trade with the bloc is now much smaller than that of several West European countries. Thus, the problem of trade with the bloc is not primarily a Japanese problem.

Second, the tendency of Japan to seek Sino-Soviet bloc trade will be influenced by the terms of her economic relations with the West. The importance of avoiding the possibility of Japanese dependence on trade with the bloc is another reason, in addition to those discussed earlier, for liberalizing trade relations between Japan and the West.

7. JAPANESE REMOVAL OF BARRIERS TO FOREIGN INVESTMENT

Japanese protectionism has come to include major restraints upon foreign investment in Japan. This has deprived Japan of some useful foreign exchange. More importantly, however, it has tended to protect Japanese businesses from the competition of foreign ideas and business practices, and has limited the direct benefit to the Japanese economy that would come from introduction of specialized managerial and technical know-how.

As a result of Japanese policy, foreign investment since World War II has increased only slightly in Japan, while it has grown greatly elsewhere. It has been restrained in Japan because Japan has effectively restricted the permissible variety of investments. Those foreign investors who felt justified in risking their knowledge and their funds only on the basis of direct investments in businesses that they would manage themselves have found themselves largely barred from Japan.

The Japanese have sought, instead, foreign loans, secured through the sale abroad of Japanese Government and other bonds. The foreign investor who was interested in a simple portfolio or equity investment in Japanese shares has been discouraged by restrictions on his right to sell the shares and repatriate his investment. The waiting period for withdrawal of capital invested in shares has recently been reduced from 2 years to 6 months.

A more important problem, however, relates to direct investment by foreign firms. Such firms can invest in Japan with or without advance assurance that they will be able to repatriate their capital. The governmental authorities have been extremely reluctant to give advance assurance. Advance permission to repatriate capital has apparently been granted chiefly where the investment involved advanced technology the Japanese authorities regarded as highly desirable and where the technology could not be otherwise obtained. Generally, the Japanese have preferred to obtain technology through licensing or management contract arrangements.

But the matter of repatriation of capital is in practice less important than the right to enter, to say, and to grow with the Japanese economy without undue restriction. To an excessive extent, Japanese Government approvals required by an enterprise have been subject to the condition that the foreign firm enter into partnership with a Japanese firm in setting up a jointly-owned subsidiary. In arrangements of this type the foreign firm has not been allowed more than 50 percent ownership in the Japanese subsidiary.

Japan adopted restraints upon foreign investment on the grounds that the foreign funds might be recalled from Japan in sudden movements large enough to plunge her into balance of payments crises. However, the provisions have come to be a shelter for Japanese business from foreign competition. We regard this as having the same damaging effect upon efficiency and growth as do other kinds of limitations upon the freedom of new business competition to set up and operate. Not only is the flow of the latest and best technology to Japan reduced, but Japan is also deprived of the abilities of foreign management trained in the use of the technology that the investment brings with it. We do not deprive ourselves of these benefits: foreign investors are privileged to establish wholly owned and managed firms in the United States.

As to the effects of foreign equity investment on Japan's balance of payments position, it seems to us that, under normal conditions, a more liberal welcome for investment would add significantly to the foreign exchange available to Japan. Japan's balance of payments position would normally, therefore, be eased. In practice private investors do not often repatriate their invested capital. They take home a portion of the new income they have created, as reflected in their earnings, but a substantial portion of their earnings is normally reinvested to expand their original investment stake.

In some cases the difficulty encountered by foreign enterprises in establishing themselves in Japan has caused them to invest in other nearby places, such as Hong Kong or Formosa. Thus Japanese businesses have not escaped the competition of foreign enterprise but Japan has missed the advantage of having the investment in its own country.

There seems to be fear in some quarters in Japan that the increase of direct foreign investment would compromise the independence of Japan. This fear is groundless. On the contrary, it is the foreign investor who gives hostages and subjects himself to the control of the government of the country he enters. The assurance the foreign investor has of fair treatment—an assurance now inadequate in much of the world—comes not from the power of the investor or of his native country but from the host country's awareness of the benefits it derives from foreign investment.

We regard Japan's hesitancy to permit entry of foreign enterprise in its economy as a major deficiency of Japanese foreign economic policy, and as a major obstacle to the full inclusion of Japan as a partner in the free world economic system.

We recommend that Japan dismantle its barriers to equity investment in Japan by foreign firms, and that it permit foreign investors freedom to establish wholly owned and managed branches in Japan comparable to the freedom which Japanese investors enjoy in the United States.

"The free world is in motion, as a result of external pressure and internal dynamism. We must act to give this motion the direction we prefer, before ideas and institutions are set on some other course." This observation, from a statement of this Committee cited earlier,[6] applies with particular strength to Japan. Certainly no part of the free world exceeds Japan in internal dynamism, affecting not only her economic size but also her social structure. Already a great force in the world, she will surely become a greater one.

Incorporated as an equal partner in the free world, Japan has much to contribute and much to gain, not only in economic efficiency but also in movement toward a less divided, less fearful, and freer world. If she is shut off from that status by Western neglect and insularism at home, no one can tell in what direction Japan's dynamism may move the course of history.

There now exists, in the fluid state of international economic policy, an unusual opportunity to develop much closer economic ties between Japan and the West based on the principle of reciprocal advantages. By taking this opportunity while it is available, the trading partners will not only serve mutual interests but at the same time will contribute to the political and economic strength of the entire free world community.[7]

[From the Washington (D.C.) Post, May 26, 1963]

NIPPON'S OBVIOUS AFFLUENCE HAS DECEPTIVE SIDE—AUTOMATION DISTORTS PICTURE AS MUCH AS THE KIMONOS DO

(By Rafael Steinberg)

TOKYO.—Years ago, in a tiny bay on Japan's Inland Sea, a shipbuilding company used to celebrate a launching by passing out to all the workers ceremonial red and white

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[6] "A New Trade Policy of the United States" (April 1962).

[7] Memorandum of comment, reservation, or dissent, by Thomas Roy Jones: "This footnote is by way of an obiter dictum which in no way subtracts from or adds to the recommendations of this report in the preparation of which the writer had an active part. The writer believes that multilateral free trade amongst free nations, attained in an orderly and just fashion, is both desirable and inevitable. However, if our present course of rising costs is continued, he foresees certain dangers for the United States. If labor costs of this country continue to rise and tax and other burdens imposed by Government on business combine to keep this country at a disadvantage in the cost of those products with high labor content, the United States may find itself in the position of being an exporter of products with a low labor content and an importer of products with a high labor content. The consequent effect on unemployment is obvious. Even if a high rate of employment could be maintained under these conditions, the Nation would be exporting irreplaceable resources or resources difficult or slow of replacement for the freely replaceable labor content of other countries."

rice cakes called tori-no-ko mochi, and by giving everyone a day off.

The rice cakes are a thing of the past, but last year the shipyard launched more tonnage than any other yard in the world. Instead of mochi, the company gave the workers a bigger year-end bonus than usual, and there are no extra days off for launchings because there are always new keels to be laid.

Anywhere in Japan, you can send out for home deliveries of sushi (raw fish and rice), and this delicacy has always arrived in graceful lacquered wooden trays which the delivery boy would come around to pick up the next morning.

But now the sushi shops can't find enough delivery boys to afford two trips for every order, so in many places sushi is packed in plain plastic boxes that look as if they belonged in an American supermarket, and the customer can keep them for refrigerator trays.

What's more, this labor shortage—the only one in Asia—has encouraged the development of automatic vending machines, supermarkets, and instant soy bean soup, while electronic computers are taking the place of abacus operators and a new train will be able to stop and start without an operator.

THE GUIDEBOOK VIEW

First-time visitors to Japan, who arrive with images of geisha girls, tea ceremony, and cherry blossoms, are bowled over by these visible signs of modernity and economic progress. It seems to them impossible to believe that this highly industrialized, active nation, with its fast express trains, air-conditioned office buildings, and automated factories, is the same exotic, backward land the guidebooks still talk about.

From tori-no-ko mochi and exquisite tableware to oil tankers and microwave relays seems too big a jump.

Are Japanese supposed to be polite and old-worldly? Watch the rush-hour stampedes in the subways.

Are they dedicated to beauty and symmetry? Look at Tokyo. Are they quaint? See the businessman with his golf clubs.

Do the Japaneses subsist on dried fish and a bowl of rice? Peek at the meat and bread in the housewife's shopping basket.

Are they short, stocky, and bowlegged? Feast your eyes on that long-limbed young beauty strolling down the Ginza in high heels, Paris dress, and Jacqueline Kennedy hairdo.

Are the farmers peasants? Examine the electric water pumps at the wells, the tiny tractors, the TV aerials on the thatch roofs.

Is the Japanese spirit spartan and frugal? Look around at the advertising signs, the purple shirts, the expense accounts, the rising prices that shoppers no longer haggle over.

Is the quiet contemplation of eternal verities a Japanese and Zen Buddhist trait? Listen to the rat-tat of the riveter, the thump of the piledriver, the roar of the dump trucks.

THE INABILITY PERSISTS

From these sights and sounds, the visitor could come away with an impression as distorted as the one he arrived with. He is apt to think that Japan has completed the transition from a feudal to a democratic society, from economic backwardness to modern technology, from Asian poverty to a society of affluence.

Such is not quite the case. Despite the 9 percent yearly average growth rate of the Japanese economy that has increased the per capita income from $258 in 1958 to $416 in 1961 (and an estimated $450 last year), so many points of instability and obsolescence remain that the country's politicians and businessmen still hesitate to take the economic leadership of free Asia—a role Western leaders want them to assume.

Commenting on American urging that Japan give more aid to the developing nations, and join more wholeheartedly with the United States in helping to lower world trade barriers, Foreign Minister Masayoshi Ohira recently explained that "we in Japan see our role as the establishment in our country of a free, stable, democratic order * * * a Japan that can stand on its own feet, that is self-supporting and does not need to ask for outside assistance. * * * We feel we still have some way to go."

"I wonder if the United States realizes what we consider to be our role," he muses. "We think that the United States believes Japan has already established this orderly and stable government, and therefore expects us to shoulder more responsibilities. * * * But we have to create a healthier and stronger domestic situation first."

To be sure, politics plays a part in this hesitation. Japan's Socialist Party, which can be noisy and disruptive when aroused, automatically opposes whatever it considers to be in the interests of "American imperialism" and government leaders must go slow.

And much of the reluctance to shoulder responsibilities is merely the application of natural self-interest—an attitude that kept Japan free of foreign domination while other countries in Asia were becoming colonies, and that in large part is responsible for her fortunate position today.

But the Japanese point out several economic facts which they say are unique and which they claim make it impossible for them, despite their surface prosperity, to take what Western leaders consider to be their "rightful place in the economy of the free world."

Without attempting to make any final judgments, it is worth considering the economic problems that Ohira sums up as Japan's attempt "to catch up with the world."

It is not just a question of whether the economy is doing well or badly at the moment. (Actually, it seems to be pulling out of a temporary recession.) The more pertinent question is whether Japan will be able to carry out Prime Minister Hayato Ikeda's famous "income-doubling" plan in the 1960s, and what will happen to the country in the process.

Specifically, it is a question of the future of that sushi shop delivery boy who no longer comes for the lacquered trays, and his employer, the shop owner. And it is a question of what will happen to the majority of the Nation's industrial laborers who work in small shops and factories with inefficient machines, at relatively low wages.

Faced by competition from foreign goods, which Japan has pledged to admit more freely, will they be driven to the wall? And will the big firms, which pay better wages to their own employes but which depend on these small enterprises for component parts and for distribution, also go bankrupt?

To improve productivity, the government is encouraging more and more workers to abandon the farms and small shops for the more efficient, better-paying, large modern plants, where they will live in company dormitories, eat company food, take vacations together at company resorts. Will this contribute to democracy and individualism, so difficult to take root in Japan anyway, or will it merely pave the way for another form of communal living?

If Japan is to expand her exports, compete in world markets, her industries have to modernize even further, her ports and roads must be expanded and improved. As the labor shortage worsens in the 1970s thanks to birth control and abortion in the fifties, it will become more imperative than ever that all of Japan's workers attain a high rate of productivity.

But what will happen to the inefficient worker too old to learn a new trade? He is not a fringe minority. He represents a large proportion of the working force, and under the old system he would never be laid off no matter how useless he became. But will his employer be able to live up to this traditional obligation and still compete with the manufacturer in Germany or the United States who pays for work performed?

The Japanese have no confident answers for those questions. Their predictions have not been very accurate in the past, and already there is serious talk of revising Ikeda's 10-year income-doubling plan.

First advanced in 1959, the plan became official government policy when Ikeda took over as Prime Minister in 1960. It calls for an average annual growth of 7.2 percent in the gross national project for 10 years with an eye to "catching up to Europe's standard of living" by 1980.

But in 1961, the first year, actual growth was 14 percent. This "overheated" growth also resulted, alarmingly, in such an increase in capital equipment investment that the 1970 figure for investments was attained in the very first year.

This was nearly disastrous. Since much of this investment was in the form of modern machinery imported from abroad—machinery which Japan, of course, sorely needed—Japan suddenly found herself with a balance-of-payments problem, a labor shortage (as people were needed to man the expanded plants) and, shortly thereafter, surplus production of heavy industrial products.

Technical measures such as raising the bank rate, cooled the excessive growth, curbed investment, and managed to get international payments back on an even keel. Growth in 1962 was only about 4 percent.

But this amounted to a recession, from which the country is only now emerging. Because money was tight, businessmen used up stockpiles rather than buy, so the problem of surplus production worsened and there was a scramble for export expansion.

But while the surplus forced down domestic prices of such commodities as steel, consumer prices rose drastically—and are still going up—as farm production fell and urban workers, employed in constructing the new plants or running them, found themselves richer than ever.

The government had forecast a consumer price rise of 2.8 percent last year, but the actual increase was 6.7 percent. The danger of inflation is the government's most pressing single economic problem.

The problem is to keep the modern section of the economy from expanding so fast that prices run away, and at the same time to encourage the modernization of the backward sectors and the roads, harbors, and utilities that are still far from sufficient to support the kind of technological society that the Japanese dream about.

The problem will be made more difficult by the fact that Japan's huge labor pool, which supplied the muscle for the expansion so far, will reach a peak in the next couple of years and then start to decline. And, ready or not, Japan will have to open her doors to more foreign products or risk losing the chance to expand her exports.

Yet no one doubts the capacity of the highly literate, skilled and ambitious Japanese to solve these problems, and others. For despite all the transformations that have taken place here since the war, most Japanese still retain the single-minded purposefulness, the willingness to submerge individual ambitions and interests for what they consider to be the good of the community and the nation, that enabled them to leap from crumbling feudalism to modern statehood in two generations, and from defeat and devastation to prosperity and prominence in less than one.

It's not rugged individualism, or Jeffersonian democracy, but it works in Japan, and it seems to be what the Japanese want.

Only by following her own path can Japan attain an influential position in the world. "We want to be a bridge between the industrialized nations of the West and the underdeveloped countries of Asia and Africa," Prime Minister Ikeda has said. "We understand them both."

PRIME MINISTER SENDS GREETINGS

"The promotion of true understanding between Japan and the United States is, in my view, a task of prime importance, for upon such understanding rests the effective cooperation between the free peoples of our two nations in the common pursuit of the ideals of peace and progress.

"In expressing my appreciation to the Washington Post for its many contributions to the strengthening and deepening of this understanding, I wish to take advantage of this special supplement to extend greetings to the people of the United States and to reaffirm our dedication to the goal we share: that truth, justice, and freedom shall prevail among all peoples of this world.

"HAYATO IKEDA,
"Prime Minister of Japan."

[From the Wall Street Journal, June 11, 1963]

JAPAN'S DEMOCRACY: A WESTERN INSTITUTION IS RESHAPED IN SMALL TOWNS

(By Igor Oganesoff)

MISHIMA, JAPAN.—Half a dozen years ago, the elder citizens of this bustling town decided to find a sister city in the United States for cultural exchange and hit upon Pasadena, Calif., as the most suitable choice. Culturally, of course, there isn't much similarity between the two communities. But a visitor here quickly notes that democratic practices, as imposed by the American occupation after the war, have taken firm root in small-town Japan, though they've been reshaped by traditional mores.

Mishima, with its 68,000 inhabitants, nestles at the foot of the Hakone Mountains about 70 miles southwest of Tokyo. Traditionally, it is one of the 53 stopping places for weary travelers on horseback or foot on the historic Tokaido route between Tokyo and the commercial center of Osaka. Decorative pink and blue neon lights are strung along the paved main thoroughfare, which is the Tokaido, lending a permanently festive air to the town.

The mammoth wooden arch of the Shinto Grand Shrine of Mishima, 300 years old, today contrasts with the clean modernity of Tokyo Rayon Co.'s nylon plant, one of several industries in the town. In the farmlands of the township, rice is the main crop but farmers also grow carrots, radishes and cabbage in the nearby hills, along with big, juicy strawberries.

HARDLY ANY PROBLEMS

Off the highway near the edge of town stands Mishima's modernistic, white brick city hall, completed in late 1960. Here, in a spacious conference room, tastefully decorated in Western style, stocky 40-year-old Mayor Taizo Hasegawa discourses on Japanese municipal politics and administration. He made his first trip to Pasadena last December and his conference room is stacked with abstract paintings by Pasadena artists, soon to be put on exhibition as part of the cultural exchange program.

Mayor Hasegawa cheerfully observes that his prospering town has hardly any problems at all, save a nagging but not critical water shortage. Paradoxically, he also complains that he has barely enough time on a weekend to read a few pages of a Japanese best seller, much less indulge in other recreation. And it quickly develops that his honor's crammed schedule is far less the product of actual chores than social obligations imposed by Japanese custom.

Thus, three or four times a week he attends meetings of various citizens' groups: Housewives, shopkeepers, factory workers, religious organizations, and the like. He makes frequent speeches in Mishima's nine elementary and nine high schools, as well as in the local branch of the national Nihon University, a private institution. Here, of course, citizens get an opportunity to air any gripes they have such as the current water problem. But Mishima's busy, contented populace really haven't enough things to discuss to warrant such imposition on the mayor's time. And, like most Japanese, they are inclined to take life, ungrudgingly, pretty much as it comes.

"Actually, in Japanese custom now, this kind of contact is simply expected of him," one of the mayor's aids explains. "He must get to know the people so he can serve them." However, this official admits that, while such practice admirably serves democratic ends, here it is more a matter of form than substance. This form is ingrained in the paternalism of the traditional Japanese feudal system, though today it can certainly help the mayor to get reelected.

STRIVE FOR UNANIMITY

A bit different are Mayor Hasegawa's activities in currying the favor of the city council, an elected, 30-member body which passes ordinances and approves city projects. Never once, in his 30-month tenure, has the city council denied any proposal of the mayor. But this encouraging record isn't enough in Japan.

What the mayor strives for is complete unanimity within the council, a penchant common on all levels of national and local government in Japan. No politician is content simply with passage of his proposals by a strong majority; he feels compelled to bring opponents into line, and to make sure that everyone is satisfied at least to the point of withdrawing open opposition.

Mayor Hasegawa describes himself as an independent and declines to be drawn into discussion of broader issues. "The mayor of a small town should not have party affiliations," he says, sipping from a cup of green tea. "I am interested only in the welfare of Mishima town." He is, by standards of Mishima, a highly successful businessman, which serves to orient his political views toward the conservative side. Mr. Hasegawa owned a furniture factory and store, which he had to turn over legally to his wife when he was elected mayor. The couple and their three young children live in a rambling, straw-matted house, containing a modern, Western-style living room, behind the furniture store.

CAMPAIGN OUTLAY LIMITED

The mayor started his political career on the part-time city council where he served a term and a half, or 6 years, for which he was paid the equivalent of $70 a month. Though he claims he had no support from other members of the council, Mr. Hasegawa received enough encouragement from other influential citizens to run for mayor against the incumbent, a member of Japan's ruling conservative Liberal-Democratic Party, who was criticized for his aloofness to Mishima's citizens. Because Japanese law forbids a majority candidate in a town the size of Mishima to spend more than $1,400, Mr. Hasegawa was able to finance the campaign from his own savings.

Once in office, by a handsome majority, the Japanese system made his job simpler in one way: There is virtually no patronage system in smaller cities. City employees up through the top rank are almost invariably civil service and firing any administrator is almost taboo. So, other than bringing in a couple of supporters as personal assistants, Mr. Hasegawa made no political appointments and his election supporters merely went back to their regular occupations after the election.

The spectacled mayor proudly points out that, thanks to the construction of the nylon plant and branch factories of a national drug firm and a confectionery concern, Mishima has boosted its wage levels and eliminated unemployment. Average family income of salaried employees runs about $117 monthly, with savings averaging $16, significantly above national average. Drop in at Hiroshi Yamato's tiny fish restaurant and he tells you he owns a station wagon for his business and a sedan, also of Japanese make, for personal use. Television antennas sprout from nearly every roof and the town's 10 small movie theaters and 15 old-fashioned inns are doing brisk business.

FACTORIES SUPPLY HOUSING

The new factories, as is Japanese custom, provide their own housing for workers so Mishima has been spared overcrowding from the influx of technical and administrative employees. But Mayor Hasegawa is putting through a scheme to build city-owned private houses to rent to local people who want to improve their dwelling place and to attract newcomers.

The industrialization of Mishima in the last few years, however, has also brought the town its only major problem. The plants have diverted much of the city's water supply, so that faucets sometimes produce little more than a trickle and farmers aren't getting quite enough for their crops. Mr. Hasegawa's office is now conducting surveys on new water sources and studying plans for a small dam for irrigation purposes.

Mishima's total city budget this year runs around $1.2 million, of which a local residence tax, based on income and applied uniformly all over Japan, provides two-thirds. The National Government kicked in $150,000 and the rest came from city real estate and utilities taxes. One-quarter of Mishima's municipal expenditure, the biggest chunk, goes into education.

In addition to his monthly salary of $280, the mayor has a personal expense fund of $230 each month. He makes weekly trips to Shizuoka, the prefectural capital, and to Tokyo on occasion for official business. He also regularly entertains some of Mishima's influential townsmen at a local bar or restaurant, sometimes calling in a couple of the city's 40 geisha girls to pour sake or chant folksongs. And he seems to find this blend of Western democracy and Japanese custom as rewarding as the rest of Mishima's citizenry does.

COSPONSORSHIP OF S. 1693 ON CIVIL RIGHTS

Mr. FONG. Mr. President, according to an editorial in a recent edition of the Sunday Honolulu Star-Bulletin and Advertiser, "the racial issue is the greatest single unfinished piece of domestic business in the United States."

Recent events in Birmingham, Philadelphia, and other parts of the Nation seem to underline this fact increasingly.

One of the key issues at stake in these areas of strife is the denial to American citizens first amendment freedoms to assemble and petition for redress of their grievances.

Yet, there exists at the present time no Federal law enabling the Attorney General to go into court and secure these rights for Americans.

The Attorney General himself has said that he has no authority to bring such suits because Congress did not pass any legislation giving him the authority to

protect the constitutional rights to equal opportunity.

He pointed out that the Federal courts, for example, have ruled in recent cases that the Justice Department does not have the right to sue for desegregation of schools in the absence of congressional action.

To protect these rights effectively, I am cosponsoring a bill, numbered S. 1693, which would empower the Attorney General to institute civil proceedings for injunctive and other relief to redress all deprivations of constitutional rights.

This measure was proposed originally by President Eisenhower, and it deserves renewed consideration today.

I believe that this proposal would be a significant step forward in the present racial crisis.

THE NATIONAL CANCER INSTITUTE SHOULD CONDUCT A FAIR TEST OF KREBIOZEN NOW

Mr. DOUGLAS. Mr. President, now that Dr. Ivy and Dr. Durovic have filed a plan with the Food and Drug Administration for Krebiozen, there is no excuse for the National Cancer Institute and the Food and Drug Administration to delay further a fair test of Krebiozen.

Obstacles to a fair test for Krebiozen have been erected and maintained for years due to the obstinate and often irrational opposition to a fair test by organized medicine and especially the American Medical Association. Their influence has dominated both the National Cancer Institute and the Food and Drug Administration which should act in the public interest and as objective governmental agencies and not as pawns for organized medicine.

REASONS FOR A FAIR TEST

There are two general reasons and three specific reasons why a fair test for Krebiozen by the National Cancer Institute should proceed immediately.

The two general reasons are:

NONTOXIC DRUG

First. The drug is nontoxic, and no responsible source even among its opponents has claimed otherwise. It has been used on thousands of patients without harmful side effects. This is admitted by proponents and opponents alike.

HUNDREDS OF SUBSTANCES TESTED

Second. The National Cancer Institute has tested, literally, hundreds of substances for possible use in the management of cancer. Some of these have had toxic side effects. Few of them have had anything like the objective evidence to justify testing that is available on Krebiozen.

The three specific reasons why a test is justified are:

THE STANDING OF DR. IVY

First. The generally acknowledged ability and standing of its chief sponsor, Dr. Andrew Ivy.

Dr. Ivy set up the Naval Medical Research Institute at Bethesda and served as its director for nearly a year.

Dr. Ivy was president of the American Physiological Society from 1939 to 1941.

Dr. Ivy was selected by the American Medical Association's board of trustees to represent the allied governments at the trials of the German medical men after World War II.

Dr. Ivy was vice president of the University of Illinois and was in charge of its medical schools.

Dr. Ivy has contributed a dozen or more papers on cancer research, either alone or with others, to the leading medical journals.

Dr. Ivy has discovered a number of the hormones of the human body.

Dr. Ivy was named executive director of the National Advisory Cancer Council—1947–51—and advised the U.S. Public Health Service on cancer research because of his wide knowledge and background.

Dr. Ivy was a director of the American Cancer Society.

Dr. Ivy is one of the foremost pathologists and medical and cancer research experts in the country today.

STATISTICAL AND OBJECTIVE EVIDENCE

Second. The drug should be tested because of the vast statistical and objective evidence submitted by Dr. Ivy to the National Cancer Institute. The statistical information was for 4,200 cases and for 35 tumor types treated with Krebiozen. It indicated that the tumor was decreased on the average in 35 percent of the cases, varying with the kind of tumor. The tumor was arrested in 51 percent of the cases. In 14 percent of the cases the tumor was unaffected or increased.

In addition, the clinical records on several hundred cases are now actually in the hands of the Food and Drug Administration. Most of these have been collected by the Food and Drug Administration.

These latter records, which include biopsy reports which prove the patients had cancer, and the physicians' reports of the actual regression of the tumors in some cases, and the relief of pain in many others, are far more adequate, factual, and scientific evidence than the records and information which have led to the testing of literally hundreds of other substances.

THE PATIENTS THEMSELVES

Third. I personally have talked with and heard the stories of over 100 patients. They have not merely said that Krebiozen was helpful to them in the sense that it created a general sense of euphoria or eased pain, but many of them have come with medical records and biopsy reports from reputable physicians that they had cancer.

Many of them believe they are alive today because of this drug. Some of their records indicate they must have Krebiozen to survive. They believe that Krebiozen, like insulin for the diabetic, is a matter of life and death for them.

Since a natural regression of a malignant tumor occurs only very rarely—estimates are only one in tens of thousands, and I am told that many physicians practice for life without seeing such a case—the physical presence of these patients is extremely persuasive evidence of the drug's beneficial effects.

EVIDENCE MORE THAN ADEQUATE FOR A FAIR TEST

These reasons and this evidence does not lead me to take the position that Krebiozen is a cure for cancer. I would not be so unscientific. Dr. Ivy does not take such a position.

The position I take is that these facts are more than adequate to justify a fair test for Krebiozen and a fair test now. And a fair test means one by those who are not hostile to the drug or one set up and carried out by hostile and prejudiced persons.

What do the opponents of Krebiozen and the AMA have to fear? If the substance is worthless, a truly fair test will show that. If they are so certain it is worthless, why do they continue to object to a fair test?

The National Cancer Institute now has enough objective evidence before it to start to test now. Dr. Endicott of the National Cancer Institute indicated to me in a private conversation that there is no need for further animal tests because the drug is admittedly nontoxic and thousands of human patients have already used the drug without toxic effects.

I think there should be a test now. While I cannot speak officially for others in the Congress, I do know that dozens of others share my view that there should now be a fair test of the drug.

I hope the Cancer Institute and the Food and Drug Administration will get on with the test and not carry out delaying tactics intended to keep the program in perpetual limbo.

GOVERNMENT COMPETITION WITH FREE ENTERPRISE

Mr. BENNETT. Mr. President, some time ago, I introduced S. 1093, which was also sponsored by Senators McCLELLAN, MUNDT, BYRD, WILLIAMS of Delaware, THURMOND, TOWER, MILLER, and DIRKSEN.

The purpose of the bill is to establish a policy leading to the gradual elimination, insofar as possible, of Federal Government competition with the free enterprise system, whose taxes pay in great part for the Federal competitive activities. Early action on the bill is urgently needed, particularly as we see the Federal Government initiating more and more activities which could just as well be carried out by the private sector of our economy.

I ask unanimous consent that an editorial which appeared in the Iron Age magazine for June 13 on this topic be inserted in the RECORD.

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

MUST WE RELEARN HARD-LEARNED TRUTH FROM OTHERS?

Getting Government out of competition with private industry has long been a rallying cry of businessmen.

So far, it has had little effect. Maybe people are tired of hearing about it. Or they figure Government has been in private business areas so long there's no use fighting it.

Then, too, there are those who see nothing wrong in all of this. They believe Government-operated businesses are more efficient or offer better value for the money. We are not talking about Government operations necessary for national security.

There has been some nibbling at the problem over the years. Studies upon studies have been made. Invariably, they turn up cases of inefficiency and waste. And with them strong recommendations urging less Government competition with business.

Based on these reports, some of this has been done. The Government no longer operates a barge line in Mississippi. Synthetic rubber and some World War II defense plants have been sold off at a small percent on the dollar. They became taxpayers.

However, there's still a long way to go.

For example, the Government still operates shipyards built for the World War II peak. This is in face of expert opinion which claims Navy vessels can be built in private yards for 15 to 25 percent less. This would save millions of dollars.

If anything, the battle to keep Government out of competition is losing ground. The Government has entered new areas in recent years. Activities are operated that should have been dropped long ago. Some estimates put the increase in Government activities under this administration at $2 billion.

The fact is, no one can say accurately how much the Government has invested in business operations. The low figure often used is $30 billion. Some say it may run five times that figure—or more.

This is too big an amount for most people to contemplate—perhaps too big to jar them out of their complacency. If so, then we might take a tip from one of our hard-hitting allies and competitors—West Germany.

This government has had plenty of past experience with governmental control of business. Yet, in recent times it has gone about shucking off businesses such as shipyards, steel mills, iron ore mines, and power stations. It has put almost none under government control.

So it seems that others are now teaching us the hard-learned lessons of free enterprise.

Fortunately, all have not given up the fight to get Government out of business. There are now five bills before Congress, all pretty much directed to the same end.

If any of them get through, they will go a long way to setting things to rights again. Freed businesses would lessen the tax burden and add to tax revenues.

This is one way to get this country moving.

EUGENE C. BEAUDET, *Editor.*

CONGRESS, TOO, HAS CONFLICTS OF INTERESTS

Mrs. NEUBERGER. Mr. President, I have been grateful this year, as in the past to cosponsor with my distinguished colleague from New Jersey [Mr. CASE] measures designed to subject Congress to the same ethical standards as we demand from the executive and judiciary. Senator CASE's devotion to the cause of ethics in Government is unparalleled and his craftsmanship in formulating an articulate and legislative scheme for achieving these ends must surely commend itself to the conscience of this body.

S. 1261, which we have proposed, is based upon the premise that full disclosure of financial interests offers the most effective protection against the misuse of public position for private gain. We believe that a requirement of full disclosure of the facts is a far more workable approach than an attempt by law to draw a precise line between proper and improper interests, relationships, and conduct.

In an article published in the New York Times magazine on May 19, 1963, Senator CASE forcibly stated the need for public disclosure by Members of Congress and top staff of the legislative branch, of their financial interests and their dealings with executive agencies at the behest of a party in interest.

Senator CASE writes:

Public disclosure is not a new principle. Preventive rather than punitive in approach, it already applies, in part, to the field of campaign contributions and expenditures. It is particularly appropriate in an area where flat prohibition might raise questions of infringement upon the right of the people to elect the representative of their choice, be he rogue or shining knight. Certainly, it would help to give the electorate a better basis on which to judge their representatives' actions.

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

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

CONGRESS, TOO, HAS CONFLICTS OF INTERESTS

(By Hon. CLIFFORD P. CASE, of New Jersey)

The Congress is taking a beating. But I am afraid that, at least to some extent, it has had it coming. For too long Congress has followed a double standard of conduct, preaching one thing and often permitting its Members to practice another.

In recent weeks the press has highlighted accounts of high living abroad on committee expense accounts, no-show relatives on congressional payrolls, millions of dollars for new congressional offices, allegations of personal profiteering from inside knowledge of congressional plans, suggestions of improper influence in behalf of certain would-be Government contractors.

Taken all together, they add up to a most unattractive picture. No matter that it is distorted, that for the misdeeds of a few the whole Congress is maligned. Many an average citizen finds in such accounts confirmation of a cynical view of politicians toward which he is already disposed.

The extent to which the double standard prevails in Washington shows up sharply in the way Congress deals with conflict-of-interest problems of members of the executive branch and the way it handles, or does not handle, those of its own Members and staff.

I remember, for example, a meeting a few years ago of the Senate Commerce Committee, of which I was then a member, on a Presidential nomination for a vacancy on the Federal Communications Commission. The nominee, a lawyer by profession, had previously served the Government with distinction. His qualifications were not questioned. Nonetheless, he was there to withdraw his nomination. The explanation helps to highlight the double standard that today prevails in Washington:

The Federal Communications Act forbids any member or employee of the Commission to have any financial interest in the manufacture or sale of communications equipment. Indeed, the prohibiton is so stringent that it extends to an interest in a company owning stock in a manufacturing or sales company in the communications field.

As it happened, the nominee had a prudent father. Some years before he had established a small, irrevocable trust fund for his two sons, to be managed by trustees outside the family. Soon after its establishment the trustees invested a portion of the funds in stock of a well-known electrical firm which manufactures communications equipment. Over the years the stock had greatly increased in value and at the time of the hearing the trustees could not justify its sale, in the light of their fiduciary duty. Since neither beneficiary had any control over the investments made by the trust and the trust itself was irrevocable, there was no way in which the nominee could divest himself of this involuntary financial interest.

The committee agreed that it came within the proscription of the act. The provisions of the act are clear, and I do not question them or the rightness of the decision to withdraw. But I could not help thinking of the contrast between the stringent restrictions on membership on the Federal Communications Commission and the complete absence of any restriction on membership on the Senate committee that oversees the FCC and passes on legislation in the communications field.

Another hearing on a Presidential nomination comes to mind. The nominee, from private industry, had worked for his firm through the first 6 months of the year in which he was nominated. He had relinquished all financial interest in the firm, which did some work for the Government, but was hopeful that he might be permitted to take half of the year's share in the profit-sharing plan of the company.

With some reluctance, I felt obliged to point out that this seemed inconsistent with the clear intent of the law, since the company's profits were calculated on a yearly basis and the value of a 6-month's share would be determined partly by the profits realized in the second half of the year. The committee agreed.

Again our action highlighted the difference between standards applied to executive appointees and the Members of Congress. For Members of Congress may, and do, sit on committees which act on measures that, directly or indirectly, affect their personal financial interests. And, on occasion, Members of Congress have attempted to influence the actions or decisions of an executive agency from which they stood to benefit personally.

Certain provisions of our conflict-of-interest statute do apply to the Members of Congress. It is a crime, for example, under one section of the United States Code for a Member of Congress, as well as any officer or employee of the United States, directly or indirectly to receive compensation for any service rendered either by himself or by another in a matter in which the United States is a party. And Members of Congress have been convicted for violating this ban.

But other provisions omit mention of Members of Congress. One of them is the provision that led to the invalidation of the Dixon-Yates contract because one of the participants had acted for the Government in a matter in which his own firm had an interest.

Of the overall public policy embodied in this statute, Chief Justice Warren wrote in the Dixon-Yates case: "The moral principle upon which the statute is based has its foundation in the Bibical admonition that no man may serve two masters, Matthew vi: 24, a maxim which is especially pertinent if one of the masters happens to be economic self-interest. Consonant with this salutary moral purpose, Congress has drafted a statute which speaks in very comprehensive terms."

If this is good public policy for Congress to prescribe for the Government generally, is it any less good for Congress itself?

To put it another way: If a Member of Congress who is a stockholder acts in his congressional capacity to apply pressure on an executive agency to maintain or expand a program which will benefit the company in which he holds stock, is this any less reprehensible than if he were acting as a paid representative of the company? Does

the fact that he is a Member of Congress dispel that possibility of suspicion which the statute seeks to avoid? If the doctrine, "What's good for General Motors is good for the country," is considered at best naive when expressed by a member of the executive branch, is it less so when proclaimed by a member of the legislative branch?

Perhaps it would be unrealistic to suggest that Members of Congress should be required to divest themselves of all financial interests which might conceivably be affected by legislation or by the action of executive agencies under the purview of a committee on which a Member serves. But should a Member of Congress, whose law firm represents a common carrier, act as a committee member, or vote on the floor, on measures affecting common carriers? Or should one with business associations in the mining industry pass on such measures as depletion allowances?

We expect a member of the judicial branch to disqualify himself from sitting in a case where his personal interests or associations might be thought to color his view. The same holds true for the executive branch. And the same practice should be followed in Congress.

It would, I think, be impossible to frame statutory provisions adequately dealing with this problem in the infinitely broad and varied situations with which Congress, and Members of Congress, have to deal. Yet there is, I believe, a way in which Congress can provide better protection than now exists for the public interest, and in a manner consonant with its elective status. That is by applying the principle of public disclosure to the financial interests of members and top staffs of the legislative branch and to their dealings with executive agencies at the behest of a party in interest.

Accordingly, first with Senator RICHARD NEUBERGER and later with his widow, Senator MAURINE NEUBERGER, I have proposed in this and three preceding Congresses legislation that would require that all top officials in the legislative, as well as the executive, branch report annually their sources of income, including gifts worth $100 or more, and their financial assets and liabilities. The reports would also include a statement of all dealings in securities or commodities and all purchases and sales of real property. They would be filed with the Comptroller General as public records available to both press and public.

A second part of our bill, in which Senator JOSEPH S. CLARK has now joined as cosponsor, would also apply the principle of disclosure to all oral or written communications to regulatory agencies, concerning particular cases, including communications from Members of Congress or members of the executive branch outside the agency involved. For example, all communications, routine or otherwise, from Members of Congress in behalf of a particular application for a broadcasting license from the Federal Communications Commission would be made a part of the public record of the proceeding.

Public disclosure is not a new principle. Preventive rather than punitive in approach, it already applies, in part, to the field of campaign contributions and expenditures. It is particularly appropriate in an area where flat prohibition might raise questions of infringement upon the right of the people to elect the representative of their choice, be he rogue or shining knight. Certainly, it would help to give the electorate a better basis on which to judge their representatives' actions.

To the Congress as a whole, and to individual Members of it, a requirement for disclosure of financial interests would be of benefit in helping to dispel the cynicism and disdain with which so many citizens view the political practitioner. This attitude is, I am convinced, for the most part unfair. In my experience, the great majority of Members of Congress are honest, conscientious men, trying to do the best job they can in the interests of the Nation and their State or district. Nonetheless, there is no denying the low estate in which politics is held by all too many of our citizens, as public-opinion polls have repeatedly shown.

For officials in the executive branch and particularly in regulatory and semijudicial agencies, the obligation to file regular financial reports would be both preventive and salutary. The maintenance of public confidence in the integrity of administrative processes is essential. With them rest determinations that may vitally affect the well-being of particular enterprises or industries and the communities of which these are part.

The necessity of making such a report would serve at least as a stop-and-think warning. At the same time, in conjunction with the requirement for disclosure of communications, it would tend to check the all too prevalent inclination to ascribe, without tangible ground, any particular decision to influence or a fix. Contrary to common supposition, these factors are, I believe, the exception rather than the rule.

Support for the principle of disclosure is growing. Other bills similar to ours have been introduced in the House and the Senate. Several candidates for high office have made public in one form or another their financial worth. Some Members of the Senate have publicly disclosed major investments. Not long ago the Secretary of Defense released a statement of his financial situation and holdings.

To accomplish the objective, however, disclosure should apply equally to all—and to the same extent. And it should include income from all sources and gifts.

Admittedly, Congress is historically loath to discipline itself, even in enlightened self-interest. But at the same time, the Members are generally sensitive to public opinion. With enough prodding, by both the public and the press, we will yet take, I believe, affirmative action to merit greater confidence and respect.

The simplest, most feasible, and, in the long run, most effective method of achieving that end is to assure the public and press continuous, ready access to all the facts relevant to the conduct of the Nation's legislative business.

PACIFIC TELEPHONE PLAYS ESSENTIAL ROLE IN ATTRACTING BUSINESSES TO CALIFORNIA

Mr. ENGLE. Mr. President, I have just read an informative and well-written pamphlet published by the Pacific Telephone & Telegraph Co. for its employees. It deals principally with the job needs that have been created by California's population explosion—and the important part that advanced communications systems play in meeting this challenge.

I commend the pamphlet to the attention of my colleagues and ask unanimous consent that it be printed in the RECORD.

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

URGENT NEED IN CALIFORNIA, 1,750,000 NEW JOBS IN 7 YEARS—WHERE WILL THEY COME FROM?

In 1860, California had 379,994 people, New York State had 3,880,735. One hundred years later, California had 15,717,204 people, and New York had 16,782,304. Early in 1963, California passed New York as the most populous State of all.

This kind of growth results in tremendous new wealth and many other benefits. But it brings problems, too—and sometimes the problems seem to overshadow the bonanza. From border to border, communities must bear the burdens imposed by the need for new schools, roads, hospitals, water, and waste disposal systems, while utility companies must work at forced draft to supply the growing population with such essentials as gas, electricity, and communication services.

But perhaps the most important need of all is a steady supply of new jobs and work opportunities for payrolls to support the increasing population. Thousands of new jobs are needed every single month, and will be, so long as growth continues at or near the present rate. It is estimated that 1,750,000 new jobs will have to be created in California to support its growth between now and 1970.

Where will these jobs come from? Naturally, growth and expansion of businesses already here will provide many of them. But most of them can only come from new businesses, new factories, and other new enterprises that will be attracted to serve the vast, booming western markets, or to take advantage of special, favorable conditions. What is needed to attract these new enterprises to California? What factors are important to a prospective industrial newcomer?

With few exceptions, the Golden State offers the common essentials: water, transportation, fuels and electricity, manpower, raw materials, building sites, housing, educational and cultural advantages, climate, recreational facilities, and many other things.

Even more important, California offers potential manufacturers one of the world's largest and most promising markets for goods and services of every description. Markets, of course, are a basic requirement.

A favorable business climate is of great importance to industrial newcomers. The California State Legislature recognized this need in passing an assembly resolution. Its purpose is to caution against actions by the legislative or executive branches of the State government that might deter the investment of capital or the creation of needed payrolls.

Another factor of major importance to industrial growth is superior telephone service, and the growing range of advanced communication systems which spring from technical developments in this field. Communication is no longer simply telephones and teletypes. Being able to provide the complex systems offered by Pacific Telephone plays an essential role in attracting businesses to California.

Among these services are electronic data handling systems used in conjunction with regular telephones, closed circuit TV channels, facsimile transmission, nationwide dial teletypewriter networks, and many other modern innovations in service and equipment. These make it faster, easier and less costly for modern businesses and industries to meet their essential needs.

Steady improvement and expansion of telephone services in California has required enormous efforts, and expenditures by Pacific Telephone of more than $2¾ billion in the last 10 years. And this expansion must continue.

California already profits from this expansion in scores of important ways—in addition to improved telephone services. Thousands of new jobs have been created, and thousands more are supported by our huge construction program. The effect of these jobs is far-reaching. According to the U.S. Chamber of Commerce, every 100 new factory workers bring to a community an average total of $710,000 more each year in personal income. This supports 65 more people in nonmanufacturing jobs. It buys 97 more cars. It supports 100 more households, 3 more retail establishments, and results in $331,000 more in retail sales per year.

But important as jobs are, our primary task at Pacific Telephone is to be sure that adequate modern communications will be available to meet the needs of California's growth. This requires an investment of well over $1 million every day for construction and facilities. The total for this year will be $412 million, and next year's needs will probably be similarly high.

Capital outlays of this magnitude are essential for our forward-looking program—a program which in itself will help to provide many of the needed 1,750,000 new jobs. But it takes a financially healthy company to make such huge expenditures, and this, of course, depends heavily on our earnings. For only through our ability to maintain adequate profits can we support the investment program needed to build ahead for California's future growth.

THE "CITY OF NEW ORLEANS" IS SUNK

Mr. ENGLE. Mr. President, I ask unanimous consent to have printed in the RECORD the statement made by Senator GRUENING, of Alaska, regarding the bill S. 534, to authorize admittance of the vessel *City of New Orleans* to American registry. This bill was voted down by the Senate Committee on Commerce today. Senator GRUENING's testimony was a crucial factor in the defeat of this legislation which I have opposed. His statement before the committee is not only an eloquent argument against this legislation—it is a definitive outline of the transportation problems of Alaska. It deserves to be made a part of the permanent RECORD of this body.

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

STATEMENT OF SENATOR ERNEST GRUENING, DEMOCRAT, OF ALASKA, ON S. 534, TO AUTHORIZE ADMITTANCE OF THE VESSEL "CITY OF NEW ORLEANS" TO AMERICAN REGISTRY, BEFORE THE MERCHANT MARINE AND FISHERIES SUBCOMMITTEE OF THE SENATE COMMITTEE ON COMMERCE

Mr. Chairman and members of the subcommittee, thank you for giving me this opportunity to testify on the bill, S. 534, which would permit the Alaska Steamship Co. to operate, in the domestic trade of the United States, a vessel built in Japan and now registered under the laws of the Republic of Liberia. I might say, parenthetically, that my colleague, Senator BARTLETT, who is now ably presiding, and I find ourselves in disagreement on this legislation, and it is the first time that we have differed on a piece of Alaska legislation. During the 4½ years we have served in the Senate we have thought and voted alike on matters dealing with our State, and pretty generally, though not invariably, on other matters. Perhaps this is the exception that proves the rule.

I intend to present reasons in opposition to this legislation in some detail. I will, first, demonstrate the serious threat this bill represents to the domestic economy and then examine the reasons it is particularly harmful to Alaska.

First, I would point out that a literal reading of the language of the bill does not describe its real purpose or give any hint of the gravity of its potential impact on the economy of the United States.

While S. 534 is a special privilege bill for the exclusive benefit of the Alaska Steamship Co., it is impossible to contend that, if this bill is passed, there will be any possibility of denying the same benefits to other carriers who prefer to buy cheap foreign ships to building new ships in American shipyards.

THERE ARE NO PRECEDENTS FOR THIS LEGISLATION

The proponents of this legislation have inferred there are a number of precedents for S. 534. In fact, there has never been legislation permitting use in the domestic trade of a large oceangoing ship of the size of the *City of New Orleans*, for the purpose for which it would be used by the Alaska Steamship Co. It is absurd to attempt a comparison of minor bills which have been enacted at previous sessions of Congress with this legislation, which is of major significance to the domestic shipping industry. Let us analyze other legislation to which the proponent has referred as exceptions to the cabotage laws and precedent for S. 534.

One of the precedents cited concerns a series of statutes that authorized Canadian vessels to service the Alaska port of Hyder, a small mining town located on a fjord which separates British Columbia from Alaska at its southern extremity. A look at a map of this area will immediately demonstrate the absurdity of comparison of this legislation with S. 534. Hyder, a community of 34 individuals, obviously would have very little freight delivered or exported. It lies on the Portland Canal, which separates British Columbia from Alaska at this point, and is approximately 100 miles long. This canal is traversed only by Canadian vessels, and it is not possible that an American-flag operator would be willing to service this town under any circumstances.

A second example concerns Public Law 217, 87th Congress, which authorized a 31-foot fishing boat *Acadia*, that was built in Nova Scotia, to be operated out of Portland, Maine, because the owner, in good faith, did not know that these laws existed.

A third example, Public Law 380, 76th Congress, admitted the American-owned barges *Prari* and *Palpa* to American registry, but these were small barges of no consequence.

A fourth example was Private Law 87–512, 87th Congress, permitting transfer of a 38-foot yacht, *Bar-Ho-Iv* from Canadian registry to American registry, but the vessel was built in the United States in the first place in 1950.

A fifth example, Public Law 119, 80th Congress, admitted the ferry *Crosline* to American registry, but she had been built in Seattle, Wash., in 1929 and transferred to Canadian registry and was being brought back by the State of Washington. This vessel was only 142 feet long.

A sixth example, Public Law 86–666, 80th Congress, permitted admission of the hydrofoil vessel *Flying Fish* to be used among points in Puerto Rico. There was no such type vessel available in American shipyards at this time and the vessel did not prove to be satisfactory and was withdrawn. She was 68 feet long.

A seventh example, Public Law 134, 77th Congress, permitted a Canadian passenger ship to travel between Cleveland, Ohio, and Milwaukee, Wis., for an American Legion convention in September 1941. This was a specialized use as hotel facilities for 3 days.

An eighth example, Public Law 261, 77th Congress, permitted two whaling tugs, the *Port Saunders* and *Hawk* to be used to attempt a revival of the whaling industry on the Pacific coast. The tugs were 120 feet long, built in 1904 in Norway, and were scrapped soon after.

A ninth example, Private Law 87–516, 87th Congress, admitted four tugs and four barges originally built in the United States back to American registry, but only for use in dredging operations while they are owned by the Standard Dredging Corp.

A 10th example, Private Law 87–513, 87th Congress, permitted transfer from Canadian registry of the tugs *John Roen, Jr.* and *Steve W.* in connection with dredging operations only. These tugs are under 100 feet in length and were originally built in the United States anyway.

An 11th example, Private Law 87–515, 87th Congress, was for a 29-foot boat to come back to American registry.

A 12th example, Public Law 1019, 84th Congress, authorized transportation of iron ore between Great Lakes ports by vessels of Canadian registry for approximately 6 months in 1952. This was because of an absence of American vessels for the service.

A 13th example, Public Law 409, 82d Congress, authorized transportation of grain on the Great Lakes for a short period of time due to lack of American tonnage.

A 14th example, Public Law 877, 87th Congress, authorized transportation of lumber to Puerto Rico by foreign-flag vessels for a period of 1 year. This law specifically provides that if American vessels are available and offer their services at a fair rate, they will have first refusal.

Certainly, no one can seriously contend there is any similarity between the laws and the bill now proposed which would provide for purchase by a single American carrier of a large vessel over 300 feet in length, less than 5 years old, built in a foreign shipyard, for use in the coastwise trade.

The Alaska Steamship Co. has, for 67 years, been nourished, cared for, and protected by the very legislation—the cabotage laws—it now seeks to ignore where its own interests are concerned.

During the 86th Congress, the Alaska Steamship Co. felt quite different about exemptions to the cabotage laws than now is the case. Its position on legislation considered during that Congress, as compared with its yearning for this bill which would, to all intents and purposes, negate the objectives of the Jones Act, demonstrates Alaska Steam's consistent demand for special and favored treatment without regard to the effect of this on others who may be concerned.

In 1960 there was introduced a bill, S. 3188, which had as its purpose to eliminate a provision long sought by Alaskans to apply the third proviso of section 27 of the Merchant Marine Act of 1920 (the Jones Act) to permit the use of foreign shipping to Alaska where such shipping occurs over Canadian railroad lines, where merchandise is transported between points in the United States and where the routes used are recognized by the Interstate Commerce Commission and operate on the basis of tariffs filed with the Commission.

When the Jones Act was passed in 1920, this legislation, which bore the name of Senator Wesley L. Jones, of the State of Washington (whose desire was to help his Seattle constituents), the single exception of the Jones Act to which I refer deliberately excluded the State of Alaska from such benefits as might have been realized by its application.

From the time the act was passed until the time of statehood, the Territory of Alaska constantly sought to amend the law to allow the possible introduction of low-cost foreign shipping into the Alaska trade. It was not until passage of the Statehood Act in 1958 that this became possible. Only then were Alaskans able to change the words "excluding Alaska" to "including Alaska."

The potential threat that this would somehow injure the Alaska Steamship Co. evidently bothered the company out of all proportion to its actual effect.

Accordingly, when S. 3188 was introduced in the 86th Congress to repeal the third proviso of section 27 of the Jones Act, the Alaska Steamship Co. was quick to signify its support of the legislation. By a letter from Mr. Henry W. Clark, vice president of the company, filed in the record of the hearings, the position of the company was stated as being in support of the bill. It is noted that,

in supporting the legislation, the Alaska Steamship Co. said:

"We are not saying that certain situations may warrant exemptions but do feel that when such exemptions are given that American steamship lines should be able to present their position before allowing foreign-flag vessels to operate to our detriment and possible demise."

In light of these remarks, the support of S. 3188 by the Alaska Steamship Co. truly shows its position that while others should not be allowed exemptions from the cabotage laws, the outrageous exemption it now claims for itself can be justified. The illogical argument of the carrier that it is somehow good for the domestic shipping industry to allow the purchase of the *City of New Orleans* but that foreign competition beneficial to others is to be condemned is reminiscent of the mad queen of "Alice in Wonderland" who changed the rules of the croquet game to suit herself and maintained a consistent policy toward those who incurred her displeasure of "off with their heads."

If this bill is passed, there is no reason to expect any more construction of ships in American shipyards. If you make this unprecedented exception for one steamship company, there will be no justification for denying it to any other. The others will not unnaturally seek the great financial advantage of acquiring a ship built by cheap foreign labor and costing half as much as it would cost at home. The precedent will have been established.

As has been repeatedly pointed out to this subcommittee, this legislation represents a truly unprecedented breach in the traditional policy of the United States that the domestic trades will be reserved entirely for vessels built in the United States and operated by U.S. carriers.

In considering S. 534, it is important to review the purpose of the cabotage laws. Since 1898, when Congress enacted legislation making the principal law, the coastwise trade of the United States has been, traditionally, reserved for domestic shipping. The purpose of this is to insure the existence of a healthy domestic merchant marine for the United States. While the future of carriers in the domestic trades, as well as the foreign trades, has been in jeopardy for many years, the theory that domestic water transportation must be reserved for domestic vessels remains valid in terms of its objectives.

Of course, it is recognized that a most important reason for protecting the domestic ship building industry is that in the event of war we must have domestic vessel capacity available and we must have our domestic shipyards in operation to produce the vessels that war requires.

Recognition of the importance of the merchant marine to national defense has been repeatedly expressed. Recently, the Secretary of the Navy, Mr. Fred Korth, declared, in a speech made on National Maritime Day that it is incredible that the Nation's merchant marine, with a proud tradition, should be faced with "relegation to second-rate status and possible extinction."

Citing the alarming rate at which Russian shipping has been increasing over the capacity of this country, Mr. Korth was quoted in the New York Times on June 2, 1963, as follows:

"The United States is and always has been a great maritime Nation. We owe our birth, succor, and survival to seapower. Without it we would have failed in our bid for freedom and could not have endured the tribulations of early independence.

"Lacking seapower, we could not have preserved the Union, nor successfully defended ourselves in two great wars which threatened our national existence.

"As a second-rate maritime Nation, this country would not have achieved the status as the strongest, richest Nation on earth. If we become a second-rate maritime power, we will not long maintain that status nor insure our freedom.

"Our seapower is not measured in naval terms alone. Our merchant marine is an equally essential element of our maritime strength. The present state of our shipping industry gravely affects that strength."

The Secretary of the Navy, referring to the fact Russia has 1,168 operational ships as compared with 985 belonging to the United States and to the rate of increase of the Soviet fleet of 1 million deadweight tons annually, called for action which would "assure Mr. Khrushchev and his kind that our system will survive and that, most certainly, its demise shall not be a burial at sea."

Now, in this context, let us analyze the effect of this particular bill on the strength of the American shipbuilding industry and its impact on our domestic economy.

Assuming this kind of ship were to be built at all, it has been estimated by the Maritime Administrator, Mr. Donald W. Alexander, that it would cost approximately $8 million to construct the U.S. yards. Thus, with respect to this ship alone, there is a loss of income, loss of jobs, loss of opportunity and loss of capability of shipyards in the United States that would otherwise perform this work. As an aside, expert opinion has been expressed that the design and construction of the *City of New Orleans*, is inefficient and outmoded, by American standards, in any case. At the very least you are, if this bill should be enacted, depriving American shipyards and their workers of $8 million.

Beyond the detriment to the shipyard industry from the loss of this particular shipbuilding contract, S. 534, as a precedent for an inevitable flow of future cries for special privilege legislation, represents a dagger at the throat of entire shipbuilding industry now and in the future.

Throughout the United States there are 143,000 individuals whose jobs directly depend on shipbuilding and repairing of ships and boats in private shipyards. It is my belief that each one of these individuals would find his or her job in jeopardy if this legislation is passed.

In Alabama the city of Mobile could find itself most seriously depressed if such firms as Alabama Drydock & Shipbuilding Co., Harrison Bros. Drydock & Repair Yards, Inc., the Mobile Shipbuilding Co., the Mobile Steel Co., and the Mobile Drydock & Repair Co., should be forced to close for lack of work. In Birmingham, the Ingalls Shipbuilding Corp., represents an important segment of the city's economy, with shipyards at Pascagoula, Miss.; and at Decatur, Ala.

In California the shipbuilding industry is one of its most important sources of wealth. Such companies as the A–1 Boat Works of Alameda, the Alling Iron Works & Shipbuilding Co. of West Sacramento, the Campbell Machine Co. of San Diego, the Colberg Boat Works at Stockton, Craig Shipbuilding Co. of Long Beach, Fellow's & Stewart Inc. of Wilmington, the Foster Shipbuilding Co. of Terminal Island, the Kaiser Steel Co. of Napa, Kyle & Co. of Fresno, the McDonough Steel Co. of Oakland, the Sausalito Co. of Sausalito, Todd Shipyards of San Pedro and San Francisco, the Wilmington Boat Works of Wilmington, and many, many others would be seriously threatened with depression if there is a change of our laws governing the use of domestic shipping equipment in the domestic trades.

In the State of Florida, Jacksonville, Miami, and Tampa would find themselves in most serious difficulties if foreign ship construction eliminated the Aetna Steel Co. in Jacksonville, the Auchter Co. in Jacksonville, Bellinger & Son in Jacksonville, or the Gibbs Corp. in Jacksonville. In Miami there are numerous shipyards including the Day Dry Dock Corp., the Florida Machinery Corp., the Merrill-Stevens Drydock Co., the Miami Shipbuilding Corp., and U.S. Foundry & Manufacturing Corp. In Tampa the Tampa Marine Co., and the River Heights Boat Yard, Inc., would feel the effect of foreign competition if S. 534 is enacted.

In the State of Florida there are 21 shipbuilding yards and repairing companies and nearly 200 boat-building establishments which will be in danger if this mischievous bill is passed.

In the State of Louisiana, New Orleans could become a severely depressed area if the ship construction and repair work on which this city depends should be closed down. Affected would be the Algiers Iron Works & Dry Docks Co., Inc., the American Marine Corp., Canal Marine Repairs, Inc., Champion Machine Works, Inc., Halter Marine Service, Higgins, Inc., Hooley & Sons, Inc., the Mississippi Valley Electric Co., Inc., Orleans Materials & Equipment Co., and many others. In New Orleans, also Todd Shipyards would be severely affected if there is a serious depression in the shipbuilding industry. In Louisiana there are 27 shipbuilding yards and 69 boatbuilding and repair yards, all of which would feel the pinch if S. 534 is enacted.

The city of Baltimore, Md., would find a substantial part of its economy wrecked by a depression in the shipbuilding industry. In Maryland there are 11 shipbuilding and repair facilities, 3 of which employ more than 1,000 people and all of which would be badly damaged by enactment of S. 534. Firms in Baltimore that would be affected include the Baltimore Marine Repair Shops, Inc., Bethlehem-Sparrows Point Shipyard, Inc., Booz Bros., Inc., and Frank & Ethel's Boat Yard.

The State of Massachusetts also would feel a serious depression, which would boost its already high rate of unemployment, if shipbuilding and repair work is diminished by enactment of S. 534. Plants in Massachusetts which would be affected would include the Bethlehem Steel Co., with yards at Boston and Quincy; the Bromfield Manufacturing Co., in Boston; the Cape Cod Shipbuilding Co., of Wareham; the General Ship & Engine Works, Inc., of Boston; the Gibbons Engineering & Machine Co., Inc., of Charlestown; the Gladding-Hearn Shipbuilding Corp., at Somerset; the Gloucester Marine Railway Corp., at Gloucester; Graves, Inc., at Marblehead; the Hodge Boiler Works, at Boston; Kingman Marine Construction, Inc., at Cataumet; the Manchester Marine Construction Co., at Manchester; and many, many others.

The great State of New Jersey would find itself in serious difficulty with closing or diminishing of work at Hoboken's yards of Bethlehem Steel; the General Ship Contracting Corp., of Hoboken; the Jefferson Electric Corp., and the Hudson Engineering Co. The Quaker Shipyard, Inc., at Camden, N.J.; the Rodermond Industries, Inc., of Jersey City, N.J.; the Stowman Shipbuilding Corp, at Port Norris; the Swenson Drydocks & Shipyard, Inc., of Jersey City, N.J.; Todd Shipyards, at Hoboken; and Welin Davit & Boat Division of Continental Copper & Steel Industries, Inc., of Perth Amboy. Zobel's Sea Skiff & Yacht Works, at Sea Bright, N.J., would also suffer if S. 534 is passed.

In North Carolina the great city of Wilmington would be seriously hurt by loss of business at Hamme Marine Railway, Inc., the Maritime North Carolina Shipyard, the Stone Marine Railway & Drydock Co., the Wilmington Iron Works, and the Wilmington Shipyard, Inc. Also in North Carolina, the cities of New Bern and Manteo would be badly hurt if S. 534 was passed.

South Carolina would not be the same if the shipyards of Charleston were to be diminished in their importance for ship construction and repair service by enactment of S. 534. The Charleston Shipbuilding & Drydock Co., the Charleston Drydock Co., Hernandez & Owen Boat Works at Folly Beach,

the Mount Pleasant Boat Building Co., would all be depressed.

In the State of Washington, the shipbuilding industry is of exceptional importance. According to the Marine Engineering Log of 1963, in the State of Washington, 84 plants in the State engage in marine construction and repair work. They include the Bellingham Shipyards Co. at Seattle; the Burchcraft Boat Co., Inc., at Aberdeen; Chilman Shipyard at Hoquiam; the Colby Steel & Manufacturing Co., Inc., at Seattle; the Commercial Ship Repair Co. at Seattle; the Duwamish Shipyard, Inc. at Seattle; the Friday Harbor Shipyards, Inc. at Friday Harbor; the Lake Union Drydock Co. at Seattle; the Lockhaven Marina, Inc. at Seattle; and Marine Construction & Design Co. at Seattle. Also, the Pointer-Willamette Co., Inc., the Puget Sound Boat Building Corp., the Seattle Shipbuilding & Drydock Corp., the Tacoma Boatbuilding Co., Inc. and Todd Shipyards at Seattle.

Shipyards of Bethlehem Steel Co., alone, employ more than 17,000 people in the construction of ships for the American merchant marine.

In Baltimore, Md., Bethlehem Steel employs 2,160 people; in Quincy, Mass., 4,375; in Boston, Mass., 550; in Staten Island, N.Y., 190; in Brooklyn, N.Y., 1,350; in Hoboken, N.J., 1,050; in Sparrows Point, Md., 4,425; in San Francisco, Calif., 1,600; in San Pedro, Calif., 600; and in Beaumont, Tex., 950 workers.

The following is a list of 76 shipyards throughout the United States whose existence would be threatened with passage of S. 534. I suggest Senators from the States and Congressmen from the districts where these are located take note:

NAME OF SHIPYARD, NUMBER OF EMPLOYEES, LOCATION, AND CONGRESSMEN

Atlantic Repair Co., 20.

Bath Iron Works Corp., 2,450; Bath, Maine; STANLEY R. TUPPER.

Bethlehem Steel Co., 1,000; Baltimore, Md.; EDWARD A. GARMATZ, GEORGE H. FALLON, RICHARD E. LANKFORD, SAMUEL N. FRIEDEL.

Bethlehem Steel Co., 170; Boston, Mass.; THOMAS P. O'NEILL, JOHN W. MCCORMACK, JAMES A. BURKE.

Bethlehem Steel Co., 1,325; Brooklyn, N.Y.; EMANUEL CELLER, EUGENE J. KEOGH, EDNA F. KELLY, ABRAHAM J. MULTER, JOHN J. ROONEY, HUGH L. CAREY, JOHN M. MURPHY.

Bethlehem Steel Co., 900; Hoboken, N.J.; CORNELIUS E. GALLAGHER.

Bethlehem Steel Co., 3,950; Quincy, Mass.; JAMES A. BURKE.

Bethelehem Steel Co., 3,100; Sparrows Point, Md.; CLARENCE D. LONG.

Baltimore Marine Repair, 30; Baltimore, Md.; EDWARD A. GARMATZ, GEORGE H. FALLON, RICHARD E. LANKFORD, SAMUEL N. FRIEDEL.

Brady Marine Repair, 60; Hoboken, N.J.; CORNELIUS E. GALLAGHER.

Brewer Drydock Co., 300; Staten Island, N.J.; JOHN M. MURPHY.

Bushey, Ira S., 160; Brooklyn, N.Y.; EMANUEL CELLER, EUGENE J. KEOGH, EDNA F. KELLY, ABRAHAM J. MULTER, JOHN J. ROONEY, HUGH L. CAREY, JOHN M. MURPHY.

Charleston Drydock Co., 225; Charleston, S.C.; L. MENDEL RIVERS.

Colonna's Shipyard, Inc., 175; Norfolk, Va.; PORTER HARDY, JR.

General Ship & Engine Works, 40.

General Ship Repair, 40; Baltimore, Md.; EDWARD A. GARMATZ, GEORGE H. FALLON, RICHARD E. LANKFORD, SAMUEL N. FRIEDEL.

General Dynamics Corp., 7,000; Groton, Conn.; WILLIAM L. ST. ONGE.

Gibbs Shipyard, Inc., 500; Jacksonville, Fla.; CHARLES E. BENNETT.

Maryland Shipbuilding & Drydock Co., 1,750; Baltimore, Md.; EDWARD A. GARMATZ, GEORGE H. FALLON, RICHARD E. LANKFORD, SAMUEL N. FRIEDEL.

Mathis, John H. Co., 30; Camden, N.J.; WILLIAM T. CAHILL.

Moon Engineering, Inc., 60; Norfolk, Va.; PORTER HARDY, JR.

Morris Basin Dry Dock, 40.

Newport News Shipbuilding & Drydock Co., 18,400; Newport News, Va.; THOMAS N. DOWNING.

New York Shipbuilding, 6,200; Camden, N.J.; WILLIAM T. CAHILL.

Norfolk Shipbuilding & Drydock Corp, 1,500; Norfolk, Va.; PORTER HARDY, JR.

O'Brien Bros. Shipyard Corp., 65; Staten Island, N.Y.; JOHN M. MURPHY.

O'Kane Marine Repair Co., 65; Hoboken, N.J.; CORNELIUS E. GALLAGHER.

Old Dominion Marine Railway, 100; Norfolk, Va.; PORTER HARDY, JR.

Perth Amboy Dry Dock, 75; Perth Amboy, N.J.; EDWARD J. PATTEN.

Rawls Bros. Shipyard, 750; Jacksonville, Fla.; CHARLES E. BENNETT.

Rodermond Industries, Inc., 130; Jersey City, N.J.; CORNELIUS E. GALLAGHER.

Savannah Machine & Foundry, 225; Savannah, Ga.; G. ELLIOTT HAGAN.

Sun Shipbuilding & Dry Dock, 2,050; Chester, Pa.; WILLIAM H. MILLIKEN, JR.

Todd Shipyards, 500; Brooklyn, N.Y.; EMANUEL CELLER, EUGENE J. KEOGH, EDNA F. KELLY, ABRAHAM J. MULTER, JOHN J. ROONEY, HUGH L. CAREY, JOHN M. MURPHY.

Todd Shipyards, 825; Hoboken, N.J.; CORNELIUS E. GALLAGHER.

Union Dry Dock & Repair Co., 100; Weehawken, N.J.; CORNELIUS E. GALLAGHER.

Albina Engine & Machine, 450; Portland, Oreg.; EDITH S. GREEN.

Astoria Marine Construction, 20; Astoria, Oreg.; WALTER NORBLAD.

Bethlehem Steel, 700; San Francisco, Calif.; JOHN FRANCIS SHELLEY, WILLIAM S. MAILLIARD.

Bethlehem Steel, 500; San Pedro, Calif.; CECIL KING.

Craig Shipbuilding Co., 80; Long Beach, Calif.; CRAIG HOSMER.

Lake Union Drydock, 70; Seattle, Wash.; THOMAS M. PELLY.

National Steel & Shipbuilding, 1,600; San Diego, Calif.; JAMES B. UTT, LIONEL VAN DEERLIN, BOB WILSON.

Northwest Marine Iron Works, 125; Portland, Oreg.; EDITH S. GREEN.

Pacific Coast Engineering, 25; Alameda, Calif.; GEORGE P. MILLER, JEFFREY COHELAN.

Puget Sound Bridge & Drydock, 1,600; Seattle, Wash.; THOMAS M. PELLY.

Todd Shipyards, 375; Alameda, Calif.; GEORGE P. MILLER, JEFFREY COHELAN.

Todd Shipyards, 1,000; San Pedro, Calif.

Todd Shipyards, 800; Seattle, Wash.; THOMAS M. PELLY.

West Winds, Inc., 200; San Francisco, Calif.; JOHN FRANCIS SHELLEY, WM. S. MAILLIARD.

Willamette Iron & Steel, 400; Portland, Oreg., EDITH S. GREEN.

American Ship Building, 100; Chicago, Ill.; WILLIAM L. DAWSON, BARRATT O'HARA, WILLIAM T. MURPHY, EDWARD J. DERWINSKI, JOHN C. KLUCZYNSKI, THOMAS J. O'BRIEN, ROLAND V. LIBONATI, DAN ROSTENKOWSKI, EDWARD R. FINNEGAN, HAROLD R. COLLIER, ROMAN C. PUCINSKI, DONALD RUMSFELD.

American Ship Building, 250; Lorain, Ohio, CHARLES A. MOSHER.

American Ship Building, 160; Toledo, Ohio; THOMAS L. ASHLEY.

Christy Corporation, 160; Manitowoc, Wis.; JOHN W. BYRNE.

Defoe Shipbuilding, 300; Bay City, Mich.; ELFORD A. CEDERBERG.

Ingalls Iron Works Co., 150; Decatur, Ala.[1]

Manitowoc Shipbuilding, 150; Manitowoc, WIS.; JOHN W. BYRNES.

Alabama Dry Dock, 650; Mobile, Ala.[1]

Avondale Shipyard, Inc., 1,200; New Orleans, La.; F. EDWARD HÉBERT, HALE BOGGS.

Bethlehem Steel, 300; Beaumont, Tex.; JACK BROOKS.

[1] All Alabama Congressmen elected at large.

Boland Machine & Manufacturing Co., 120; New Orleans, La.; F. EDWARD HÉBERT, HALE BOGGS.

Dixie Machine Welding, 120; New Orleans, La.; F. EDWARD HÉBERT, HALE BOGGS.

Equitable Equipment Co. 450; Madisonville, La.; F. EDWARD HÉBERT, HALE BOGGS.

Farmers Marine Cooper Works, 60; Galveston, Tex.; CLARK W. THOMPSON.

Gulfport Shipbuilding Corp., 250; Port Arthur, Tex.; JACK BROOKS.

Higgins, Inc., 300; New Orleans, La.; F. EDWARD HÉBERT, HALE BOGGS.

Hooley & Sons, Thos. W., 30; New Orleans, La.; F. EDWARD HÉBERT, HALE BOGGS.

Ingalls Shipbuilding Corp., 5,800; Pascagoula, Miss.; WILLIAM M. COLMER.

McDonough Iron Works, 25; Galveston, Tex.; CLARK W. THOMPSON.

Mobile Ship Repair, 175; Mobile, Ala.; [1]

Southern Shipbuilding Corp,, 400; Slidell, La.; JAMES H. MORRISON.

Tampa Ship Repair & Drydock, 500; Tampa, Fla.; SAM GIBBONS.

Todd Shipyards, 300; Galveston, Tex.; CLARK W. THOMPSON.

Todd Shipyards, 175; Houston, Tex.; ALBERT THOMAS.

Todd Shipyards, 250; New Orleans, La.; F. EDWARD HÉBERT, HALE BOGGS.

UNEMPLOYMENT IN THE UNITED STATES AND THE SHIPBUILDING INDUSTRY

The rate of unemployment in the United States today is recognized to be one of our most serious domestic problems. During the year 1962 over 4 million Americans were without work, approximately 5½ percent of the civilian labor force. As a result of this there is an immense amount of wasted manpower, and a tragic loss of potential production of goods and services. The result is that living standards fall into a depression, the community is burdened and deprived, and families suffer loss of human dignity as workers endure repeated and prolonged joblessness. But the individuals are not the sole sufferers, for in the eyes of foreign nations, America, as a country, is measured for its free and democratic ways. As the world sees us, unemployment is a measure of our Government's concern for its least fortunate people and its ability to provide them with a genuine opportunity to participate in the country's well-being.

In the past decade the country's unemployment rate has remained consistently high, unlike anything since the era of the thirties. The 1962 unemployment rate of 5½ percent is particularly disturbing because the rate has held tenaciously to this level many months after a substantial recovery from the 1960–61 business recession. Furthermore, during the latter months of 1962 there were definite signs of a repeated lag in employment.

Of course, unemployment is never evenly distributed geographically. However, there are three States which have had a consistently high unemployment level—notably West Virginia, Pennsylvania, and Massachusetts—the latter two having important shipbuilding industries.

Although a national industry, shipbuilding is concentrated in 10 States—California, Florida, Louisiana, Maryland, Massachusetts, New Jersey, New York, Pennsylvania, Texas, and Washington. It should be noted that each of these States has an unusually high unemployment rate, the average being 5.79 percent. A precipitate decline of the shipbuilding industry, which could well occur with passage of S. 534, would cause these States to suffer even greater unemployment.

There is a national feeling that the economy of the United States has been operating well below its potential utilization of manpower since 1957. Looking ahead, one may surmise that the welfare of the United States in the years to come depends largely upon

[1] All Alabama Congressmen elected at large.

our ability to achieve a more satisfactory rate of economic growth and to meet the added pressures of an expanding labor force.

Enactment of S. 534, by plunging the domestic shipbuilding industry into formidable uncertainty, would inevitably increase unemployment rates and stifle economic growth.

THE CONTRIBUTION OF THE DOMESTIC SHIPBUILDING INDUSTRY TO THE NATIONAL ECONOMY

On January 1, 1962, 66 merchant vessels of 1,000 gross tons and over were under construction in private shipyards of the United States, including 7 tankers, 26 cargo ships, 3 passenger-cargo, and 3 ferries. Thirty-seven vessels were launched during 1962. The 27 vessels delivered had a dollar value of $335,700,000. Of these 27, 17 were built on the east coast, 3 on the gulf coast, and 7 on the Pacific coast. From 1958–62 an average of 28 commercial ships have been delivered per year with an average dollar value per year of $320 million.

Of the merchant vessels of 1,000 gross tons and over contracted for with private shipyards during 1962, 13 were cargo ships, one passenger-cargo ship, and one tanker, as compared with a total of 34 vessels contracted for during 1961 in private shipyards.

The number of merchant ships engaged in coastwise trade as of January 1, 1963, was 307, representing a melancholy decline from the 427 vessels trading as of January 1, 1954.

In 1962, the gross national product of the United States was $571.8 billion. Of this, 0.3 percent or $1,617 million represented ship construction for which contracts were let during the year.

The total number of employees in U.S. shipyards and repair yards as of December 1962, was 209,600, of whom 92,200 were employed by Navy yards and 117,400 by private yards. By geographic regions, they were distributed as follows: North Atlantic, 93,600; South Atlantic, 38,900; gulf, 23,200; Pacific coast, 47,500; Great Lakes, 2,899; and inland, 3,600. Another 25,600 individuals were employed in the allied field of boat building and repairing.

Shipbuilding workers, compared to workers on other durable goods, average a slightly lower hourly workweek, but the average hourly earnings per employee, in comparison, are slightly higher. Average weekly earnings per employee, in comparison, are also higher.

As of December 1962, shipbuilders averaged 41.4 average weekly hours; $3.07 in average hourly earnings; and $127.10 in average weekly earnings. This last figure has gone up from $107.80 in January 1960.

On the Pacific coast as of December 1962, the average hourly earnings of a shipyard employee had gone up 57.5 percent above that wage received in 1951. The average hourly earnings for all U.S. regions, however, had gone up 64.7 percent, the Pacific coast region having the lowest percent raise of the four regions. From June 1962, to December 1962, the average total hourly earnings have gone up 1.7 percent.

There is no doubt the domestic shipbuilding industry represents an enormously important segment of the economy of the country, and, for the sake of this industry, itself, must not be put in grave jeopardy by legislation such as S. 534.

In considering the impact of S. 534 on the domestic shipbuilding industry we must also take into account the implications of this legislation to all allied industries that are suppliers of components of ships and boats.

The steel industry, which is facing increasingly serious competition from new foreign plants (substantially financed with the help of the United States), contributes approximately 1.1 percent of its capacity to shipbuilding. In wartime this percentage has risen to as much as 19 percent. The proportionate number of employees of the steel industry whose productivity is applied to steel used in shipbuilding is approximately equal to the steel plant capacity devoted to this.

In addition to the steel industry, producers of turbines, gears, radio equipment, lumber manufacturers, rope makers, producers of electronic equipment of every variety, diesel engines, heating equipment, in fact, all manner of manufacturers of large and small equipment needed in the construction of ships must shudder to consider the loss of markets which will occur if S. 534 is allowed to be enacted. It is estimated there are approximately 4,100 industries now supplying equipment and parts for the construction of ships in the United States.

This large complex of industrial organizations cannot be allowed to suffer depression and decline because the selfish motives of one water carrier leads the domestic shipbuilding industry to destruction.

THE "CITY OF NEW ORLEANS" IS NOT NEEDED TO MEET ANY THREAT OF FOREIGN COMPETITION, BUT ITS PURCHASE WOULD WIPE OUT AMERICAN SHIPBUILDING AS A RESULT OF FOREIGN COMPETITION

It has been contended this legislation is required to meet the threat of foreign competition, meaning Canadian competition, in the Alaska trade.

I would submit, in answer to this argument, that the deliberate policy of the U.S. Government has been, since the inception of the Marshall plan in 1948, positively to encourage and indeed promote the development of industries abroad which are in competition with our domestic plants in almost every field of endeavor. There is almost no kind of manufacturing enterprise carried on in the United States that does not have foreign competitors whose competition is serious only because this Government has invested the dollars of American taxpayers in overseas programs. That does not mean that I agree with this policy. But why consider it now as a justification for supporting this foreign competition to our shipyards and steel industry and piously deploring the possible competition in maintaining transportation against an oppressive operator whose service has been disastrous for Alaska? Foreign aid which produces competition with our own industries is widespread.

It is true in the field of mining and minerals exploration and fabrication.

It is true with respect to the textile industry.

It is true with respect to the fishing industry.

It is true with respect to agricultural industries.

It is true with respect to industries dependent on forest resources.

And so, through the whole gamut of classifications of American industry we find foreign competitors giving domestic plants trouble because they can produce goods cheaper—and they are in existence at all simply because the U.S. taxpayers furnished the money for them to go into operation.

As for the shipbuilding industry, it is of interest to note the Development Loan Fund of the Agency for International Development has made loans of $5 million to Finland for ship construction, and to the Republic of China has made a loan of $900,000 for the expansion of a shipyard.

In addition, nearly $8 million has been loaned the Republic of China and Thailand for the construction of cargo vessels by the Export-Import Bank.

The American steel industry, and our aluminum plants, which depend heavily upon the shipbuilding industry as a market for their products, find themselves in tough competition with foreign steel and aluminum plants which have been financed by the following dispensations of funds by the various agencies of the Government and by international agencies:

Loans made by the Agency for International Development for steel mills

Country, project, and amount:	
European Coal and Steel Community, production of raw materials	$100,000,000
Ghana, construction of smelter project	55,000,000
Lebanon, aluminum plant	400,000
Turkey, steel mill, Eregil Iron & Steel Works	129,600,000
Republic of China, production of aluminum	1,350,000
Total	292,250,000

Loans extended by the Export-Import Bank for steel mill construction

Country	Project	Date	Amount
Ghana	Establishment of aluminum smelter	Jan. 4, 1962	$55,000,000
India	Aluminum reduction plant	Jan. 7, 1960	13,650,000
Japan	Expansion of steel mill (Fuji Iron & Steel Co.)	Aug. 1, 1957	9,335,238
Do	Expansion of steel mill (Yawata Iron & Steel Co.)	Dec. 13, 1957	24,136,004
Do	Toyo Kohan Co., expansion of steel mill	May 29, 1958	7,100,000
Do	do	Jan. 28, 1960	3,000,000
Do	Sumitomo Metal Industries, expansion of iron and steel production facilities	Jan. 4, 1962	8,100,000
Lebanon	Aluminum extrusion press	June 30, 1960	124,300
Philippines	Construction of steel mill	May 17, 1961	62,300,000
Turkey	Expansion of Karabuk Iron & Steel Works	Nov. 25, 1959	15,000,000
Austria	Equipment for aluminum foil plant (Brueder Teich, Oesterreichisches Credit-Institut, A.G.)	Mar. 15, 1956	1,000,000
Do	Steel-mill equipment (Oesterreichisch-Alpine Montangesellschaft)	Apr. 25, 1957	26,085,549
France	Steel-mill equipment (Union Siderurgique du Nord de la France)	Feb. 11, 1690	913,792
Do	do	do	519,625
Do	Hot strip mill and related engineering services (Union Siderurgique du Nord de la France)	Oct. 6, 1960	2,828,827
Do	Rolling mill mechanical equipment (Union Siderurgique du Nord de la France)	Oct. 5, 1961	691,454
Germany	Steel-mill equipment (August Thyssen-Hutte)	June 28, 1956	9,090,000
Italy	Equipment for steel mill (Government of Italy)	June 30, 1955	2,000,000
Do	do	do	5,000,000
Do	do	Mar. 27, 1958	5,946,331
Do	Equipment for blast furnace and rolling mill (Government of Italy)	Oct. 23, 1958	4,875,000

Loans extended by the Export-Import Bank for steel mill construction—Continued

Country	Project	Date	Amount
Spain	Expansion of steel-mill facilities (Union de Siderurgicas Asturianas, S.A.)	Apr. 1, 1958	$6,800,000
Do	Equipment for steel mill (Government of Spain)	Jan. 15, 1959	3,850,000
Do	Rolling mill rolls (Government of Spain)	Sept. 8, 1960	2,300,000
Do	Cold rolling mill with equipment for expansion of iron and steel plant (Government of Spain)	Mar. 9, 1961	13,000,000
Do	Hot sheet and strip mill and related accessories and services (Altos Hornos de Vizcaya, S.A., and Sociedad Anonima Basconia) (Banco de Vizcaya, et al.).	May 4, 1961	18,000,000
Argentina	Steel-mill equipment (Central Bank of Argentina)	Mar. 10, 1955	5,500,000
Do	Expansion of iron foundry (Acinfer, S.A., Banco Ind. de la Republic Argentina)	Mar. 12, 1959	700,000
Do	Expansion of steel mill (Acindar Industria Argentina de Aceros, S.A.)	May 5, 1960	5,645,000
Do	Facilities for cold-drawn seamless steel tubing (Dalmine, S.A.F.T.A., Banco Ind. de la Republic Argentina).	June 9, 1960	1,842,000
Do	Steel-mill equipment (Sociedad Mixta Siderurgia, S.A.) (Central Bank of Argentina)	Nov. 10, 1960	12,000,000
Do	Steel-mill equipment (Acinfer Industria Argentina de Acero, S.A.)	Dec. 30, 1960	170,500
Do	Steel-mill equipment (Establecimientos Metalurgicos Santa Rosa, S.A.)	Aug. 22, 1961	241,600
Do	Steel-mill equipment, 5 loans (Establecimientos Metalurgicos Santa Rosa, S.A.) (Banco Ind. de la Republic Argentina).	Feb. 21, 1962	444,400
Brazil	Steel-mill equipment (Cia. Siderurgica Nacional, Banco do Brasil) (Republic of Brazil)	June 19, 1940	45,000,000
Do	do	July 20, 1950	25,000,000
Do	do	Feb. 1, 1956	35,000,000
Do	Expansion of steel foundry (Acos Villares, S.A.) (B.N.D.E.)	Aug. 22, 1957	2,320,000
Chile	Steel-mill equipment (Corporacion de Fomento do la Produccion) (Republic of Chile)	Aug. 9, 1951	58,000,000
Do	Strip rolling equipment and open hearth facilities (Cia. de Acero del Pacifico, S.A.)	Feb. 28, 1957	16,000,000
Mexico	Steel-mill equipment, Altos Hornos de Mexico (United Mexican States)	May 3, 1951	5,000,000
Do	Steel-mill equipment, Hojalata y Lamina (United Mexican States)	Dec. 18, 1952	3,600,000
Do	Rolling mill equipment (Acero de Chiluahua S.A., Cia. Fundidora de Chihuahua, S.A.)	Aug. 11, 1955	720,000
Do	Steel-mill equipment (Altos Hornos de Mexico) (United Mexican States)	Feb. 7, 1957	16,000,000
Do	Steel-mill equipment (Altos Hornos de Mexico, S.A.)	Dec. 29, 1960	120,000
Do	Steel fabricating equipment (Manufacturas Metalicas Monterrey, S.A.)	May 5, 1961	113,500
Do	Processing equipment for steel mill (Altos Hornos de Mexico, S.A.)	Oct. 12, 1961	174,000
Do	Steel-mill equipment (Altos Hornos de Mexico, S.A.)	Nov. 28, 1961	345,000
Peru	Iron ore beneficiation plant (Marcona Mining Co.)	Nov. 14, 1957	10,000,000
Do	Machinery, equipment and services for metallurgical plant (Metalurgica Peruana, S.A.)	Apr. 26, 1962	1,950,000
Total loans			546,532,120

Loans made by the World Bank for steel mill construction

[In millions of dollars]

Country, project, and amount:	
India:	
Indian Iron and Steel Co., steel mill ($12 million of this loan was for development of coal and coke)	70
Tata Steel Co., expansion of steel production facilities	107
Japan:	
Yawata Iron & Steel Co	20
Kawasaki Iron & Steel Co., 3 loans	34
Sumitomo Metal Industries, 2 loans	40
Kobe Iron & Steel Co	10
Nippon Kohan	22
Fuji Iron & Steel Co	24
Total	327

It is noted that Japan, the country which produced the *City of New Orleans* has been the chief beneficiary of loans for steel mill construction of the International Bank for Reconstruction and Development, and has also received a total of $51,671,242 for this purpose from the Export-Import Bank. It is ironical to contemplate the use of iron and steel by the Kure Shipbuilding Co. of Japan, produced as a result of American financial assistance, now being a component of the vessel which is the subject of this legislation and of genuine alarm in the U.S. shipbuilding industry.

India has received generous loans from the International Bank for Reconstruction and from the Export-Import Bank. And, now, serious consideration is being given to even more assistance to India for the construction of a very large steel mill under the auspices of the foreign aid program. Presumably, with additional steel capacity, India could become an important manufacturer of ships and, if S. 534 is allowed to pass, there will be inevitable pressures for allowing American water carriers to buy Indian ships, along with those constructed in Japan and other foreign countries.

As for the necessity of this legislation to meet competition now, happily, existing, as a result of the sea-train service from Prince Rupert to Seward inaugurated last season by Canadian National Railways this argument will not bear analysis. Alaskans welcome gladly the entry of the Canadians into our transportation system, since it brings, finally, at long last, promise of lower transportation costs against ever increasing maritime freight rates which have reached astronomical and intolerable levels.

The fact is the Canadian National Railway Service operates entirely with American-built tug and barge equipment. Further, as to the volume of its cargo, in the 12 months ending May 11, 1963, Canadian National moved 10,933 tons of freight from Prince Rupert to Whittier—less than 3 percent of the total freight moving to the rail belt of Alaska in that time.

There is, then, no real competition to worry about insofar as American-owned water transportation is concerned. Such competition as is of significance would arise between the Canadian and American railroads vying for traffic to the west coast. Alaskans have no reason for hesitation in encouraging Canadian transportation service, either by rail or by water so long as it is cheaper than Alaska Steam. As a corollary, there is no reason for Alaskans to protect American railroads from such competition as they may encounter as a result of the Canadian sea train service.

For the American railroads, also, have exercised a rank discrimination against Alaska in setting their rates.

Let me call your attention to this flagrant and unique discrimination with specific examples of what these railroads have done, are doing, and apparently propose to continue to do to Alaska.

To ship an automobile from Pontiac, Mich., to Tokyo, it will cost $7.83 per hundred pounds to send that car to Seattle for transshipment.

However, if the same car is bound for Alaska on the same train at the same time, the railroad freight charges to Seattle will be $10 per hundred pounds—or more than $2 more per hundred pounds, or more than $72 more for shipment of a four-door Ford sedan to Alaska than the cost of shipment of the same car destined for Tokyo.

I call to the attention of my good friends from Michigan, Senator HART and Senator MCNAMARA, that a reduction in the costs of shipments of automobiles for sale in Alaska might make it possible to reduce the number of surplus automobiles, over a million of which are in dealers' warehouses, if these automobiles could be sold in greater quantities in Alaska.

If a manufacturer of agricultural implements in Chicago, Ill., wishes to ship them to Guam, the freight rate to Seattle would be $2.17 per hundred pounds for a 30,000-pound shipment.

However, I am sure Senator DOUGLAS, of Illinois, who is a distinguished economist will be concerned that a shipment of the same weight of agricultural implements to Alaska will incur freight charges of $3.28, or more than $1 more per hundred pounds when shipped to Alaska. Senator DIRKSEN, the distinguished minority leader, will, I am confident, also be interested in this and in the fact that a smaller shipment to Alaska will increase in transportation cost to as much as $4.48 per hundred pounds.

Senator HUMPHREY and Senator MCCARTHY, of Minnesota, will be interested to know that manufacturers of agricultural implements in Minneapolis can ship their products to Hong Kong for $2.03 per hundred pounds.

If they wish to ship a similar order of implements for use in the Matanuska Valley of Alaska the freight cost to Seattle would range from $3.12 to $4.27 per hundred pounds.

My distinguished colleagues from Indiana, Senator BAYH and Senator HARTKE, will be interested in the fact that a 40,000-pound shipment of electric cable manufactured in Hammond will travel to Seattle for $2.08 per hundred pounds if it is destined for Japan or Hawaii; but the same 40,000-pound shipment to Alaska will require payment of $2.65 per hundred pounds in railroad freight rates to Seattle. Further, the cost of shipment to Alaska will advance to as much as $4.65 per hundred pounds for a smaller shipment of 18,000 pounds.

The same shipment of electric cable from New Orleans, La., to Samoa would cost $1.95 per hundred pounds for shipment from New Orleans to Seattle. But I call the attention of Senator ELLENDER and Senator LONG, of the great State of Louisiana, to the fact that if this electric cable is to be used in Alaska, the cost of shipment to Seattle would range from $2.06 to $4.52 per hundred pounds.

From the State of Oklahoma shipments of canned or preserved foodstuffs destined for Manila will cost $1.38 for freight charges on a 60,000-pound shipment. However, Senator EDMONDSON and Senator MONRONEY will find it of interest that the same shipment destined for Alaska will incur freight charges to Seattle of from $1.58 per hundred pounds to $1.83 per hundred pounds.

In the case of shipment of Phillip Morris cigarettes from Louisville, Ky., my good friends, Senator COOPER and Senator MORTON,

will wish to be apprised of the fact that it will cost 28 cents more per hundred pounds for railroad freight charges for those cigarettes to be used in Alaska than if they are finally destined for Hong Kong, Okinawa, or Honolulu.

Likewise, Senator ERVIN and Senator JORDAN, of North Carolina, may be interested to know that shipments of Lucky Strike cigarettes from Raleigh will require payment of freight charges of 35 cents more per hundred pounds if they are bound for Anchorage than if they are going to other ports in the Pacific Ocean area.

Manufacturers of dry goods, such as sheets, pillowcases, and dress materials originating at Sylacauga, Ala., La Grange, Ga., and Spartanburg, S.C., can ship their products more cheaply to Oceania, Auckland, Tokyo, or Okinawa than is the case with shipment of the same items to Alaska.

I call the attention of my distinguished colleagues, Senator SPARKMAN and Senator HILL, of Alabama, and Senator RUSSELL and Senator TALMADGE, of Georgia, and Senators JOHNSTON and THURMOND, of South Carolina, to the fact that a reduction in transportation costs of the dry goods manufactured by their constituents for sale in Alaska would greatly expand the market for these important items.

Also, miscellaneous shipments of freight from Little Rock, Ark., Chicago, Ill., Shreveport, La., Vicksburg, Miss., Kansas City, Mo., Columbus, Ohio, or from El Paso and San Antonio, Tex., will cost more for shipment to Alaska via Seattle than if the same cargo is destined to Pacific points other than Alaska.

Even beer from Kansas City, St. Louis, and Milwaukee costs more in railroad freight charges if it is destined for Alaska than if it is going to other ports in the Pacific. I am sure Senator SYMINGTON and Senator LONG, of Missouri, and Senator NELSON and Senator PROXMIRE will take full notice of the fact that Alaska might provide their constituents with an important market for their famous products if a reduction in freight rates could be accomplished, thus reducing retail prices in Alaska.

To recite all the cases in which this disparity exists would be comparable with reading a mail order catalog into the RECORD. Whether the item is structural steel from Birmingham, Ala., or from Hutchinson, Kans., or Youngstown, Ohio, or paper napkins from Minnesota, it costs more to ship it to Alaska than to other parts of the Pacific Ocean area.

Manufacturers of all these, and other products, must wonder why this disparity in rates should exist—a disparity which constitutes an unjustified hindrance to the expansion of sales in Alaska.

They must wonder why and want an end to a situation in which substantially higher freight charges are imposed by the railroads on shipments of commodities bound for Alaska than are charged on shipments of the same items shipped the same day, in the same freight cars, but destined for Tahiti, Tokyo, Hong Kong, Manila, or Hawaii.

It is more than a nuisance—it is a rank discrimination against Alaska and those manufacturers who would supply our consumers.

The cause of this discriminatory rate pattern lies in the fact that, with the sanction of the Interstate Commerce Commission, the transcontinental railroads carrying cargo to the port of Seattle, may charge the higher, domestic rates for goods destined for ports in Alaska than the lower import-export rates allowed for shipments to other ports in the Pacific Ocean area.

A look at the area to which the preferential export-import rates apply reveals immediately the absurdity of this practice of rate discrimination.

The part of the world which receives favored treatment through application of export-import, rather than domestic rates includes all those locations (1) west of the 170th meridian, west longitude and east of the 30th meridian, east longitude, (2) in Oceania on and east of the 170th meridian, west longitude, (3) on the west coast of Mexico, Central America, or South America, and (4) in certain instances points in the State of Hawaii. When this arbitrarily demarcated area is located on a chart of the Pacific Ocean it will be seen that virtually all lands touching the Pacific Ocean are included within the low-rate region except Alaska and the west coast of Canada.

It is of interest to note that much of this vast area engages in no commerce with the United States of any significance. For example, no trade now exists between Communist China and the United States. However, if such trade should be resumed this area would be entitled to a break on transportation costs not allowed the citizens of the State of Alaska. There are thousands of islands in the Pacific Ocean so unimportant to American commerce as to be without significance. Yet the people living there are entitled to lower transportation costs on the goods they receive from the United States (in the isolated cases in which they are customers) than the people of Alaska.

The only portion of Alaska lying within the magic line is the Aleutian Island chain—an area of negligible commercial importance in comparison with the rest of the State. With a population of only a few score people and no ports, the commerce of this part of Alaska is of no consequence in comparison with that of the rest of the State. On a comparison, then, with geographical areas within the preferred area, it would seem there is ample justification for inclusion of Alaska in that area.

Now, if the allowance of export-import rates rather than domestic rates on rail shipments has any relationship to a need for connecting water transportation to port of final destination, then Alaska should certainly qualify for this privilege.

Obviously, the Alaska transportation pattern is in no way analagous to that of other States which bear the domestic rate for railroad freight shipments. Alaska, dependent as it is on water transportation for 90 percent of all its supplies, is, for all practical purposes of transportation, as much of an island as Hawaii, Okinawa, or Guam. It is certainly as dependent on water transportation.

There are many reasons for changing this discriminatory rate pattern. Among the most important are:

1. It is costly to the U.S. Government, in its role as a major shipper to Alaska. For example, in 1959 the General Services Administration shipped 16,800 tons of goods to Alaska. In 1960, the Department of Defense shipped nearly 60,000 tons to Alaska. When it is considered that the imposition of domestic railroad rates to Alaska-bound shipments loads Federal budgets with wholly unjustified costs, which must be borne by American taxpayers, there is a clear need to correct the situation.

2. American manufacturers are limited in the conduct of commerce in Alaska.

The high costs of doing business in Alaska because of the high cost of living there have been demonstrated over and over again. The contribution to the high cost of living of high transportation costs is elementary. Transportation costs to Alaska have been scandalously high—both with respect to rail transportation and water transportation—throughout the history of the State and before that the Territory. It has long been clear that the development of a strong economy based on industrial and commercial enterprise can only take place if we can reduce the cost of living. We can lower the cost of living only if we can lower the cost of transportation. If transportation costs of goods are lowered, the cost of those commodities at retail outlets can be lowered. Hence, if the laws of economics prevail, the quantity of goods sold will increase and so will the profit of the manufacturer.

3. It is predictable that the railroads, themselves, will benefit by a lowering of freight charges. While, as I have said, Alaska is an island, it may well become less isolated with advances we can foresee in air freight and motor trucking to our State. Lower costs of rail transportation could be counted on to minimize these competitive forces.

4. As for benefits which would accrue to the State of Alaska—this goes without saying—Alaska's economy will never develop its potential until we find relief from our abnormally high transportation costs. The reduction of railroad freight rates represents but one step toward achieving this.

The inequities of this discriminatory rate pattern followed by the railroads have been recognized for many years. It was brought sharply to the attention of the predecessor agency of the General Services Administration in 1948 when 3,000 tons of steel moved for export to Alaska. Finding that the charges were nearly double those on similar shipments to Korea and Japan, a rate adjustment was sought and obtained from the railroads. Other adjustments have been subsequently obtained. However, these have not resulted in rates as low as the export rates ordinarily assessed, and they have not been generally applicable.

Recognizing the need for basic relief for this situation, the General Services Administration filed a complaint with the Interstate Commerce Commission in 1955 charging the disparity in rates was unlawful and in violation of sections 1, 2, 3, and 4 of the Interstate Commerce Act.

The report of the hearing examiner on the case sustained charges of the Government, holding that the application of domestic rates for Alaska-bound shipments was, indeed, unlawful. The report pointed out that "here, the service rendered by the defendants under both types of rates is the same. Under the defendants' tariffs it is possible for two cars of like traffic to move from the same origin, in the same train to Seattle, to be unloaded at the same pier and the two cars to be charged a different rate depending on the ultimate destination—Alaska or Hawaii. The defendants render no more service on traffic moving to Alaska than they do on traffic moving to Hawaii or Japan."

Unfortunately for the taxpayers who must pay the costs of Government shipments to Alaska; unfortunately for shippers who would like to sell more goods in Alaska; and most unfortunately for the beleaguered citizens of Alaska, the Interstate Commerce Commission rejected the report of the hearing examiner, and with three dissents (those of Chairman Clark and Commissioners Mitchell and Walrath) ruled that the domestic rates on Alaska shipments were lawful and dismissed the complaint of the General Services Administration.

The Commission refused a petition for reconsideration of its decision filed by the General Services Administration, and the GSA, having no independent authorization for appeal to the courts, was unable to carry the case further. Thus, the situation remains as it was in 1957.

Finally, with respect to the desirability of encouraging additional competition in the Alaska trade, which its proponents advance as a reason for enacting S. 534, the pious plea for more competition from Alaska Steam—to be induced by enactment of S. 534—comes strangely from an organization that has fought competition so bitterly that the Department of Justice once filed civil and criminal charges of violation of the antitrust laws against it. The complaint and indictment were dismissed solely on grounds the Federal Maritime Board had jurisdiction in the matter—jurisdiction never

exercised by that agency nor likely to be by its successor—the present Federal Maritime Commission.

In taking its stand in behalf of the virtues of competition, Alaska Steam might well be reminded of the charges found in the complaint filed by the Department of Justice in the suit to which reference is made.

Alleging that the Alaska Steamship Co. has engaged in an unlawful combination and conspiracy to restrain trade and commerce, the Department of Justice charged, specifically, that the defendants had agreed to obtain a monopoly of water transportation to Alaska by the following means, as quoted from the civil complaint of the Department of Justice:

"1. By acquiring control of, eliminating competition with, and merging the operations of Northland Transportation Co. and the Alaska Steamship Co., the two largest water carriers in the Alaska trade;

"2. By hindering, obstructing, and preventing others from chartering vessels for the purpose of entering the Alaska trade in competition with them;

"3. By attempting to acquire control of, eliminate competition with, and merge their operations with the operations of the Alaska Transportation Co., their largest remaining competitor in the Alaska trade;

"4. By entering into agreements with shippers by the terms of which such shippers are required to deal exclusively with them and to refrain from doing business with competing water carriers;

"5. By utilizing their position as the only carrier serving the whole of Alaska as well as their position as the only carrier offering a full line of shipping service to coerce shippers to ship exclusively with them.

"(a) By threatening to limit, delay, or withdraw the service of carrying supplies north to canneries and fisheries and other industrial users in Alaska unless such shippers patronize them exclusively in the transportation of fish, fish oil, and other products south from Alaska;

"(b) By threatening to limit, delay, or withdraw the service of transporting perishables under refrigeration unless shippers desiring or requiring this service patronize them exclusively in the transportation of nonperishable freight;

"(c) By threatening to limit, delay, or withdraw the service of transporting passengers, unless shippers desiring or requiring such service patronize them exclusively in the transportation of freight;

"(d) By threatening to limit, delay, or withdraw the service of transporting dry cargo, unless shippers desiring or requiring such service patronize them exclusively in the transportation of fish oil or other bulk liquids;

"(e) By threatening to limit, delay, or withdraw service to shippers patronizing any other water carriers;

"(f) By threatening to limit, delay, or withdraw service to shippers to, from, or between points in Alaska, which only defendants serve, if shippers requiring or desiring such service patronize any other water carrier to, from, or between any other Alaska points;

"(g) By threatening to increase freight rates on particular commodities unless shippers of such commodities deal exclusively with them and refrain from dealing with any other water carrier;

"(h) By offering to reduce and reducing freight rates on particular commodities if shippers deal with them and refrain from dealing with other water carriers;

"(i) By inducing and compelling shippers to breach existing contracts and agreements to ship freight with other water carriers by the several means alleged in subparagraphs (a) through (h) of this subparagraph;

"(j) By causing field representatives and agents of defendants to determine the identity of shippers who patronize other water carriers by maintaining a systematic surveillance of docks and terminals, by obtaining access to competitors' freight manifests, and by other means and by thereafter causing said field representatives and agents of defendants to call upon shippers who have patronized another water carrier, and inform said shippers of defendants' awareness that the shippers have patronized another water carrier, demand an explanation of the shippers' conduct, threaten said shipper in the manner alleged in subparagraphs (a) through (h) of this subparagraph if said shipper again patronized another carrier, and by other means intimidate, harass, and annoy said shipper;

"6. By scheduling or diverting their ships so as to split and reduce cargo available to other water carriers;

"7. By denying other water carriers reasonable access to dock and terminal facilities at Alaskan ports;

"(a) By diverting or scheduling defendants' ships to arrive before the arrival of competitors' ships and by unreasonably delaying the departure of defendants' ships for the purpose of blocking the dock or terminal facilities;

"(b) By threatening to delay or to misroute freight destined to a particular Alaska port unless the ships of other water carriers are required to move from dock and terminal facilities granting defendants' ships immediate access thereto."

Further, the complaint alleged that the Alaska Steamship Co. had also undertaken to eliminate competition by land carriers to Alaska:

"1. By hindering, obstructing, and preventing the movement of freight from Canada and the continental United States to interior Alaska points by rail and motor carrier by inducing and persuading railroads to refrain from establishing rail rates requested by motortruck carriers;

"2. By hindering, obstructing, and preventing the movement of freight by motortruck carrier from Alaskan ports to interior points by limiting, withdrawing, or refusing to furnish water-carrier service necessary to such movement."

ENACTMENT OF S. 534 WOULD MEAN HIGHER TRANSPORTATION RATES TO ALASKA

Although I find nothing in the record to indicate what the Alaska Steamship Co. expects the purchase of the *City of New Orleans* to mean in terms of freight rates to Alaska, there is an implication throughout the testimony of the proponent, that, somehow this will be beneficial to the State of Alaska.

Any notion that enactment of S. 534 would bring lower water freight rates to Alaska is pure poppycock. It can be predicted that, as certainly as night follows day, the acquisition of the *City of New Orleans* by the Alaska Steamship Co. will result in yet another rate increase to be paid by the people of Alaska. Further, the evidence is that this is an expensive, high cost ship to operate, and, if allowed in the trade, would saddle the State with even higher costs than now exist for another quarter of a century.

In the first place the Alaska Steamship Co. does not need more vessel capacity. Even now, Alaska Steam operates more voyages to the rail belt than can be justified. Obviously, the *City of New Orleans*, being a train ship, could operate only to the Port of Whittier the terminus of the Alaska Railroad, thus adding still more capacity where partially loaded ships are now going, at unjustified expense.

This was amply demonstrated in a recent rate case in which the Federal Maritime Commission unfortunately decided, on May 6, the company was entitled to another in the long series of rate increases which this agency and its predecessors have automatically allowed over the years.

In that case, in which the hearing examiner's decision, (subsequently overruled by the Commission), was against a rate increase, the examiner disallowed expenditures of the company in 1960 in excess of $500,000 for the provision of extra voyages in the carrier's service "in the face of evidence here that a substantially greater amount of traffic was transported by Alaska Steam in prior years with substantially fewer voyages."

The examiner's conclusions were that "it would appear unreasonable to permit the carrier to force upon the trade a de luxe service when declining traffic trends under prudent and economical management would dictate retrenchment and the adoption of austerity measures."

The words of the hearing examiner, unhappily disregarded by the Maritime Commission, are even more aptly applied to the case of the contemplated purchase by Alaska Steamship Co. of the luxury vessel *City of New Orleans*.

If the management of the Alaska Steamship Co. had been such over the years it could be relied upon to reduce costs and operate efficiently, there might be some reason for confidence in its predictions of a better day in ocean transportation for Alaska.

Unfortunately, the record is replete with examples of inefficient management which has caused vessels owned by the company to be laid up for long periods of time, at great expense to the people of Alaska, and used to justify increase after increase in rates.

During 1958 and 1959, abnormal costs of over $30,000 were incurred because the MV *Palisana* was entirely inactive for a continuous period of approximately 14 months. The MV *Coastal Monarch* was continually inactive from September 17, 1958, to May 31, 1960—at a cost to Alaskan rate payers of more than $30,000.

Including preinaugural expenditures, which are really investments in capital, and should not be charged as expense, as has been allowed, the Alaska Steamship Co. spent nearly $20,000 in 1958 and, in 1959, a total of $173,464 in inactive vessel expense.

This is not much of a record for efficiency for a company that claims it is now going to operate for the benefit of the State of Alaska.

While I would defer to none in championing the needs of Alaskans for adequate transportation service, it is my belief our primary concern at this time is achieving lower freight rates without lowering standards of service.

Within the last month, on May 21, I spoke on the floor of the Senate on the unfortunate May 6 decision of the Federal Maritime Commission allowing the Alaska Steamship Co. yet another rate increase.

And, now, the situation has been made even worse by another decision of a hearing examiner of the Commission in yet another rate increase case for Alaska Steam. On June 3, the decision was reached in a case involving rates for the seasonal trade of Alaska Steam, that it is entitled to an increase which will yield a rate of return in this service of 12 percent. The damage done here, in addition to, once again, raising the costs of water transportation, is that, if the decision is affirmed by the Commission, there will be permanently frozen into the precedents of the Commission a rule that this company is automatically entitled to an unjustifiably high rate of return, regardless of arguments to the contrary.

From the days of the U.S. Shipping Board, Alaskans have suffered the consequences of ineffective rate regulation. They have been and are dependent on water transportation for nearly everything they eat, wear, use, and need for any purpose. Ninety percent of all commodities sold in Alaska have been transported by water.

And, through the years there has been one consistent pattern in the cost of living in Alaska—that is up—always increasing and increasing at a rate faster than other living cost increases. That Alaska's rising costs follow the cost of transportation is undeniable because the pattern of transportation cost has been the same—inexorably increasing, year by year, and the cost of living in Alaska has been roughly proportional to the transportation rates.

Prior to statehood, a constant preoccupation of the Territorial legislature, beginning with the first one in 1913, was with means of prevailing upon the Federal Government to bring down the cost of shipping—an area of legislation in which the Territory was completely helpless.

In 1939, shortly before I became Governor, the legislature adopted a memorial requesting the investigation of maritime freight rates. "Freight tariffs," said the legislators, "have been increased to a point where they are now excessive and beyond the value of the service rendered." With much effort, following this expression, an investigation was secured from a reluctant Maritime Commission, and its investigators indeed found the rates to be excessive. They so reported, and calling attention to discriminatory rates, called for rate reduction.

But, the result was the same as it has been repeatedly. In fact, in May 1940, while the investigation of the excessiveness of the rates against which the Alaska legislators, had protested had been ordered but had not yet gotten underway, the carriers obtained from the Commission a further 15-percent increase on passenger and freight rates.

Since 1950, water borne freight rates to Alaska have increased 56.4 percent. In the same period the cost of living in the United States had increased 26.7 percent. Thus, the raise in prices the Alaska Steamship Co. has obtained, with the connivance of the Maritime Commission, and its predecessor has been of a magnitude of 100 percent greater than the rise in the cost of living, reflecting costs of all commodities used in the United States.

And now, the new Maritime Commission appointed by President Kennedy has awarded another 10 percent increase to the Alaska Steamship Co. and there is danger it will now proceed to guarantee that company a wholly excessive profit, regardless of justification or lack thereof.

Let us analyze the predictable result of acquisition of the *City of New Orleans* by Alaska Steamship Co.

The cost of the vessel is estimated as approximately $4 million, not including such additional expenses as would be required to outfit it for service to Alaska. This is a very expensive purchase for a company that, within the last decade has demanded and obtained raises in freight rates of 56.4 percent on grounds it is in dire financial need. In this same period the price index has risen only 31 percent. Thus, it is an extravagant purchase for a pauper to justify.

Including charges for refitting, the *City of New Orleans* would nearly double that part of its rate base attributable to vessel cost on which Alaska Steam can now depend for support of its habitual pleas for more money. In the Federal Maritime Commission decision on the rate increase allowed May 6 in docket 881 the rate base of the company attributable to vessel cost, as estimated by the Commission, as of the end of 1959 was $3,815,579. Since 1959 this value has steadily diminished the net book value of its vessels being estimated by Alaska Steam, as of December 31, 1961, at $2,390,419. What better way to bolster a steadily decreasing rate base, at the expense of the State of Alaska, than by acquiring an undesirable, unneeded and expensive vessel?

There is, also, expert testimony the *City of New Orleans* is an exceedingly expensive ship to operate, providing another excuse for grabbing more money from Alaskans.

It would be shocking, indeed, to reward Alaska Steam with the favor of this particular special privilege legislation in light of the fact that, for 25 years Alaska Steam has built no ships for its own account, relying on purchase and charter of low cost vessels built by the Federal Maritime Administration, representing an already substantial subsidy to the company.

Cynically, Alaska Steamship Co., protected for 67 years by the Jones Act it would now invalidate for its own purposes, has, through the years, taken full advantage of regulatory policies which have given it extremely generous rate base and depreciation allowances for ships it did not build, and, even for ships it has not owned. The resulting profits from increased rates were not reinvested for replacement of existing vessels. Indeed not. True to form, Alaska Steamship stockholders have pocketed for themselves substantial sums a conscientious carrier, interested in public service, might otherwise invest in better equipment for the service of its customers.

Despite the misleading impression given by Alaska Steam export witness, Mr. Rudy, to the effect depreciation allowances have been hard to come by, the company was the beneficiary, for many years, of very generous treatment. Prior to December 31, 1957, depreciation charges on ships recognized to have a 30-year life were allowed on the basis of a 20-year life, thus allowing the carrier to accumulate, by that date, $1,878,072 in vessel depreciation charges, of which less than 19 percent was used for capital improvements, in the form of refitting and repair of vessels—and none for new construction.

In a 2-year period (1958 and 1959), examined in connection with a recent Alaska rate case, Alaska Steam accumulated total depreciation charges of $954,784, of which only 55 percent was used for all capital improvements during that period in which vessels were refitted for the cargo unitization program of which the company is so proud.

Prior to 1960, when even the Federal Maritime Board in a sudden fit of sanity, was forced to come to a sensible decision in the *Atlantic Gulf/Puerto Rico General Rate Increases* case, the rate base for Alaska Steam was computed on an odd formula which allowed an average of book and reproduction costs depreciated for owned and chartered vessels. Under this arrangement Alaska Steam profited even more—certainly to an extent sufficient to have allowed investment in new vessel construction for the benefit of the trade.

Let us be under no illusion Alaska Steam is interested in improving service to the public by acquiring the *City of New Orleans*. If this legislation is passed the Alaska Steamship Co. can be depended upon to come back, within a year after it gets its hands on the *City of New Orleans,* and request a rate increase to pay for equipment it does not need and cannot possibly operate economically.

Thus, Alaska Steam would, if successful (as the past record demonstrates it would be), be the beneficiary of (1) a preferential subsidy from the U.S. Government, in the form of this legislation, at the expense of other carriers in the trade; and (2) increased profits, in addition.

There is no possible logic in allowing the people of Alaska to suffer from still higher water transportation costs while Alaska Steamship reaps benefits deliberately bestowed by the Congress if this bill is passed.

The threat posed by S. 534 to the domestic shipping industry is well expressed in articles appearing in March issues of two maritime trade magazines—the Pacific Work Boat of March 1963, and the March 15 edition of the Maritime Reporter and Engineering News, which I now ask to have included in the record of these hearings.

It is interesting to note that the article in the Pacific Work Boat, the theme of which is "Don't Scuttle the Jones Act," is followed immediately by an article describing the new Alaska ferry system for southeastern Alaska. The three ferries constructed for the State of Alaska by Puget Sound Bridge and Dry Dock Co. are now providing passenger and freight service, originating at Prince Rupert, British Columbia, for the southeastern Alaska ports of Ketchikan, Wrangell, Petersburg, Juneau, Skagway, and Haines. The success the State is meeting in operating this service demonstrates Alaska can obtain the kind of water transportation it needs with wholly American-constructed vessels.

This, then, is an added demonstration that *City of New Orleans* is not needed to provide water transportation for Alaska.

I urge each member of this committee to review with utmost care the arguments presented in opposition to this legislation. It is my belief that, having studied them and having read the record, you will be compelled to vote against S. 534.

[From the Pacific Work Boat, March 1963]

DON'T SCUTTLE THE JONES ACT

In the accompanying article we have tried to be as objective as possible in reporting the pros and cons of the *City of New Orleans* case.

In its preparation we read hundreds of pages of testimony presented before congressional hearings. We personally interviewed representatives of the Alaska Steamship Co., Puget Sound Tug & Barge Co., the Pacific American Steamship Association, the Western Shipbuilding Association, and others who have a specific interest in this case.

Because of the importance of the issues involved and to give a balanced report on all points of view we have devoted considerable space to the article. We believe it to be the most complete summary of the *City of New Orleans* case yet available.

Our own view, after considering all arguments in the case, is that Congress should not weaken the Jones Act by admitting the foreign-built *City of New Orleans* to American registry. We strongly oppose passage of Senate bill 534.

EDITOR.

MARITIME FIGHT ROCKS PACIFIC COAST

(By Donald E. Oman, editor and publisher)

(Note.—Entire marine industry now involved in decision on use of foreign built vessel in the Alaska trade. Alaska Steamship and railroads again try for congressional OK on ferry for Alaska run. Maritime Administration reverses stand and joins opponents of change in historic marine law.)

What was shrugged off by many last year as a private fight between Ned Skinner, president of Alaska Steamship Co., and Tom Crowley, coast tug and barge tycoon, over Alaska freight business, has turned into a congressional struggle of national and international importance.

On the surface the issue looks very simple. Alaska Steamship Co. merely wants congressional permission to buy a Japanese built rail car ferry—SS *City of New Orleans*—to run between Seattle and Alaska. Because foreign built ships are prohibited in the U.S. coastal trade under the historic Jones Act, a special exception for Alaska Steamship would have to be granted by Congress. Senate bill 534 has been introduced for this purpose.

Opponents of the bill see it as a dangerous precedent which would scuttle the Jones Act. They see in this a real threat to the U.S. merchant marine, to U.S. shipyards, to U.S. labor and capital.

Crowley and his supporters in the industry fought similar legislation before congressional committees last year. No conclusive action was taken by Congress. New hearings

were resumed late last month by the Senate's Subcommittee on Merchant Marine and Fisheries, Committee of Commerce.

MAJOR DEVELOPMENTS

Three major developments at these hearings may effect the final outcome:

1. The U.S. Maritime Commission reversed its earlier stand and went on record opposing Senate bill 534 which would grant the special exception that Alaska Steamship seeks.

2. Tom Crowley announced that he has a new rail car barge under construction which will begin Seattle-Whittier, Alaska service June 1. This rail car service was not available last year when the first hearings were held.

3. Phil Spaulding, Seattle naval architect, submitted a 40-page study including figures supporting his contention that tug and rail barge service on the Alaskan run would cost substantially less than Alaska Steamship's proposed rail car ferry service.

CANADIAN COMPETITION

Now let's take a look at what got this *City of New Orleans* thing going in the first place. Then the opinions pro and con on this matter will have greater meaning.

In May 1962 the Canadian National Railways established a rail car-barge service between Prince Rupert, British Columbia, and Whittier, Alaska, to provide through rail-car service from midwest, eastern and southern U.S. points of origin to the Alaska rail belt. Since Prince Rupert is about 600 miles closer to Whittier than is Seattle, this held the threat to the 4 U.S. railroads with Seattle terminals of a diversion of traffic away from Seattle and onto the Canadian National Railways, lines terminating at Prince Rupert. This rail barge service is provided under the American flag by ABC Transportation Co. in which a Crowley company owns half interest.

The U.S. railways began negotiations to set up a Seattle-Whittier rail car water service to compete with the Canadians. Whittier is northeast of Seward and south of Anchorage, Alaska. Of the negotiations which have been made public, the proposed deal with Alaska Steamship is the latest. Thus they are backing the acquisition of the *City of New Orleans* by Alaska Steamship to provide the Seattle-Whittier rail service. Various testimonials during the hearings in Washington last year included statements that the Japanese-built car ferry was the only available means of getting the roll-on-roll-off cars to Alaska from Seattle.

Subsequent developments have tended to change this picture somewhat. By early summer of this year, alternative rail car barge service from Seattle is expected to be available.

ARGUMENTS IN FAVOR

Arguments supporting Alaska Steamship's desire to get an OK from Congress on purchase of the rail car ferry can be summarized somewhat as follows:

1. The four U.S. railroads need such rail car ferry service from Seattle to Whittier, Alaska, in order for them to be able to compete with the Canadian National Railways' rail car barge service from Prince Rupert to Whittier.

2. Alaska needs and wants the best, most economical freight costs she can get for the development of this new State and the rail car ferry service would help provide it.

3. Coincidental with the above circumstances, a used foreign-built rail car ferry is available for purchase for this service by Alaska Steamship Co. if Congress approves. It is economically feasible since the cost would be much less than building a new specialized ferry for the purpose.

4. Approval of the purchase would insure that Seattle would retain its preeminence as the major supply point for Alaska, thus the deal has an important bearing on the economic welfare of Seattle as well as Alaska.

5. If Congress does not approve the deal, danger exists that the U.S. railroads might bypass Seattle to a rail terminal in British Columbia with Alaska-bound freight originating elsewhere in the United States.

6. Certain exceptions have been made in Jones Act provisions in the past so that these establish a precedent which makes reasonable the present request for another exception to the Jones Act in the case. (Leslie M. Rudy, consultant for Alaska Steamship Co., cites 14 exceptions which he says set precedents for the present case.)

These and supplemental arguments were sufficient last year to win the majority approval of the Merchant Marine and Fisheries Subcommittee of the Senate Committee on Commerce. By press time no decision had been announced on last month's hearings. House committee hearings are expected to be held after the Senate committee decision is announced. If either committee OK's the bill, then a major fight is likely to take place in the House and Senate.

ARGUMENTS AGAINST

A major part of the U.S. maritime and shipbuilding industry has marshaled its big guns against the Alaska Steamship position.

The opposition arguments seem to boil down to these:

1. If an exception to existing law is made in the present Alaska Steamship matter, then this individual company is being granted an unfair competitive advantage over other carriers on the Alaska run.

2. Granting of this exception could lead to a breakdown of the entire historical concept requiring U.S. coastal trade to be carried in U.S. built and operated vessels. It would set a precedent which would endanger the millions of dollars that U.S. carriers have invested in American built vessels. It would threaten not only the U.S. merchant marine but the U.S. shipbuilding industry.

3. Congressional approval of the foreign-built car ferry would not remove the threat of competition between United States and Canadian railroads, which is one of the primary reasons given for its passage.

4. Alternative means of moving rail cars from Seattle to Alaska by water are available for the 1963 season on an economically feasible basis with American built carriers so that it is unnecessary to break down existing law by admitting a foreign-built ship to U.S. registry.

LINEUP PRO AND CON

Lines have been formed for the forthcoming political battle. There are those who fear that the decision will be purely political rather than being based upon an objective appraisal of all the facts in the case.

In the lineup of supporters for Alaska Steamship Co.'s acquisition of the Japanese built *City of New Orleans* (including those who have voiced "no objection") are:

Four transcontinental railroads with terminals in Seattle: St. Paul & Pacific, Great Northern, Northern Pacific and Union Pacific; Port of Seattle; American Mail Line, Ltd.; Foss Launch & Tug Co.; States Steamship Co.; Metal Trades Council of Seattle and Vicinity; Tacoma Chamber of Commerce; Alaska Chamber of Commerce; Puget Sound Shipbuilders Association; Spokane Chamber of Commerce; Seattle Chamber of Commerce; Western Railroad Traffic Association.

In opposition to congressional authorization of the acquisition of the foreign built car ferry are included the following:

Puget Sound Tug & Barge Co. and its Puget Sound-Alaska Van Lines Division (a Crowley enterprise); Pacific American Steamship Association; Western Shipbuilding Association; American Waterways Operators, Inc.; Committee of American Tank Owners; Shipbuilders Council of America; American Maritime Association; Propeller Club Port of New York; the Common Carrier Conference of Domestic Water Carriers; Harbor Carriers of the Port of New York; The New York Tow Boat Exchange; American Merchant Marine Institute, Inc.; Gulf Atlantic Towing Corp.; International Longshoremen's and Warehousemen's Union.

The names of the players are subject to revision of course as the economic and political factors change. But the above are all officially on record as indicated.

COMMISSION REVERSAL

During the Senate committee hearings last month the Maritime Commission, completely reversing its stand on the issue, now strongly opposes the admission of the *City of New Orleans* to the U.S. merchant marine.

Donald W. Alexander, Maritime Administrator, testified against Senate bill 534 February 21 on behalf of the Maritime Administration and the Department of Commerce, before the Subcommittee on Merchant Marine and Fisheries of the Senate Committee on Commerce.

"Last year we testified in favor of a substantially similar bill to admit this vessel to the Alaska trade," he said. "The reasons we gave last year were (1) that it would provide improved and more efficient service between Alaska and the rest of the continental United States, (2) that it would provide assistance to this segment of our offshore domestic trade at no expense to the Government, (3) that the vessel is especially adapted to meet the announced competition of Canadian rail lines, and (4) that the vessel is immediately available to meet this competition.

"We have given further consideration to this matter. The arguments on the other side of this question, we think, are (1) that admission of this vessel to the trade between the State of Alaska and the State of Washington might lead to the enactment of other bills to admit modern foreign-built vessels to the domestic trade, and thus undermine the Jones Act, (2) that enactment of the bill may deprive U.S. yards of prospective work, and (3) that the vessel would operate in competition with American-built vessels.

"We believe that, on balance, the latter arguments are the stronger, and we therefore recommend against favorable consideration of the bill. * * *

"We feel the proposal to permit foreign-built vessels in the domestic trades requires a great deal more consideration than can be afforded in this particular case. If this is a good solution for one operator, it will be contended that it should be good for all or at least all those in the domestic trade to noncontiguous territories. In other words, the use of low-cost foreign-built shipping should not be the prerogative of a single operator in the trade. We are not convinced, however, that foreign-built ships represent the best answer. * * *

"The issue raised by the bill goes far beyond the treatment to be accorded a single ship. In our view it would be a mistake for the United States to act in this case without considering the more fundamental question of the continued application of the coastwise laws to our noncontiguous territories. * * *

"For these reasons, and on balance, we have reluctantly concluded that we cannot recommend favorable consideration of the bill."

CROWLEY TESTIFIES

Tom Crowley, testifying for the second year in opposition to the *City of New Orleans*, told the committee that he was inaugurating a roll-on-roll-off 30-car-rail-barge service from Seattle to Whittier, Alaska, on June 1.

"This new system," he said, "is an ingenious and effective method of transporting rail cars to and from the 49th State on a far more economical basis than could have been accomplished by the Japanese-built *City of New Orleans* had she been admitted to the trade. This American-flag car barge will not deviate from the principles of the Jones

Act, will require no special legislation, and will not be financed by government funds.

"The barges in this new car-float system will be towed in tandem with the existing new container barges that our company operates, thereby reducing the towing costs to a minimum. The service will not be as fast as the service proposed by the Japanese-built, 18-knot vessel, but it will be at much lower cost. The shippers in Alaska have overwhelmingly indicated that for the vast majority of their freight, lower cost is paramount and if high-speed transportation is required, this can be accomplished by air freight or highway truck."

Crowley minimized the importance of the volume of freight represented by the rail cars hauled to date on the Prince Rupert-Whittier rail barge run. (A total of 206 rail cars containing a total of 7,961 short tons between May 11, 1962, and January 18, 1963.)

Crowley also testified that whereas he knew of no new vessel that Alaska Steamship Co. ever built, that his companies had spent about $14 million during the past 15 years on new construction in American yards under the provisions of the Jones Act. This does not include repair and conversion.

"All of these vessels could have been built in foreign shipyards at about half these costs," Crowley continued. "Mr. D. E. Skinner, head of Alaska Steamship Co., has indicated that the Jones Act causes the domestic water carrier to subsidize the American shipyards.

"If this is so, we have paid about $7 million worth of subsidy with our own money, but we are glad to do it because our country needs shipyards and we are protected by the Jones Act from foreign competition in the domestic trades. * * *

"If the Alaska Steamship Co. is privileged to purchase this Japanese-built ship at the bargain price of $4,500,000, you are, in effect, giving a construction differential subsidy to the Alaska Steamship Co.

"We are carriers in the same trade and although we hesitate to ask to build foreign for patriotic reasons, you must admit it would seem reasonable that we be allowed to build $4,500,000 worth of new equipment in foreign shipyards for the domestic trade if the Alaska Steamship Co. is allowed to buy $4,500,000 worth of Japanese-built vessel. Our other common carrier competitor in the Alaska trade should also have the same privilege.

"We have invested over $5 million in the last 4 years in new floating equipment, containers, terminal facilities, etc., in the Alaska trade, but only after the Alaska Steamship Co. abandoned all plans some years ago, to build a rail car ferry in American shipyards. We went into the game with the idea that the 'rules of the game' would remain the same. We ask you not to change the 'rules of the game' 4 years after we have started to play.

"This legislation (S. 534) would lay the foundation for the destruction of the principles of the Jones Act which reserve the domestic trade to vessels built in American shipyards and manned by American seamen. Both are so necessary for our national defense that Congress substantially subsidizes an offshore American merchant marine," he continued.

In further testimony, he maintained that the proposed bill is special interest legislation not compatible with the principle of equal treatment for all. He claimed further that the maritime industry, both labor and capital, are almost wholeheartedly in opposition to this bill. He predicted that erosion of the principles of the Jones Act can hurt the transcontinental railroads very seriously (presumably in the event that foreign ships were permitted in coastal and intercoastal operations). He also asked, "If an exception is made ostensibly for the benefit of the people of Alaska, what about the people of Hawaii, Puerto Rico, Guam, and the States served by the intercoastal coastwise and great lakes trade?

Finally, he maintained that the Japanese built ship is not needed any more because an American built car float will go into service on this run on June 1.

COST STUDY DATA

Tug and rail barge transportation costs from Seattle to Alaska would be 12 to 20 percent less than costs of operating the rail car ferry *City of New Orleans*.

This is the conclusion of a 40-page economic study prepared by Philip F. Spaulding & Associates, naval architects, Seattle, and presented at the committee hearing.

This study shows that train-ship operation would cost about $7.22 per measurement ton transported, as compared with about $6.30 per ton for a single tug-barge operation and $5.75 per ton for a tandem tug-barge operation.

The single tug-barge operation figures were based upon use of a hypothetical 165-foot tug and a special 408-foot barge as yet unbuilt. The tandem tug-barge operation is based upon use of an existing tug of the *Sea Witch* type and a new 272-foot barge (with rails on deck), a sister barge to the barge *Seward*. The new 272-foot barge is currently under construction and is scheduled for operations beginning about June 1.

Two key witnesses in favor of the bill forcefully argued the major points summarized earlier. They were Leslie M. Rudy, transportation consultant for Alaska Steamship Co.; and T. H. Maguire, chairman and counsel, executive committee—Western Railroad Traffic Association.

STEAMSHIP CASE

Rudy maintained that the proposed *City of New Orleans* train-ship service is vital to strengthening Alaska's economy since Alaska is dependent upon outside areas for 95 percent of its material and consumable supply requirements.

He described the *City of New Orleans* as "the only vessel of the type, capacity, and speed adaptable to the Alaska trade in existence anywhere."

The Japanese-built vessel is owned by West India Fruit & Steamship Co., Inc., who used it on the Florida-Havana run until the Cuban crisis erupted about 2 years ago.

Rudy testified that it would cost about $7.9 million to duplicate the vessel if built in American yards and that a trainship vessel specifically designed for the trade would cost considerably more.

"These are capital sums which the highly seasonal one-way Alaska trade cannot support," he said. He explained further that the nature of the Alaska trade is such that it cannot support capital investment in other than old low-cost vessels nor to finance the replacement of such vessels with more efficient new vessels. He quoted earlier congressional testimony supporting these unique aspects of the Alaska trade.

Competition of the Canadian National Railways and the Prince Rupert-Whittier rail barge service, he said, "can be effectively met only by a superior American service capable of being promptly established and conducted within the limits of economic feasibility. Because of prompt availability, and adaptable capacity, speed, and cost factors, the *City of New Orleans* represents the only economically feasible means of accomplishing this objective.

"This vessel would make a weekly turnaround, operating between Seattle and the Alaska Railbelt, carrying 56 rail cars in each direction, with overall transit time from 1 to 2 weeks faster than the Canadian service via Prince Rupert," he stated.

Rudy also emphasized the point that the Alaska trade is distinctly different from all other domestic trades in one key factor:

"It is the only domestic trade either contiguous or noncontiguous, that is subject to foreign competition for American interstate commerce," he explained.

(A minor provision of the Alaskan statehood bill makes this possible.)

Rudy discounted any possible threat to U.S. shipyards as a result of admitting the car ferry to American registry.

"Neither the survival nor the welfare of American shipyards has resulted from new construction for the coastwise common carrier trades for the past 25 years," he claimed. "Indeed, insofar as new construction is concerned, the shipyards have been supported almost entirely by military and other Government construction, commercial construction dependent upon Government subsidy, and proprietary or directly related tanker construction, none of which bear any relation to the *City of New Orleans* or the unsubsidized Alaska common carrier trade in which she would be employed."

He also maintained that the carrier groups opposing the bill are, for the most part, unrelated to the use of the car ferry in the Alaska trade, nor would she be in competition with them.

RAILROADS ARGUE

In his testimony on behalf of the railroads, Maguire took several swings at Crowley by name. He claimed, for instance, that in earlier negotiations between the railroads and Crowley on Seattle-Alaska rail car transportation, Crowley apparently lost interest when the railroads would neither guarantee earnings nor minimum volume to Crowley.

(Maguire made no mention of any railroad negotiations with Foss Launch & Tug Co., who bid on rail barge service too but is now "not opposed" to the Alaska Steamship car ferry plan.)

"I am authorized to state emphatically and unequivocally," said Maguire, "that no railroad has contributed or will contribute a cent toward the acquisition or financing of the purchase of the *City of New Orleans*.

"No guarantee of any volume of traffic or of minimum revenues has been or will be given. The Alaska Steamship Co. will be in precisely the same position as any other connecting carrier. Under the division sheets or agreements, it will receive the agreed division of the charges on each through shipment actually handled by it, and no more."

He stated further that the railroads had reviewed all water transportation facilities available and that "a self-propelled trainship represents the most desirable means of providing the service and that this will best meet the specifications for speed and efficiency.

"Another desirable feature of the proposed trainship operation," he said, "is that cars and contents will be protected from weather in transit by storage below decks on the trainship, whereas by barge they would be more or less open to the elements."

OTHER OPPONENTS

Other opponents of the measure who testified included:

Edwin M. Hood, president, Shipbuilders Council of America, said his membership unanimously oppose the bill. Enactment of the bill, he said, "could set in motion a chain reaction which could have serious, destructive effects on the private shipbuilding industry, as well as on the domestic shipping industry."

John N. Thurman, vice president, Pacific American Steamship Association, said the basic issue is "whether or not Congress intends to set an important precedent in the matter of removing the requirement for American construction of vessels operated in the domestic commerce." He said that his association is vigorously opposed to any such legislation.

Testifying on behalf of the Committee of American Tanker Owners, Inc., Stanley O. Sher claimed that enactment of legislation

of this kind, changing long-established merchant marine policy, would threaten the future not only of the American tanker owners, but also of American shipyards and American dry-cargo ships engaged in the coastwise trades.

Similar opposition was voiced by Harry J. Donohue, assistant to the president, American Waterways Operators, Inc., who called the bill "a violation of a basic principle having great economic consequence. The principle is simply stated—the coastwise trade shall be reserved to American-built vessels operating under the U.S. flag."

FIRST ALASKA SUPER FERRY DELIVERED—READY FOR TOURISTS, TRUCKS, FREIGHT

The *Malaspina*, first of three new superferries for the State of Alaska, has been delivered to her owners after thoroughly satisfactory trials on Puget Sound.

The three ships will connect seven of Alaska's major ports with all points in Canada and the United States, and provide a 561-mile short cut over the all-highway route to western Alaska.

The *Malaspina's* sister ships, *Taku* and *Matanuska*, have been launched by the fleet's builder, Puget Sound Bridge & Dry Dock Co., and also are scheduled for delivery this year.

Constructed to meet the highest standards of the American Bureau of Ships and the U.S. Coast Guard, the 352-foot vessel has a 73 foot beam and 15 foot draft.

Main engines are twin Enterprise V–12 diesels rated at 4,062 horsepower each, driving through Western Sea-Master marine gears at a 1.88:1 ratio. The propellers, European designed but American made by Avondale, are controllable pitch, four blade, 10½-foot diameter. They are controlled from stations both in the wheelhouse and engine room.

Designed for an average 16 knot speed, the engines were opened up to 20 knots on the final leg of her inaugural run from Seattle to Juneau, with no discernible strain. The engines use diesel oil only for docking and maneuvering, and cruise on residual fuel.

Navigation equipment includes twin Raytheon radar units and a fathometer; a Northwest Instrument radio telephone, monitor-receiver, and other monitoring equipment.

Safety equipment includes 4 lifeboats, 2 with 59 person capacity plus two motorboats for 52 each. Fourteen Elliot liferafts, 12 of 25 person capacity and 2 for 20 each are stowed on each side of the boat deck. On the main deck, the anchor windlass is an electric drive Markey, fitted with 1¾-inch stud link chain.

Staterooms, lounges and sitting rooms can accommodate a total of 500 passengers over the full run of 30 hours. The car deck has a capacity for 109 cars or 51 trailers 27 feet long, loaded through doors forward to port and starboard, and at the stern. The *Malaspina* can accommodate all sizes of vehicles legally permitted on public highways. The ship's complement is 32 in the crew, with 8 officers.

FIFTEEN MILLION DOLLARS

The three ships, with terminal and other facilities in Alaska, will represent more than $15 million when the service is fully established. Basic contracts for the ferries are $3.3 million each.

Their southern terminal is Prince Rupert, British Columbia, where the Canadian Government has built facilities for Alaskan use on a lease basis. From Prince Rupert the ferries will call at Ketchikan, Wrangell, Petersburg, Juneau, Skagway, and Haines—the northern terminal. Alternating calls will be made at Sitka, also.

Besides the stimulus the new system will provide Alaska's commercial and industrial growth, the new ferries should be a key factor in boosting the State's tourist activity—now its fourth largest industry.

[From Maritime Reporter/Engineering]

CAN WE AFFORD THIS LEGISLATION?

The 88th Congress had barely convened in January before special interest bills began dropping into the legislative hopper. Two of these deserve special notice, for their passage would seriously breach the Nation's traditional policy of protecting domestic shipping.

A bill to grant American-flag registry to the car ferry *City of New Orleans* is similar to one that failed in the last Congress after going through hearings in the House and Senate committees. The *City of New Orleans* was built in Japan for trade, under the Liberian flag, between southern ports in the United States and Cuba. Its owners would like to unload it for obvious reasons.

The proposed bill would grant American-flag registry so the ship could be sold to the Alaska Steamship Co. and be used between Seattle and Alaska. Proponents argue that this is a special case and that such a ship could not be built in an American shipyard at a cost that would make it economically feasible.

But is this sufficient? Can we grant one ship operator the privilege of purchasing a foreign-built ship constructed at low foreign wages and force other domestic ship operators to replace their tonnage in American yards where higher wages prevail? Can we afford to drop our policy of protecting the American shipbuilding industry?

The other proposed legislation would make it possible for Oregon and Washington lumber companies to ship their product to east coast ports on foreign-flag vessels. The proposals are patterned after legislation which slipped through last fall granting the same lumber producers the privilege of using foreign-flag ships to send lumber from Pacific coast ports to Puerto Rico.

Since passage of that act, four Japanese-built and operated ships have been chartered to carry lumber to the commonwealth. Many more charters are expected to follow—to the detriment of American-flag operators and, ultimately, to U.S. shipyards. Our ships, required to be manned by American seamen, cannot compete with Japanese or other foreign ships because of high labor costs.

Proponents are offering the same arguments used last fall by Senator MAURINE NEUBERGER, Democrat, of Oregon, who sponsored the Puerto Rico lumber exemptions. They contend that American lumber companies cannot compete with Canadian lumber in east coast markets because Canadian lumber companies can ship in low-cost foreign vessels.

But lumber is a mainstay of intercoastal ship traffic from the west coast. If this traffic is diverted to foreign ships through special interest legislation, most of the intercoastal ships will go out of business.

Furthermore, one breach in the Jones Act restrictions must almost certainly be followed by further exemptions—canned goods, chemicals, steel and iron products, for example. Thus, any intercoastal shipping which might survive the loss of lumber traffic would be sure to succumb eventually.

The railroads which carry lumber and other products across the continent also would suffer. Losses of this revenue would certainly have to be made up in higher rates on other products carried by rail—higher rates that must be paid by the public. No crystal ball is needed to see how almost everyone in this country would be affected—loss of intercoastal ships needed for national defense and higher rates—while foreign ships are profiting handsomely.

If we are to allow Japanese-built ships to ply our domestic ocean routes, why not Japanese-built tugs, barges, and towboats for our harbors and inland waterways? Why not unrestricted imports of German locomotives, English aircraft, French trucks?

If we are going to permit foreign ship companies to carry lumber from west to east coast ports, why should they not also carry chemicals between ports on the Mississippi or in the gulf; coal between ports on the Ohio, or iron ore between U.S. ports on the Great Lakes?

There are other ways to protect our lumber industry from the inroads of Canadian lumber. Why kill a vital shipping industry and endanger our railroads for the benefit of a few lumber producers?

COOPERATION WITH MEXICO IN URBAN PLANNING

Mr. ENGLE. Mr. President, President Kennedy, on his recent visit to San Diego, Calif., hailed the first official instance of the United States-Mexican cooperation in urban planning when he announced the approval of two urban planning grants to San Diego and Calexico.

The grants, I believe, will open the door to a great resurgence of cooperative planning and work between Mexico and the United States in making our border cities more vital and attractive. I would like, therefore, to spell out the aims of these two grants and discuss them in some detail.

The grants will be made to the California State Department of Finance, amounting to $100,406 for San Diego and $11,900 for Calexico. They will be supplemented by $50,203 in local contributions from San Diego and $6,064 from Calexico.

President Kennedy remarked in San Diego:

> We welcome this opportunity to congratulate California on initiating cooperation with the ambitious national border program of our sister Republic to revitalize her cities.
>
> I hope that these grants are only the first in a series of actions to help all our border cities collaborate effectively with their Mexican neighbors.
>
> The grants will be used to do our share in stimulating sound community improvement, planning, and action in the cities on our side so that the end result will be a rejuvenation and beautification of the entire border from the Pacific Ocean to the Gulf of Mexico.

I heartily second the President's remarks. I also offer my congratulations and support to the Mexican Government for its efforts on its side of the border.

Under its program nacional fronterizo—national border program—the Mexican Government has become involved in comprehensive planning and community improvement undertakings in many of its cities.

The Mexican program was established in 1960 and has two basic purposes. They are:

First. To raise the standard of living in the Mexican border zones.

Second. To develop the physical environment of the gateway cities so that tourism and other economic activities will be increased.

About $100 million is scheduled to be spent in this program by the Mexican Government by 1965 with further expenditures to follow in the succeeding years.

The urban planning that will be undertaken with the recent Federal grants will not involve a legal agreement between

the United States and Mexico but officials and community leaders on both sides of the border will cooperate and consult freely on mutual plans, problems, and actions.

Here are details on the work to be done in San Diego and Calexico.

SAN DIEGO

Special emphasis will be given to coordination of planning the San Diego region with Mexican Government planning in the Tijuana area. Special studies have been designed to find solutions to the broad and basic problems on both sides of the border. The studies will cover:

Channelization of the Tijuana River: Since about 5,200 acres on the U.S. side of the border lie idle or are limited to agricultural use because of flooding by the Tijuana River, studies will be undertaken in cooperation with the U.S. Corps of Engineers and the International Boundary and Water Commission to determine the best alinement for the Tijuana River Channel on the U.S. side. Similarly, appropriate development of lands on the Mexican side will require comprehensive control work.

Harbor development: Potential development of a second entrance to the San Diego Harbor together with facilities for small craft and recreation is also dependent upon development of adequate control of the overflow from the Tijuana River at flood stage.

Reclamation: Studies will be begun for draining another 5,000 acres—in addition to those inundated by floodwaters—which could be developed for new residential, industrial, and recreational uses but are currently unusable because of marsh conditions and a high water table.

Circulation and transportation: Border crossings and general areawide development consideration have created highway problems. In addition to studies for highways and expressways, an analysis will be made of existing and deactivated air terminals for determining how special transportation needs of future development can be met.

Economy: Studies will be made to determine economic relationships in the San Diego-Baja California region and to indicate the appropriate public and private actions required to realize the maximum recreation and tourism potentials of the area.

Urban designs: Planning will be aimed at creating the physical environment portrayed in the goals and development plans of the San Diego general plan, the California State development plans, and the Tijuana plans of the Mexican national border program.

CALEXICO

Special consideration is to be given to the coordination of planning in Calexico with that underway in Mexicali by the Mexican Government as part of the national border program. Included are the following special studies:

Airports: Because of the strategic location of Calexico in relation to nonscheduled aircraft travel between the United States and Mexico, an air trade and market study will be prepared to determine the type and size of airport facilities required.

Border crossing: Planning will be initiated regarding increased border crossing by pedestrians, automobiles, and trucks at this point of entry between the United States and Mexico, in consultation with the State division of highways, the State planning agency, and other interested agencies and authorities.

Sewer problems: Studies of area sewer problems with State and local agencies will be carried on. One particular problem is sewage deposited on the Mexican side of the New River which flows into Calexico.

Mr. President, this summary of the purposes of these urban planning grants indicates that, first, officials and community leaders along the border are well aware of the problems which confront them; and, secondly, that they have much hard work ahead of them in solving these problems.

But, more important, it indicates that there is on both sides of the border a willingness to get at the hard work, to improve and beautify the border cities.

I am very encouraged to see that the Federal Government now is participating in this most important enterprise.

SCIENTISTS ARE NOT ROMANS: THE LABORATORY IS NOT THE COLOSSEUM

Mr. BARTLETT. Mr. President, there are many ways, of course, to measure the level of civilization attained by a nation: Citizens of a highly developed civilization treat each other with respect and the less fortunate among them with sympathy and concern. Citizens of such a society also treat the members of the animal kingdom with care and consideration.

A good man would no more kick his dog than he would beat his child.

We have read recently—and with concern—of vanishing numbers of songbirds on the eastern coast eradicated along with the Japanese beetle and crab grass by the overuse of pesticides. There will soon be a silent spring in the East.

We have read recently of the declining number of African game animals and of the danger that such as the hippopotamus and the rhinoceros will soon be extinct. The earth would be a lesser place without these remarkable creatures.

Money has been collected, organizations formed, hearings held, and action taken to solve these problems. They are not yet solved but we are working on them.

There is, however, a problem shocking in its extent and appalling in its depth which exists across the whole country and which is supported in many ways by Government funds.

I refer to the inhumane treatment of laboratory animals. For far too long we in the Senate and in the Congress have failed to act so as to ensure the sensible, adequate, and reasonable treatment of animals subjected to scientific experimentation. Too often in the past this matter has been obscured by the antivivisectionists who by seeking the whole loaf have received none. I am not arguing the antivivisection cause: I am disassociating myself from this cause.

Three points are clear:

First. Vivisection is necesssary for modern science. Without vivisection we would not have the polio serum, antibiotics and many of the most modern surgical techniques. Our hope for a control or cure for cancer is in part dependent upon experimentation with laboratory animals. This is perhaps regrettable but it is true.

Second. The Federal Government is investing billions of dollars a year in medical and biological research. This is money well spent. Literally millions of animals are being used in this research. This, too, is worthwhile.

Third. Most unfortunately, however, in a few of the laboratories supported by Government funds these animals receive cruel and inhumane treatment:

Cages are too small to allow the animal room to stand.

There are no regular water or feeding facilities for the animals.

Inadequate sanitation facilities have caused infestations of vermin and disease.

Surgical operations are performed without anesthetics, leading to severe pain and shock.

No postoperative care is provided once the experiment operation is completed.

A single animal used as a training ground for a crew of surgical students operating upon it in a series of operations, one immediately following the other.

Experimental animals are clamped into observation forms which hold them immovable for many weeks.

Such practices as these are unnecessary and cruel. They should be stopped; they must be stopped. No one, no one can say that the progress of modern science would be hindered or slowed in any way by the elimination of such practices.

We must recognize that scientists need experimental animals. Scientists in turn must recognize that unnecessarily cruel and inhumane treatment of these animals will not be tolerated.

The Society for Animal Protective Legislation of New York City has prepared a short list of six points for the protection of laboratory animals. These points outline the essential features which legislation in this field must have. I ask unanimous consent that these may be printed in the RECORD at this point.

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

If you are for a law to prevent needless suffering to animals in laboratories without hampering responsible research, here are the basic requirements:

A good bill must include these provisions:

1. Unannounced inspection by qualified, full-time inspectors with access to animal quarters, laboratories, and records of animal use.

2. Individual licensing by governmental authority of all scientists desiring to use live, vertebrate animals, with the right to remove said licenses from persons responsible for inhumane treatment.

3. Pain-curbing provision that animals suffering severe, enduring pain must be painlessly killed instead of being allowed to

linger in agony or being used over again. Failure to comply with the above automatically gives the inspector the right to destroy the animal painlessly himself.

4. Humane care and housing, including normal exercise, comfortable resting places, and adequate food and water for all animals.

5. Student work, as distinct from research conducted by qualified scientists, must be painless.

Any bill which does not have these provisions cannot prevent abuses in laboratories and therefore should not be enacted.

A good law should further require:

6. Records that include a brief statement of what is to be done to the animals and why, identification of animals and eventual disposition, and a brief annual report.

Mr. BARTLETT. Mr. President, the British have had a humane treatment law such as this since 1876. The law is carefully enforced. It is not recorded that it has in any way restricted the growth of science or medicine in the United Kingdom.

Civilization has come a long way from the Roman games held in the Colosseum where lions and tigers and elephants and bulls and gladiators would fight to the death for the amusement of the crowds.

What we no longer allow in the Colosseum we should now stop in the laboratory.

BELLRINGING ON THE FOURTH OF JULY

Mr. HRUSKA. Mr. President, historically bells have played a significant part in the celebrations of the American people. With Senate passage of Senate Concurrent Resolution 25, declaring that the anniversary of the signing of the Declaration of Independence should be observed each year by the ringing of bells, the effort to revive this American custom was given new impetus. Once again across the land Fourth of July celebrations will proclaim this Nation's dedication to the cause of liberty by the ringing of bells.

Nebraskans have added their voices to the many who are urging nationwide participation in this worthwhile program. Mrs. Chester Paxton, of Thedford, Nebr., a national vice president of the Cow Belles, the auxiliary of the National Stock Growers Association, reports notable success in that organization's effort to encourage similar groups to cooperate with the program.

In Nebraska, the American Legion has been designated the official coordinator of this effort. Under the leadership of Mr. Warren E. Baker, the department adjutant, Legionnaires will head up the publicity program and arrange the times in the communities for the school bells, church bells, and others to ring at one time.

Mr. President, it is important that everything possible be done to instill in the hearts of Americans the same feelings of pride and patriotism felt by our Founding Fathers when the first Independence Day was celebrated. While it is simple in nature, the proposal contained in Senate Concurrent Resolution 25 is one of the best suggestions for bolstering the pride we all feel in our Nation.

I refer to the kind of pride expressed by Col. John Glenn when he stood before a joint session of Congress not so long ago and said he hoped that there would be more of the simple and sincere patriotism expressed in Americans' daily lives. He told us that when he sees a parade with the American flag and a marching band, his heart beats just a little more quickly and he feels tremendously proud of being an American and a member of a nation that is so strong and so prosperous.

It was with this thought in mind that I became a cosponsor of the resolution and that I am so gratified that the Senate has acted favorably on the resolution.

KEEP LIVESTOCK PROGRAM VOLUNTARY

Mr. HRUSKA. Mr. President, in these days of widely divergent views on farm legislation, it is refreshing to find measures which seem to have the unanimous support of producers, marketers, and the Secretary of Agriculture.

Such legislation is H.R. 5860 which has already been passed by the House and companion bills, S. 1482 and S. 1490, which are pending before the Senate Agriculture Committee.

These bills would amend section 407 of the Packers and Stockyards Act of 1921, as amended, to free from possible Federal regulation the voluntary programs for promotion, research, and education relating to livestock, meat, and other products.

For some 40 years the livestock industry has employed a system under which a few cents have been deducted from each head of livestock sold. This money is matched by the packers and goes into a fund to be used by the National Livestock and Meat Board for research, education, and sales promotion of livestock. It has been an eminently satisfactory system which has been of great benefit to the livestock industry.

This is especially important to my State of Nebraska, Mr. President, because over 60 percent of Nebraska's cash income from farm marketing comes from livestock.

This system is now threatened by the fact that the Department of Agriculture now proposes to issue regulations which would establish Federal controls over what up till now has been a voluntary system.

In the House the legislation is reported to be one of the very few matters to have had the unanimous support of the Agriculture Committee. The House report refers to the committee's being impressed with "the unanimity of support for this measure which was manifested by testimony, written statements, letters and telegrams from all the major farm organizations and from national, regional, and State livestock organizations." The measure was also supported by the three different packer organizations whose members cooperate in the financing of the program, and "not a single witness or organization appeared in opposition."

Even the Secretary of Agriculture, Mr. President, who is not noted for his enthusiasm for voluntary programs, has indicated that he has no objection to these bills. It may even be that his attitude was affected by a strong letter objecting to Federal control which I was pleased to sign, along with other members of the Nebraska congressional delegation.

There is, however, the problem of prompt Senate action. The Secretary has proposed to issue regulations asserting Federal control over this so-called check-off system. These regulations are to become effective July 1.

While it is to be hoped—and expected—that the Secretary would defer implementation of the regulations in view of the pending bills, it would be far better, Mr. President, if the Senate could complete its action and have the bill signed into law before July 1.

Many Nebraskans have written me about this matter evidencing serious concern. In view of the general agreement on keeping the promotion and education activities of the meat industry on a voluntary basis, it is my hope that timely action can be taken.

NEEDED WORDS

Mr. BREWSTER. Mr. President, on June 2, 1963, the Baltimore American published an editorial entitled "Needed Words." This article requires no introductory remarks; it speaks for itself.

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

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

NEEDED WORDS

It may be predicted that extremists of both sides, white and Negro, will disparage the words Vice President LYNDON JOHNSON spoke at Gettysburg on Memorial Day.

They were words addressed to men and women of reason on both sides, an appeal to work within the law and not outside it by violence and hatred. And they were words above partisanship, above empty rhetoric, and, since Vice President JOHNSON is a Texan, above personal political consideration.

We are not going to enfeeble what Mr. JOHNSON said by paraphrase. Here are some direct quotes:

"One hundred years ago the slave was freed. One hundred years later the Negro remains in bondage to the color of his skin. In this hour, it is not our respective races which are at stake. It is our Nation. It is empty to plead that the solution to the dilemmas of the present rests on the hands of the clock. The solution is in our hands.

"Unless we are willing to yield up our destiny of greatness among the civilizations of history, Americans—white and Negro together—must be about the business of resolving the challenge that now confronts us.

"Our Nation found its soul in honor on these fields of Gettysburg 100 years ago. We must not lose that soul in dishonor now on the fields of hate.

"The law cannot save those who deny it, but neither can the law serve those who do not use it."

DEMANDS FOR INVESTIGATION OF COMMUNIST BICYCLE IMPORTS

Mr. HARTKE. Mr. President, in 1960 the U.S. Tariff Commission determined

that "an industry in the United States is being injured, and is likely to continue to be injured, by reason of the importation of bicycles from Czechoslovakia at less than fair value within the meaning of the Antidumping Act, 1921, as amended." As a result of the sale of bicycles by the Czechoslovak exporting organization at less than fair value, the importer has been able to sell bicycles in the United States at prices below the prices at which American producers were able to sell comparable products. The volume of Czechoslovak imports was sufficient to displace a significant part of the domestic market for low-priced bicycles.

The ruling of the Tariff Commission authorized the imposition of an antidumping duty on Czechoslovak bicycles. A table compiled by the U.S. Tariff Commission from official statistics of the U.S. Department of Commerce indicates that in 1959, before this antidumping duty went into effect, 51,539 bicycles, or 5.1 percent of the total number imported into the United States, were of Czechoslovak origin. In 1962, with the antidumping duty in effect, imports from Czechoslovakia were down to 11,156 bicycles, or nine-tenths of 1 percent of the total number imported.

Further reference to the Department of Commerce statistics, however, shows that the problem has not yet been eliminated. In 1959 the United States imported from Poland, Yugoslavia, and Hungary a total of only 1,014 bicycles; but by 1962 the bicycle imports from these 3 countries had risen to 96,820, or 7.6 percent of total bicycle imports. The increase in imports from these other eastern European countries has more than replaced the decrease in Czechoslovak imports which followed the ruling of the Tariff Commission. This evidence leads me to believe that the Communist bloc may still be dumping bicycles on the U.S. market at less than fair value, possibly by transshipment of Czechoslovak bicycles to Poland and the other eastern European countries for export to the United States.

Mr. President, I am writing a letter to the Commissioner of Customs, Mr. Philip Nichols, Jr., asking that the customs officials at each U.S. port of entry take special notice of the situation to determine whether any Czechoslovak bicycles are being imported to the United States from Poland, Yugoslavia, and Hungary with a false specification of the country of origin, and whether it would be advisable to seek an extension of the antidumping duty to all countries in the Communist bloc.

REA COOPERATIVES AND THE FEDERAL POWER COMMISSION—SPEECH BY FPC CHAIRMAN SWIDLER

Mr. HUMPHREY. Mr. President, on May 8 the Chairman of the Federal Power Commission, Mr. Joseph C. Swidler, delivered an address in Minneapolis on the rural electric cooperatives and the Federal Power Commission. Mr. Swidler spoke before the North Central Area G. & T. Management Conference, which includes 19 of the rural electric generation and transmission systems in the area. I congratulate the distinguished FPC Chairman for a fine, informative address.

Mr. Swidler stated in his Minneapolis address that his objective in undertaking a national power survey is to bring to all consumers—including the members of the rural electric cooperatives—the benefits of the latest technology in the electric power field. Mr. Swidler emphasized the enormous part that electric energy is playing and will continue to play in the future of America and of the world, especially the underdeveloped and emerging nations.

In his speech, Mr. Swidler also said that the generation and transmission movement itself is a manifestation of the efforts by cooperatives to pool their markets and their resources in an effort to take advantage of larger and more efficient generating capacity and higher voltage transmission lines.

Mr. President, I agree with the Federal Power Commission Chairman on this point. And I might add that the rural electric cooperatives must continue to take advantage of these opportunities in their efforts to make available more abundant power at lower cost. These consumer-owned systems are going to play their part in helping to supply the electricity demanded in rapidly growing amounts every day.

Mr. President, I ask unanimous consent that FPC Chairman Swidler's speech be printed in the RECORD.

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

THE REA COOPERATIVES AND THE FEDERAL POWER COMMISSION

(Address by Joseph C. Swidler, Chairman, Federal Power Commission, before the North Central Area G. & T. Management Conference, Minneapolis, Minn., May 8, 1963)

It was a constructive public service for the Southwestern Federated Power Cooperative to arrange this occasion for a full-dress discussion of the relationship between the Federal Power Commission's National Power Survey and the power supply problems of the rural electric cooperatives. I hope that before the program of the day is over and you have heard from the FPC representatives and the members of our advisory committees who are on the program, you will have a better idea of what the Commission is trying to do and that your questions as to our programs and their possible impacts on your work will have been answered.

Some of you may know that I am no stranger to the problems of the electric cooperatives. I helped to organize the first of the modern rural electric cooperatives in this country, the Alcorn County Electric Power Association of Corinth, Miss., even before REA had settled upon cooperatives as its primary instrument for bringing the blessings of electric power supply to the farmers of this country, and before REA had been established as a permanent agency. This was in the spring of 1934 when I was power attorney for the Tennessee Valley Authority. I had the pleasure of reporting on the cooperative type of organization to a forum in Washington called by Morris Lewellyn Cooke to explore various organizational devices when REA was still groping for the best medium through which to carry on its program. In the period in the late 1930's when TVA was building up its power marketing area and working with the local distributors in the purchase of facilities from private power companies, I shared responsibility for the recommendations which led to selling the existing distribution systems in many small communities to the rural electric cooperatives. The loads—including industrial loads—of these small urban communities served by the cooperatives have greatly improved the average line density of the cooperatives in the TVA area and have helped to make them strong and prosperous.

The cooperatives in the Tennessee Valley area where I labored for so many years are an exceptionally thrifty lot. In 1961 the 50 cooperatives in this area sold over a fifth as much power as was sold by the other 950 electric cooperatives in the United States. Several have peak demands well over 100,000 kilowatts each. Over a dozen have peaks of more than 50,000 kilowatts. I believe every one of the 50 cooperatives is thriving and the success of these co-ops and the important role they play in the power economy of the Tennessee Valley area will always be a source of pride to me.

I also have some familiarity with the problems of the cooperatives inside and outside the Tennessee Valley from the point of view of co-op management. After I left TVA I represented a number of cooperative and municipal electric systems as well as two statewide cooperative associations.

Sometimes in Washington I look back with nostalgia to the time when I worked for TVA and to the years when I was practicing law on behalf of public and cooperative power systems. The impulsions of advocacy have a wonderfully simplifying effect on complex problems. A lawyer may have only a fair record in court but never lose a case in arguing with himself. After almost 2 years on the Federal Power Commission I can assure you that in the power field it is much easier to be an advocate than a judge, and a great deal more fun. I might also add that advocacy pays better. At any rate, as Chairman of the Federal Power Commission, I have a responsibility to the whole industry and to all the consumers of the country. This certainly includes the REA cooperatives and their members. It also includes the other segments of the industry and their consumers.

This is a particularly exhilarating time in the history of the electric power business. The mounting pace of technological development is changing the face of the industry faster than ever before. Breakthroughs in extra-high-voltage transmission have greatly increased the economic attractiveness of transmitting huge blocks of power over long distance and have given a major impetus to power pooling. Generating unit sizes are also in a period of rapid increase. In 1950 a 100-megawatt unit was considered large. Today, 650-megawatt units are installed and 1,000 megawatt units are on order. The huge new generating units can produce power much more cheaply than the largest units of a decade ago. Nuclear technology, which is also advancing rapidly, promises even more dramatic economies of scale. Conventional and nuclear plants of 5,000 megawatts are probable within the next 20 years; and from responsible sources one hears proposals for study of the possibilities of 8,000-megawatt electric power plants that will also be used to desalinate water. The large capacity pump-turbine plant for peaking is another new development which can reduce the cost of power supply when used in combination with economical base-load plants in large integrated power pools. The pump-turbine in effect converts cheap off-peak thermal energy into high-value hydro peaking energy.

The technological progress of cooperative systems has paralleled that of the industry,

but of course started from a much more modest base. The G. & T. movement itself is a manifestation of the efforts by cooperatives to pool their markets and their resources in an effort to take advantage of the obvious economies of larger and more efficient generating capacity and higher voltage transmission lines. Generating units of 200 megawatts are being installed by at least one G. & T. system. There has been great progress although there is a limit of the extent to which G. & T. systems in isolation can take advantage of the vast array of our new technology.

What I have said concerning economies of larger capacity generation and transmission equipment for the mass production and bulk transportation of power has an altogether different application in the distribution of electricity. In distribution the economies that came with greater use of electricity are measured in terms of greater use by individual consumers and they can be realized by distributors of every size. This is a fact of enormous importance to cooperatives. When the job to be done is to distribute power from a central point to individual homes and farms and business establishments, the evidence indicates that the way to reduce unit costs is to build up high average use per consumer and high density per mile of line. The cooperatives and many municipal systems and small private power companies have demonstrated that low unit distribution costs can be achieved in small systems as well as in large.

Cooperatives are thus in a position to continue their performance in their vital role of supplying low cost power to rural America in the future if on the one hand they can achieve the economies of growing use by their individual members and if on the other hand they can have access to the benefits of integrated regional power pools for generation and transmission. The cooperatives' opportunities in this respect are no different than the opportunities and challenges facing the industry generally in the years ahead which we are spotlighting in our national power survey. It is the goal of the survey to bring to all the consumers of America—including the members of the electric cooperatives—the benefits of the latest technology in the electric power field.

The survey is the Commission's effort to carry out responsibilities assigned to it in section 202(a) of the Federal Power Act to encourage the voluntary interconnection of the Nation's power systems to assure "* * * an abundant supply of electric energy throughout the United States with the greatest possible economy and with regard to the proper utilization and conservation of natural resources."

The survey is filling a longfelt need by supplying a framework in which the Nation's interest in the effective use of its electric power resources can be expressed in a positive way. Many thinking people inside and outside the industry have recognized the need for developing such a framework to reflect the national interest in the planning of the electric power industry. I believe this explains the cooperation which the Commission has received from all segments of the industry in carrying on the survey, despite the fact that the various segments are in frequent disagreement on policy matters.

The survey is not intended as a basis for dictating to the various elements in the industry—and I include the cooperatives—what kind of generating units they should buy, where they should be located, or how they should be integrated for service to the region and Nation. Rather, the purpose is to suggest in general the kinds of developments in generating plants and intertie and integration arrangements which the operating systems can follow up on their own, with such variations as more particular investigations and changing circumstances may disclose to be necessary. Already the survey has served to focus attention on the national interest which is involved in every industry decision on building additional generating and transmission facilities, and into every study of interconnection and integration possibilities. More and more, the question is being asked, How would each of the various alternatives serve the Nation's interests?

The Commission is working closely with the entire electric power industry in carrying on the survey. Several score of the Nation's leading experts in the electric power field are actively at work on the special technical committees, the regional committees, the general technical advisory committee and the executive advisory committee. The committees are drawn from every segment of the industry and every part of the country, and include many of the leaders in the Nation's cooperatives, most of whom are here with us today. As you know John Hyde is now in our executive advisory committee. In addition to Mr. Hyde, committee members include Hugh Spurlock, of Kentucky RECC, on the general technical advisory committee; John K. Taylor, of Western Farmer Electric Cooperative, on the transmission and interconnection committee; Frank Linder, of Dairyland Power Cooperative, on the power requirements committee; John Bugas, of Colorado Ute Electric Association, Inc., on the generating stations committee; J. E. Smith of Mecklenburg Electric Cooperative, on the distribution committee; and Virgil Hanlon, of the East River Electric Power Co-op, and Neil Adams, of Associated Electric Cooperative, on the regional advisory committees. We also have a legal advisory committee on which Lawrence Potamkin is an active member.

The industry as a whole has a long way to go to take full advantage of present-day technology and the technology of the future. As of January 1, 1962, the latest date for which figures are available, FPC statistics reveal that approximately 25 percent of the total steam generating capacity of the industry was in units of 50 megawatts or less, practically all of them low pressure, low temperature units. The best of these small units used approximately a pound of 12,000 British thermal units coal per kilowatt-hour or about a third more coal than a 500-megawatt unit of high temperature and pressure. Power from a 50-megawatt unit, even a modern one, costs 30 percent more than from a 500-megawatt unit.

It is the intention of the power survey to help the industry to shape the Nation's power supply systems so as to enable them to meet the growing needs for electricity in the coming decades with the greatest possible efficiency and at the lowest possible cost. As I said in a speech before the American Power Conference in March, we should be satisfied with nothing less than the maximum efficiency from each input of fuel and eqiupment and site resources, no matter who puts up the money for a plant or where title may lie.

I know the primary interest of those gathered here today is in the possible bearing of the power survey on the power supply planning of the G. & T. cooperatives. I believe the implications are clear and should provide both encouragement and a challenge to the managements of G. & T. systems throughout the country. The cost advantages of large generating units and of large integrated power systems makes it imperative for G. & T. cooperatives to take steps to obtain the benefits of the best in industry technology.

G. & T. cooperatives have a great opportunity to reduce their power supply costs by obtaining their power from larger and more efficient units. Some cooperatives now participate in regional power pools and share in such savings, but there are many others which for one reason or another do not. The G. & T. cooperatives and the neighboring power systems, public and private, should pool their power requirements and work together as partners in joint ventures to build large, efficient units and coordinated high voltage grids. Today there are moves in this direction underway in various parts of the country. I think this trend should be accelerated.

There are a variety of ways in which cooperatives can share in the savings inherent in the economies of scale in the generation and transmission of electricity. One of the best, where it is feasible, is to buy your power from large pools of publicly owned low-cost capacity, such as TVA and Bonneville. Another way is to create your own G. & T. sources and to integrate them with the power supply network of the region for maximum economy. The purchase of power at wholesale from investor-owned power companies is another alternative and it is one in which the Federal Power Commission has a special role to play.

The Federal Power Commission has a statutory obligation to assure that power from the privately owned interstate grids will be available to distributors on fair terms, and the Commission intends to assert its authority to provide this assurance. As I told the American Power Conference, this means that wholesale customers should have access to power from interstate pools "* * * on fair terms which insure that the purchase of power from a neighboring company or system will not be used by the seller as a club to destroy the buyer. The small distributor must not only be able but willing to buy, and its preference for purchased power rather than for producing its own will not be dependent on price alone. As a part of the bargain for power supply, the small distributor has the right to expect that the seller will recognize the buyer's right to exist, will not compete for retail customers by invading the buyer's own territory, will share fairly the economies of low-cost power sources, and will provide security for meeting growth in loads over the long term."

Cooperatives should not be compelled either to create their own G. & T. sources, or to agree to forego creating such sources of supply, in order to secure the benefits of low-cost power from integrated grids. The Commission emphasized this point in a recent decision involving a rate reduction to cooperatives in Delaware.

This was a case in which three cooperatives as a part of a power supply agreement with a private company agreed that they would not seek G. & T. loans for a stipulated period. The Commission approved the reduced rates but made clear that it was not approving this commitment of the co-ops. The Commission said that it stood ready to enforce the provisions of the Federal Power Act to protect wholesale purchasers, and that cooperatives could not be required to forgo building their own generating facilities as the price for receiving just and reasonable wholesale rates from private companies.

The regulation of wholesale rates in interstate commerce is the core activity of the Federal Power Commission and it is an activity which is of growing importance as the power systems of the country increasingly integrate their operations. In the past decade the industry has moved rapidly toward a single interconnected grid, and such a grid already exists from the Rocky Mountains to the east coast, and from Maine to Florida. Even though many of the interconnections are weak, and the interconnection arrangements for the most part are far from true integration agreements, there has resulted a tremendous increase in the wholesale transactions in interstate commerce. Yet, in the period that the need for the rate regulation of wholesale sales has increased greatly, for all practical purposes the rate regulation activity ceased to be an effective function of the FPC.

When the present members of the Commission took office in 1961 we found the electric rate staff—which consisted of a total of four people—submerged in the natural gas organization. The situation had so deteriorated that many of the interstate electric power companies subject to FPC jurisdiction had not even filed their wholesale rates with the Commission, as required by the Federal Power Act.

We began promptly to invigorate our electric rate work within the limits of existing manpower. The group was transferred to the Bureau of Power and given the prominent place it deserves in our power organization. We have built up our rate staff to the extent possible within existing appropriations. It now consists of 26 people and we are seeking funds to further enlarge this staff.

We have required the public utilities to file their wholesale rates in interstate commerce with the Commission and these rate filings are now pouring in. We have proposed rules—that is, we have initiated formal rulemaking proceedings—to require the companies to support these rate filings with cost information in order to facilitate meaningful Commission review. We are making a comprehensive study of all of the rate schedules on file to identify those which are out of line and warrant formal investigation. Our electric rate work has been greatly expanded and it will soon be on a footing which can assure prompt protection of wholesale power purchasers in interstate commerce.

We have found that the Commission's jurisdiction had fallen into such disuse that many municipalities and co-ops bargained with their wholesale suppliers without being aware that Congress had provided a forum in which their interests could be protected. I hope that the FPC's rate jurisdiction is no longer a secret. Certainly the REA cooperatives, which purchase 38 percent of their aggregate power needs from private companies, should be aware of their rights to protection under the Federal Power Act.

In emphasizing the FPC's role as the arbiter of wholesale rate disputes I want to make clear that the primary responsibility for reaching accommodations on territorial problems and construction programs is local, and that cooperatives and other wholesale purchasers should make every effort to work out satisfactory agreements with their suppliers. Rather, we believe awareness of our jurisdiction will be a factor that should encourage realistic discussions and result in more sound wholesale contracts with the private companies. On a relative basis such purchases have been declining. Power purchased from private power companies represented one-half of all the power generated and purchased by REA co-ops as recently as 1952. The proportion has dropped by a quarter to 38 percent. If distributors are aware that the law gives them the right to buy power at fair and reasonable rates determined by the FPC and that they are not at the mercy of the sellers, they would be encouraged to place greater reliance on wholesale contracts for their power supply. Such access should prove of growing importance to cooperatives in the future, because the advancing technology of the industry, and the economies which will result from the accelerated trend toward power pooling, I believe, will bring about substantial reductions in wholesale rate schedules.

The problem of working out equitable arrangements by which cooperatives and municipalities can tap low-cost power sources is complicated by the bitterness which has developed in the relations between the public and private segments of the industry. I believe that every segment of the industry could benefit if it reexamined its basic approach to relationships with other segments. The citizens of this country would benefit, both as taxpayers and as consumers, if peaceful negotiations, supplemented by the firm and impartial exercise of regulatory authority, were to take the place of the guerrilla warfare which is now the all-too-common way of carrying on relationships among the industry factions.

We should start by accepting the continued existence, and I might add also the patriotism, of all segments of the industry. I have said, and I repeat my view, that the private power systems which now constitute approximately 80 percent of the industry will continue to be the backbone of this country's power supply, and I have every reason to believe that they will constantly improve their standard of service. But TVA, Bonneville and other Federal systems are also here to stay and to share in the growth of the regions which they have helped to develop. The municipal and cooperative systems are living up to their responsibilities in a way which meets with the approval of the areas which they serve, both urban and rural. They, too, are here to stay.

In the highly sensitive relationships among the segments of the industry, there is a tendency to regard every dispute as a call to arms and every skirmish as a climactic battle in a war between ideologies. If we can once accept the fact that each of the segments of the industry has a place, that this country is founded on economic pluralism and has always offered and should continue to offer a choice of economic instruments in public service activities, the industry can isolate the areas of disagreement, agree to disagree on those points, and then move along together on the main job of reducing costs and expanding supply.

The lack of mutual confidence between the public and private segments of the industry is not the only form of mistrust which is inhibiting arrangements to obtain the economies of scale in the generation and transmission of electric power. I know that many public and cooperative systems distrust the effectiveness of the regulatory agencies upon whom they must rely if obtaining power from the large regional pools is to be a fair alternative for their own isolated sources of generation. I should be the first to agree that the record of inaction by the Federal Power Commission has done much to contribute to this lack of confidence.

I have no illusion that the distrust of regulatory agencies which has been built up over many years can be dissipated overnight. But all of us who have responsibilities as leaders should exercise our responsibilities to build rather than to destroy, to bridge rather than to enlarge the differences among the various industry groups, and to find common goals and programs behind which all segments can unite for the benefit of consumers everywhere.

I have already told you of the Federal Power Commission's program to make its rate and service jurisdiction for wholesale customers an aggressive and effective activity in the public interest. We have made large progress toward that goal. We are determined to do our part to dispel your mistrust of the regulatory agencies by exercising our responsibilities with such firmness and impartiality that all parties will have confidence that their just interests may be entrusted to the administrative process.

The Commission's primary goal on the power side of its jurisdiction—I suppose you all know that we have some natural gas responsibilities as well—is to build our staff organization and our procedures so that the Commission may contribute to the health and growth of the industry and to the far-reaching cost and rate reductions which our new technology is making available. The building up of an organization, including a regulatory Commission, is a matter of bricks and mortar, and of building up one brick at a time, an undramatic process which does not attract headlines or even the attention of many who follow the Commission's work, but over the long run it is just as important to consumers as the development of a sound body of policies and principles. The two are integrally related, because the one flows from the other.

Our responsibilities are not limited to formal cases involving rates and service but include the obligation to take positive action to lower the cost of power supply to consumers throughout the country. To pare the cost claims of individual companies in formal rate cases is a long-drawn-out and tedious process, and even when successful helps only to reduce rates for the consumers of one company and for a limited period. I say this not to disparage the rate regulation function which is the backbone of public utility regulation in the public interest, but only to point out how much greater dividends we can expect from nationwide and concerted action of the whole industry to reduce costs by seizing the benefits of integration and present-day technology. To win a rate battle against strong company opposition may be truly a victory for the consumer interests involved in the case, but to achieve industrywide cost and rate reductions with the help of the industry results in benefits multiplied manyfold. The national power survey represents action by the Commission to discharge the duty of helping the industry to reduce costs—not fractionally, but sharply and drastically over the period of the next decade.

The rural electric cooperatives have a great record of achievement. When I came to the Tennessee Valley in 1933 only 3 percent of its farms were electrified and these were almost entirely near the urban centers on distribution lines radiating out from the towns and cities. A true rural electrification program did not exist. In the Nation only about 10 percent of the farms of the country had central station service when REA was created. The leaders of the cooperative movement in this audience and throughout country can take satisfaction and pride in the fact that—largely through their efforts—we are now approaching 100 percent rural electrification.

The Federal Power Commission does not expect quite the same degree of success in striving toward its own goal of effective discharge of the full range of its responsibilities in the public interest, but with your cooperation and support, and with the cooperation and support of all segments of the industry, we expect to show a great deal of progress in the months and years ahead.

AMERICAN FOREIGN POLICY

Mr. INOUYE. Mr. President, Mr. William H. Ewing is the editor of the Honolulu Star-Bulletin, the largest daily newspaper in the State of Hawaii. Mr. Ewing is not only a leading editor but an outstanding reporter who won a national award for his reporting of the Tokyo student riots a few years ago.

Mr. Ewing recently delivered an address on American foreign policy before the Rotary Club of Honolulu. Mr. President, I ask unanimous consent to have this excellent enunciation of our foreign policy printed in the RECORD.

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

AMERICAN FOREIGN POLICY

(By William H. Ewing)

What is foreign policy and how is it made? Foreign policy is a program of action intended to maintain the physical security of

our country and the institutions of our Nation in a changing world. I emphasize the final phrase, "in a changing world."

Today's great debate over foreign policy really centers in this last phrase. The administration and its supporters in both parties recognize it as being not only essential but of utmost importance. Others, though admitting its importance, would relegate it to a secondary position.

These latter are principally preoccupied with maintaining the physical security of our country and our fundamental political and social institutions. They are not too much concerned with whether the world is changing or not.

I think this is an extremely shortsighted view because it is based on isolationism and our isolation ended the day the first World War began. Today, in maintaining the physical security of our country and its basic institutions we must reckon with the fact that the world is not the same world that existed when the United States came into being.

We call ours a democratic government and the Communists call theirs democratic, so in order to avoid any conflict over semantics I will depend on the terms "expansionist" and "nonexpansionist." I believe nobody could claim successfully that the United States is expansionist. On the other hand the Kremlin's aim of world communism is admittedly expansionist. Mr. Khrushchev would say this is only a means of spreading the virtues of communism, but the fact remains that he has always done it with a gun, and he has been able to do it only with a gun.

The difference between expansionism and nonexpansionism makes a profound difference in the shaping of foreign policy. In an expansionist country, under communism, foreign policy is simplicity itself. Whatever is calculated to advance the cause of communism is essential to and a logical part of foreign policy.

Because Soviet foreign policy is thus by its nature dynamic and expansionist, whereas the American attitude toward the world at large is one of live and let live, the makers of our foreign policy must of necessity remain constantly on the defensive. This is unfortunate but it is inescapable.

The placing of Soviet missiles in Cuba last fall was an apt example of the aggressive nature of Soviet foreign policy. It was an apt example also of the dangers inherent in a defensive policy which must always react to the opposition, dangerous in that it is by no means certain that the reaction can always be handled in such a way as to avoid war without surrender.

Having had to give ground in the October confrontation, Soviet reaction has been to win back all that was lost and perhaps more but by different methods. The result is that a new crisis in Cuba is likely in making. But Cuba, dangerous though it is, is only the temporary focal point of the test of strength between the United States and Russia.

The big prize, the fulcrum on which the weight of the world may be moved one way or the other, is still Berlin. Should the Soviets win Berlin they would win Europe, and if they should win Europe, I do not see how we could win in the rest of the world.

There is an important addendum to our foreign policy of maintaining ourselves in a changing world, and this is our policy toward the path to be followed by other nations, particularly those nations only recently created. The word here is self-determination; it is a significant word because it has given rise to a bitter controversy among ourselves.

The administration's policy throughout the world is one of self-determination and this has resulted in criticism of our foreign policy on the ground that it is not sufficiently anti-Communist. But what other position, logically, morally and historically, could we because they impose their system by force possibly take?

We denounce the Communist countries and allow none of their victims to say whether they will or will not maintain the Communist order. How can we then be anti-Communist to the point of telling any nation that it must be anti-Communist?

To do so would belie our own belief in the system to which we adhere. Instead, we proceed on the firm conviction that our two great documents, the Declaration of Independence and the American Constitution, are correct when they say all men want to be free, and that they will be free if allowed to choose.

A familiar instance of what I am talking about is the Congo. Belgium retired from the Congo, the Republic of the Congo was established and was admitted to the United Nations. Almost at once the Province of Katanga seceded and the new nation applied for military aid from the United Nations to maintain its unity.

In extending such aid the United Nations did no more than live up to the requirements of its Charter and we ourselves had a large part in making United Nations intervention effective. Yet a powerful body of criticism arose in Congress, in the press, in military circles and around the country generally because the leadership of the Congo rebellion appeared to be more pro-Western than the government in the Congo capital.

The basic idea seemed to be that friends are where you find them and the devil with principle. Happily, in my opinion, no such view prevailed. Katanga has surrendered and, though the Congo's troubles are probably by no means over, the country has been restored to order and is in position to go about its development as a united people.

Morality in government is often derided these days, particularly by those impressed by the successes of cynical and ruthless men, but in my opinion the United States has no choice but to follow a course morally in accord with its traditions and institutions on any great national or international issue.

I believe we would not be half so far along, half so strong as we are today in world opinion, had we based our foreign policy strictly on the thesis of anti-communism instead of on self-determination.

Despite our many problems, and despite the mistakes that are inevitable, I think we can be proud of the record of our country during this post-war period when the world has been in ferment and in many places has been locked in revolution.

At a time when our opponent was fomenting disorder as the first step toward imposing an order of its own, we supplied the help that enabled people to make their own order.

At a cost beyond anything remotely resembling it in history, even on a proper basis of comparison, we underwrote stability in the countries ravaged by war including our former enemies.

Though the world lives today in a balance of terror, so long as the balance remains we can still extend and support the principle of self-determination.

We ought to remember, too, and be proud that the principles of our two great documents, the Declaration of Independence and the American Constitution, today influence the actions of governments throughout the non-Communist world.

The Charter of the United Nations is largely an enunciation of the principles of our Declaration of Independence and our Constitution; and anyone who thinks the Soviets are winning the cold war should stop to consider that every nation acceptable for membership has subscribed to these principles, some, of course, with reservations, such as the Soviet Union.

The fact remains that the principle of self-determination, of freedom for men and nations to decide for themselves what kind of government they shall have, a principle most clearly enunciated in our Declaration of Independence, is today spread throughout the world because it has been made the keystone of American foreign policy.

A MEMO TO THE JUNE GRADUATES

Mr. INOUYE. Mr. President, each June, graduates of high schools and colleges throughout the country are showered with millions of words of advice. Most of the well-meaning speakers tell their young listeners that the free world is counting upon them for final victory.

But George Chaplin, editor of the Honolulu Advertiser, took a different view recently in an editorial entitled "A Memo to the June Graduates." Mr. Chaplin is a distinguished editor, a great southerner, and a former Nieman fellow at Harvard.

Mr. President, I ask unanimous consent to have Mr. Chaplin's editorial printed in the RECORD.

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

A MEMO TO THE JUNE GRADUATES—AMERICA'S UNFINISHED BUSINESS

(By George Chaplin)

A friendly memo to the June graduating classes:

Some years ago a Senator from Massachusetts—I believe the name was Kennedy—addressed a class reunion at Harvard University.

He quoted Prince Bismarck as saying that one-third of the students of German schools broke down from overwork; another third broke down from dissipation; and the remaining third ruled the country.

Ideally, the quality and the scope and the thrust of our educational process should be such as to produce only rulers—if by a "ruler" one means every enlightened citizen capable of evaluating the issues, problems and opportunities, making intelligent decisions about them, and then acting on those decisions.

Such citizens will largely determine the course of our Nation and, in so doing, will significantly influence the future of the world. For while in the years ahead, sophisticated computers will replace much of routine thinking, the fundamental and crucial decisions will always be made by human beings.

It is fashionable to observe, at graduation time that the older generation can hardly wait until the younger generation—meaning you—emerges from the high school and college campus so that the conduct of the world can happily be turned over to you.

This is a base canard, completely devoid of any semblance of truth. No one is impatiently waiting for you to take over. On Broadway these days there's a show titled, "Stop The World, I Want To Get Off." It does not apply to the older generation.

The only way you will ever dispossess that generation—my generation—of any power or position or anything else—except possibly on occasion the family car—is to take them away from us by main force and haul us screaming out the back door. The older generation simply has no intention of giving up.

This is by way of observing that it's a rugged world and you'll need all your knowledge and your nerve and your love of your fellow man to make your way in it. You'll need your faith and a certain quantity of fear, too. For fear need not paralyze; it

often can be a constructive prod to intelligent action.

The world bristles with clear and present dangers and dilemmas. It always has, although our margin for error was never so narrow. Welcome the fact—for what challenge is there without risk? How dull things would be if the world's business were neat and orderly.

Remember, the Declaration of Independence does not guarantee you happiness—but only the right to pursue it. It guarantees you liberty only if you are prepared to make whatever effort, whatever sacrifice is required to preserve that liberty.

In seeking the good life, never let it out of your mind and your heart that the basic strength of the free society is freedom. Encourage freedom of the pursuit of knowledge, freedom of inquiry.

As the late Judge Learned Hand suggested, "Place brave reliance upon free discussion." In a democracy, we need more colloquies, not more soliloquies, more competition of ideas in the marketplace, not less.

The same Judge Hand told the board of regents of the State of New York that "we must not yield a foot upon demanding a fair field, and an honest race, to all ideas."

And Elmer Davis said this Nation is dedicated to the principle—among others—that honest men may honestly disagree.

So beware of thoughtless conformity for the sake of easy popularity and be grateful for intelligent dissent. We can improve our society only by thoughtfully questioning it. That is implicit in the educational process.

Six years ago sputnik, by blasting us out of our apathy and smugness, helped restore American scholarship to the esteem it enjoyed in the early days—when scholars led the Revolution and then for a while occupied the White House.

Sputnik may have fortified in some the lopsided view that science is everything, but it at least gave respectability to the egghead and taught the needed lesson that knowledge, intelligently applied, is the key to our survival and the high road—indeed, the only road—to greatness.

Education, of course, has its pitfalls. One can fall into intellectual arrogance—the kind that prompted Lord Melbourne to say of the young historian Macauley, that he wished he was as sure of anything as Macauley was of everything.

The best way to avoid such arrogance is by being an activist, by being a participant rather than a parasite in this exciting human adventure of our workaday world.

In this world, we of America face three basic challenges—to make democracy more meaningful here at home; to successfully resist the global threat of the Communist bloc to our free society; and to meet, with our allies, the desperate yearning of two-thirds of mankind in the underdeveloped areas to break out from the poverty and the disease and the illiteracy which imprison them—and to thus achieve a dignity which we, in this blessed land, take too much for granted.

The struggle between freedom and tyranny is not new. Athens, the birthplace of democracy, and Sparta, probably history's first police state, were locked in battle more than 400 years before Christ.

Athens and Sparta were, in many respects, miniatures of today's free world and Communist world. Liberty did not come cheap then; it does not come cheap today.

In between the Greek city-states and the nations of today's world, history records the rise and fall of Rome, followed by a thousand years of darkness in the West, then the Renaissance and the Reformation, the sweep of the American and the other political revolutions and of the industrial revolution and, more recently, the death of colonialism and the inexorable force of militant nationalism.

We are now well embarked upon what has been called the scientific revolution.

Certainly no one can doubt that the horizons of science are fabulous. But I would suggest that the real values of science will depend on how science relates to the concepts and values of our free society.

There is some fear that science is becoming the master, rather than the servant, of society. Certainly, there seems to be a widening gap between scientists and humanists.

Sir Charles Snow says the Western World is divided into two cultures—the literary culture and the scientific culture. He says neither understands the other and that each is intolerant of the other, with the result being dangerous for all.

It is a problem which will increasingly be with us. For what profit to conquer outer space if the net is to exalt the machine rather than the human spirit. Science must help build a society that is abundant not only in the material, but is even more durable in the realm of human liberty and dignity.

And if science is to truly prove a boon to mankind, it must be directed to that challenge posed by the two-thirds of the world's people who live in poverty and political instability.

Thus far, science, by creating more and more for the one-third of the world's people who live in modern industrial societies, is actually widening rather than closing the chasm between the haves and the have-nots. It has been said, that as we concern ourselves with a second car or a second TV set, "families in backward societies wonder whether they can afford a second meal."

Their problem is accentuated by the crisis of overpopulation. Consider these figures. At the birth of Christ, there were 250 million people on earth. By the time the English settled our Atlantic coast this total was doubled, to 500 million.

Today the world's population is 3 billion and by the year 2000—37 years from now—it is expected to double again—to 6 billion.

Science is keeping people alive longer—but has not yet been able to adequately feed them. Our crowded world is getting closer to the point when it will have to put out a "Standing room only" sign. If we are unable to resolve this problem, the implications for the future are those of enormous peril.

Meanwhile, there is the continuing need, and thus the continuing struggle, to make democracy work at home.

True, we need physical strength and imaginative diplomacy to resist the Communist threat abroad, but our greatest power still lies in the magic of freedom, in our deep belief in our own capacity to sustain a society in which liberty is paramount, a society in which man has his best chance for happiness. The President has correctly said, "We shall be judged more by what we do at home than by what we preach abroad."

A few weeks ago while on the mainland I made a brief historical pilgrimage. In Washington, I visited the Jefferson Memorial. In Charleston, S.C., I went to the tomb of John C. Calhoun. And in New York I spent an afternoon at the United Nations.

At the Jefferson Memorial, as you walk up the steps just south of the Tidal Basin, you see above the entrance way a sculptured view of Jefferson and others of the committee which the Continental Congress named to write the Declaration of Independence—Franklin and John Adams, Robert Sherman, and Robert R. Livingston.

Inside the memorial, with its 19-foot statue of Jefferson, you see in bronze letters on the walls four selections from his writings, dealing with independence, religious freedom, public education, and the abolition of slavery—which he favored.

Here was a man of whom, at 32, a friend could say, Jefferson is "a gentleman who can calculate an eclipse, survey an estate, tie an artery, plan an edifice, try a cause, break a horse, dance a minuet and play the violin."

He was a remarkable man, this author of the Declaration, this first Secretary of State, this third President, this founder of the University of Virginia—and he lives today in the American ideal toward which we all must strive.

Some hundreds of miles to the South, in the city of Charleston, where the first shot of the Civil War was fired, I visited the tomb of Calhoun. It is a large and dignified tomb. Around it leaves from a magnolia tree had fallen. And, as if in a stage set, a mockingbird was singing.

On the tomb was inscribed the offices which Calhoun had held—Congressman, Senator, Secretary of War, Vice President of the United States. But he was more, of course. He was the high priest of nullification. He was the parliamentary giant who believed and argued that there was virtue and justice in the principle of slavery.

Calhoun's fellow southerner, Jefferson, also believed in States rights, but with a view to sustaining the Union; Calhoun's brand of States rights was designed to break the Union.

It all came to a test in a great and terrible war, which pitted American against American, but which saved the Union. And as I stood by that tomb, with an occasional brown leaf fluttering down from the magnolia, I could not escape the thought that for some Americans Calhoun still lives and the Civil War, which came 11 years after his death, was never fought.

These people are still trying to secede, not so much from the Union as from reality and morality and constitutional authority. It is so sadly evident in the news dispatches of recent days and months from Birmingham and Oxford and many another city and town.

The race conflict, in the South and wherever else it flares in all its ugliness, is a moral conflict. Most southerners, like most other Americans, are basically what Gunnar Myrdal calls "moral-conscious"; most are respecters of the law, and it is these qualities which, in time, with broad leadership will overcome the countervailing social, economic and political pressures, and enable a solution.

Here in Hawaii, we are blessed in our human relations, not because we are instinctively better people, not because our genes and chromosomes are superior to those of others, but because of geography and history.

If we had only two races in Hawaii, one probably would have battled to a dominant role, leaving the other in second place. Our good fortune is that we are a society of minorities; no ethnic group in Hawaii has 51 percent of the population and the result is that reality, rather than inherent virtue, creates or requires mutual respect and tolerance.

Even so, we are not without blemish. There are still enclaves of discrimination and we all would do well to forgo smugness when we read the news of racial upset elsewhere.

There is some discrimination against the relative handful of Negroes who are here; suffice it to say that if there were a sudden heavy influx of Negroes into Hawaii, our luminous shield might quickly be tarnished by overt intolerance. The ideal of racial and religious equality requires constant vigilance, constant nourishment.

From Calhoun's tomb, I went to New York and while there to the United Nations. Looked at in one way, the U.N. headquarters is an impressive mass of marble and green glass dominating the East River skyline.

Viewed in another way, it is, in President Kennedy's words, "man's last best hope for peace,"—or as Ralph Bunche said of it as a world organization, "It's not only the best we have; it's all we have."

The Security Council was out of session and I had the chance to walk down onto the floor of the council chamber and up to the desks labeled with the names of the 11 member nations—5 permanent, 6 rotating. I came away feeling that as long as men will gather about a table and talk there is always a basis for optimism.

I suddenly realized, on leaving the U.N., that without really planning it that way, I had visited in Jefferson's memorial a symbol of the spirit which founded this Republic; in Calhoun's tomb a symbol of the dispute which brought the most severe testing of the Republic; and in the corridors of the 40-floor U.N. building a symbol of the path that may yet lead this Republic and the other 109 member-nations of the U.N. to a workable peace.

In ways that one cannot accurately predict, all of you being graduated this June will play a part of your own in that quest for peace.

I recently wrote to the three living ex-Presidents of the United States to ask for a sentence or two of wisdom that I might pass on to you in closing.

General Eisenhower, it turned out, was not in Gettysburg at the time.

From New York Mr. Herbert Hoover sent these words to you: "In my long life I have lived and worked in countries of freemen, of tyrannies, of Socialists, and of Communists. I have seen liberty die and tyranny rise. I have seen slavery again on the march.

"Every one of my homecomings was for me a reaffirmation of the glory of America.

"Each time, my soul was washed by relief from the grinding poverty of many nations, by the greater kindliness and frankness which came from acceptance of equality and wide-open opportunity to all who want a chance. I was inspired by the self-respect born alone of freemen. There is no place on the whole earth, except here in America, where every youth can have such a chance."

And from Independence, Mo., Mr. Harry Truman responded. I should note that he has lost none of his instinct for getting right to the point.

He wrote this: "My suggestion to you, in reply to yours of May 6, is to tell the young people to do their duty and carry out their understanding of what is right and they won't have any trouble. Sincerely, Harry Truman." How could anyone possibly improve on that?

Good luck.

FLAG DAY—ARMY BIRTHDAY

Mr. INOUYE. Mr. President, tomorrow Americans everywhere will celebrate the 186th birthday of our national flag. By Executive proclamation, this day commemorates the adoption of a resolution by the Second Continental Congress on June 14, 1777, approving the design of the original Stars and Stripes.

As we honor this occasion, let us not forget that this date also marks the anniversary of another notable resolution by that historic Congress. Mr. President, I speak of the creation of the U.S. Army, the organization which for 188 years has served the flag as this country's buttress of strength, as the stanch defender of our land and our institutions.

The flag which we honor is the emblem of our unity as a Nation. And when we unfurl the flag we unfold the story of the Army's dedication to our Nation. It is fitting, therefore, that we pay tribute on this day to the men and women of the Army, whose early struggle against tyranny made possible the very existence of this country, and whose sustaining force has long safeguarded the flag's bright constellation of stars—from the 13 Colonies to the 50 States. Let us pause for a moment to recall the Army's bright record of distinguished service to the Nation.

In mid-June of 1775, the Continental Congress was convened in the old State House in Philadelphia. Skirmishes with the Redcoats had already been fought at Lexington and Concord, and the colonial militia faced the British siege of Boston.

Our historic predecessors, recognizing that the success of the patriots depended upon unity of strength and purpose, voted to adopt the small band of fighting men already bearing arms as a single Continental Army. Further, they determined to enlarge the force and on June 14 of that fateful year resolved "that six companies of expert riflemen be immediately raised in Pennsylvania, two in Maryland and two in Virginia."

On the following day, the new Army was given a leader—Gen. George Washington.

Thus, over a year before the signing of the Declaration of Independence, our yet unborn Nation, supported by a regular force, stood at the threshold of the long struggle for freedom and self-determination.

The Revolution marked only the beginning of the Army's service to the Nation. There would be much to do. Independence had to be secured and a vast continent opened and developed. The Union would have to be preserved, no matter how great the cost. The Army, growing in strength with our country, helped achieve these objectives. All the Nation asked, the Army did. I need not remind you of Harrison at Tippecanoe, of Scott at Chippewa, of Taylor at Monterrey, and of Teddy Roosevelt at San Juan Hill.

The United States entered the 20th century as a world power. And three times within as many decades, our fighting men paid the high price of freedom. American soldiers marched across the ancient battlegrounds of war-weary Europe; tramped through the dense jungles of isolated Pacific islands; fought over the rugged terrain of embattled Korea. The names of Pershing, MacArthur, Marshall, Eisenhower, Bradley, and many others were added to the long list of this country's great captains.

And at this very moment, as we are well aware, the Army is positioned strategically around the world, poised as a powerful deterrent to Communist aggression.

During the past 188 years, the strength, organization, weapons, and uniform of our country's senior service have undergone distinctive changes. Continual research and planning have increased the ability of the Army to perform in its basic mission—the defense of our land and our institutions. At the same time, moreover, the Army has made outstanding contributions to the general welfare of all our citizens—humanitarian contributions unmatched by any army in history.

William Clark, Zebulon Pike, John Charles Fremont—military men—charted and blazed trails through the American wilderness. Army Engineers were harnessing waterways and dredging harbors as early as 1824. The Panama Canal and the Alaskan Highway are shining examples of the hundreds of projects built by the Army to make the United States and the world a better place in which to live.

Through the years, important advances in medicine have matched the vital achievements in exploration and engineering. Yellow fever, typhoid, and beriberi fell before the insistent research of Army doctors. And I might point out that this tradition of dedicated research is very much in evidence today. Not long ago Army medical personnel isolated and identified the virus causing Asian flu, thus paving the way for development of an effective vaccine.

Other contributions stemming from Army research and development include modern aircraft, weather prediction techniques, automatic transmissions, flameproof fabrics, and modern methods of processing and packaging foodstuffs.

This varied list could be continued to encompass many other benefits to our society, but suffice it to say that, as liberator and inventor, defender and healer, the U.S. Army is a strong and versatile force, both in safeguarding our national ideals and in creating a richer and fuller life for all our citizens.

It is therefore with great personal pleasure, Mr. President, that I recount these impressive achievements of the Army. On the special occasion of its birthday, we remember with gratitude the invaluable service faithfully rendered by this honored organization to the Nation—and to the flag. I know that my distinguished colleagues join me in an expression of appreciation and good will.

NORTH CAROLINA MUTUAL LIFE INSURANCE CO.

Mr. ERVIN. Mr. President, one of the many institutions in which North Carolina justly takes great pride is the North Carolina Mutual Life Insurance Co. of Durham. North Carolina Mutual is the world's largest Negro owned and operated insurance company, with branch offices in South Carolina, Georgia, Alabama, Tennessee, Virginia, Maryland, New Jersey, and the District of Columbia.

Only recently, North Carolina Mutual held ground-breaking ceremonies for its new multimillion-dollar home office building which is being constructed on land which once comprised Four Acres, the homestead of the late James B. Duke who established the Duke Endowment.

North Carolina Mutual's founder and first president, James Merrick, was the personal barber of Washington Duke, organizer of the American Tobacco Co., and father of James B. and Benjamin N. Duke. At the instigation of the Dukes, Merrick associated himself with Dr. A. M. Moore to establish North Carolina Mutual which today has grown into an organization having assets of more than $76 million.

The company is obviously outstanding by professional standards; but it is, I believe, particularly deserving of our com-

mendation because of the exemplary leadership it provides in the American tradition of free enterprise.

North Carolina Mutual's influence is not, however, limited to the boundaries of the United States. This institution has its own foreign aid program. In 1960, the company employed Victor Maafo, of Ghana, as an intern for a 2-year period. Mr. Maafo, who has studied at Wesley College, the University of London, and the Ghana School of Social Welfare, plans to establish a life insurance company in Ghana after completing his assignment with North Carolina Mutual. Undoubtedly, Mr. Maafo's internship with the company will assist not only in the economic development of his native country, but also in fostering better relations between this country and Ghana.

Our appreciation for North Carolina Mutual's contribution is best expressed in our deep and sincere admiration and our best wishes for continued progress in the future.

Mr. President, I ask unanimous consent that the following article and editorial be printed at this point in the RECORD: "Ground-Breaking Ceremony Held by North Carolina Mutual," an article by Charles Barbour, appearing in the Durham Morning Herald of May 18, 1963; and "Memorable Ground Breaking Friday," an editorial from the Durham Morning Herald, of May 19, 1963.

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

[From the Durham (N.C.) Morning Herald, May 18, 1963]

GROUND-BREAKING CEREMONY HELD BY NORTH CAROLINA MUTUAL

(By Charles Barbour)

North Carolina Mutual Life Insurance Co., the country's largest Negro-managed life concern, began construction of its new multimillion-dollar home office building here Friday with a groundbreaking ceremony.

Figures of international, national, State, and local prominence gathered with some 300 to 500 townfolks to witness the turning of the first layer of dirt. The 12-story structure will be erected on the site of the former homestead of the late B. N. Duke, brother of J. B. Duke, tobacco millionaire who endowed Duke University.

Asa T. Spaulding, president of the firm, told those attending the ceremonies, "As our new building rises from its foundation floor by floor, we believe the pride of our whole community will rise with it, and that it and what it represents and signifies will not only improve Durham's skyline, but will also help hasten the day when the city will stand out unquestionably as an example worthy of emulation and most deserving of 'The American City Award.' "

Among the distinguished guests scheduled to speak was S. Edward Peal, Ambassador of the Republic of Liberia, West Africa. He could not attend, but sent a long letter which referred to the project as the "Spaulding Dream," and noted that the Negro people, Durham, and the Nation could point with pride toward this undertaking.

Senator B. EVERETT JORDAN told the group that the State was very much interested in luring new industry to the area. "But," he added, "we are more interested and happy to see one of our own businesses grow," and added that he hoped other firms in the area would follow the example being set by North Carolina Mutual.

State Commissioner of Insurance Edwin Lanier reminded the group that North Carolina Mutual is 64 years old. He then pointed out that the department of insurance is likewise 64 years old. "We grew up together," he said, "and 64 years from now, in the year A.D. 2027, North Carolina Mutual might be breaking ground for a branch office on the moon."

George Kirkland, chairman of the Durham County Board of Commissioners, termed the insurance firm one of the "strong pillars in the building of Durham," and said the concern had set a good example for others to follow.

Mayor E. J. Evans praised the undertaking, and then took time to award President Spaulding a gold key to the city in token of his work with the organization.

Others speaking briefly included Dr. Charles A. Ray, representing the Durham Business and Professional Chain; J. Wesley Lewis, president of the Durham Chamber of Commerce; J. H. Wheeler, president of Mechanics and Farmers Bank, and chairman of the Durham Committee on Negro Affairs; Dr. Alfonso Elder, president of North Carolina College; and Dr. Herbert J. Herring, vice president of Duke University.

Home Security Life Insurance Co., another life concern who recently built a new office building in the same general area, was host to distinguished guests and North Carolina Mutual officials at a luncheon following the ceremony, and Home Security President Watts Hill, Jr., spoke briefly to those attending.

[From the Durham (N.C.) Morning Herald, May 19, 1963]

MEMORABLE GROUND BREAKING FRIDAY

Groundbreaking Friday for the new skyscraper home of the North Carolina Mutual Life Insurance Co. was a memorable event for Durham. Not only does it herald a new and imposing office building to enhance the city's attractiveness; also in its promise of much expanded facilities for the company it forecasts still greater growth for the company and in a stronger company added prestige for Durham in the financial and insurance world.

North Carolina Mutual has for more than threescore years been one of Durham's notable assets. Its steady and substantial growth has been a source of economic strength and business pride to the city and to the entire State.

A particular fitness attends the building of the company's new offices at Four Acres. The new building replaces the mansion of one the early builders of Durham whose advice and encouragement inspired the founding of North Carolina Mutual Life Insurance Co. The Dukes, Mr. Washington Duke and his sons James B. and Benjamin N., took as much, possibly more, pride in their ability to pick men for responsibilities as they did in their own ability to build great businesses and to acquire great wealth. Impressed with the native ability of John Merrick, their barber, they encouraged him to go into business. He did, in association with Dr. A. M. Moore, and the North Carolina Mutual is the result. If he could see the skyscraper office building of this company rise on the site of his old home, the late Mr. Ben Duke would see in it his judgment of Mr. Merrick's ability abundantly vindicated.

North Carolina Mutual will soon join as neighbor Durham's other life insurance company, Home Security, whose home office is situated just across Duke Street. Their adjacent locations will probably soon bring to the commanding eminence the name "insurance hill." More important though, is the distinction the two growing companies will continue to bring to Durham, which, to its gratification, both call home.

THE ISLAND OF CUBA

Mr. CHURCH. Mr. President, recently my friend and colleague the senior Senator from Wyoming [Mr. MCGEE] made an interesting proposal to convince Mr. Khrushchev of the folly of trying to maintain a base for his operations on the island of Cuba.

In order that this proposal get the widest possible hearing, I ask unanimous consent that an article describing it, by the Hearst reporter, David Sentner, be printed in the RECORD.

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

JACKSON, WYO.—Senator GALE W. MCGEE, Democrat, of Wyoming, today called for the United States to "pull the lid" on Khrushchev behind the Iron Curtain if Soviet troops are not withdrawn from Cuba.

MCGEE asserted there could be no more propitious time for the United States to negotiate for removal of Soviet military forces from Cuba through the threat of aiding underground groups in Soviet satellite nations.

He declared there was currently a rising tide of nationalism and discontent apparent throughout the Soviet slave territory.

Senator MCGEE, a professor of history, revealed his blueprint for ridding Cuba of Soviet troops while attending the western premiere of "Spencer's Mountain." Maureen O'Hara and Henry Fonda star in the Warner Brothers film which deals with the adventures and problems of the rugged Spencer family.

Senator MCGEE plans to transmit his blueprint for solution of the Cuban crisis to the Secretary of State or President Kennedy.

He made it clear he was not advocating any direct military assistance to Iron Curtain resistance groups which might induce a world conflict but would provide merely financial and moral aid.

"While such limited assistance to anti-Communist movements inside the Iron Curtain is less than the Kremlin is providing an anti-American and pro-Communist government 90 miles off our shores, a 'pull the lid' program would prove a powerful diplomatic weapon," said MCGEE.

"Khrushchev knows he has an achilles heel in the matter of retaining Soviet enslavement of his satellite nations.

"In Czechoslovakia today there is a political and economic restlessness reflected in suppressed demonstrations among the students and workers. This is partly due to reduction in economic supports from Moscow and dissension inside the Communist Party.

"There is a possibility that disorders may build up to another Hungary type of uprising."

MCGEE said that crop failures and lack of distribution of goods were adding to tensions in Poland, Rumania, and other Soviet satellite countries.

Globe-traveling Maureen O'Hara, beautiful star of "Spencer's Mountain," contributed her suggestion toward winning the cold war.

She urged that more emphasis be placed on beaming the story of America to the women of Russia. She said Russian women have great influence in the Soviet Union aside from the Communist Party, pointing out, for example, that 77 percent of Soviet doctors were women.

"If the women of America could tune in on the women of Russia perhaps something could be done to improve the international situation," said Maureen.

PEACE CORPS SUCCEEDS IN BOLIVIA AND IN NEPAL

Mr. BURDICK. Mr. President, initial discouragement often faces our Peace

Corps volunteers, and courage, patience, and determination are necessary to overcome barriers to understanding. Fortunately, these qualities abound among our Peace Corpsmen. Their presence, combined with the experience of living and working with the people overseas, helps them to feel the actual texture of the culture and offers great promise of improving international relations.

Two fine articles in the May 1963 Peace Corps Volunteer explain the problems and activities of Peace Corpsmen in Bolivia and in Nepal. I am proud that two young North Dakotans—Pat Vessel of Fargo and Ken Van Sickle of Ellendale—are participating in these projects.

I ask unanimous consent that these two articles be printed in the RECORD.

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

[From the Peace Corps Volunteer, May 1963]

BOLIVIA VOLUNTEERS MAKE A GO OF URBAN JOBS

Has an urban assignment got you down? Do you crave the boondocks?

Early last fall there were in Sucre, Bolivia, five public-health volunteers whose prospects seemed most unpromising. One of them, a nurse, had an unpleasant dispute with a Bolivian doctor largely because of a language difficulty. She and the other Peace Corps nurses all felt resented by their Bolivian coworkers.

Gerry Marr, Lismore, Minn., Frances Valdez, Trinidad, Colo., Pat Vessel, Fargo, N. Dak., and Judy Worms, New Munich, Minn., all shared a suspicion that it might not be easy to establish real rapport with the people of Sucre, a small city dominated by its old and honored university. Instead of requesting a transfer to a rural assignment, however, they decided to stick it out.

Within 6 months they had made contact with hundreds of poor families through a milk-distribution program. They had established four model wards in the local hospital to help in training nurses. They had helped to set up and teach a credit course in English-language medical terminology at the university medical school. They had put into operation two free dispensaries and were training young Bolivians to assist in staffing them. They were broadcasting regular public-health and nutrition talks in Spanish and English over a local radio station.

A campaign to mobilize young people to renovate an orphanage had resulted not only in the rehabilitation of the institution but also in a remarkable outpouring of public spirit and the beginnings of what may become a Bolivian voluntary service corps.

The enthusiasm of the young Bolivians, led by a law student from the University of Sucre, was too strong and too articulate to be dismissed as a passing fad. These Bolivians had been moved by the sight of Peace Corps volunteers working for their community, and they sought ways to express their own sense of civic responsibility.

Jim McTigue, Braintree, Mass., a pharmacist and volunteer leader in Sucre in those early, difficult months, was largely responsible for organizing the Peace Corps breakthrough. To accomplish his ends, Jim found out what made Sucre work, who the leaders were, what the city needed and wanted.

THE GIFT FOR PEOPLE

He has what the Latins call the don de gente, the gift for people. The local prefect agreed to contribute from public funds the equivalent of $18 toward the orphanage rehabilitation. Through a clerical error he gave Jim a check for 10 times that amount. By the time the error came to light, the money had been spent, thus denting the prefect's budget. But Jim and the prefect are still the best of friends.

What made the Peace Corps work in Sucre is difficult to say. Part of the secret, certainly, was Jim McTigue's effort to develop contacts with people who were sympathetic and who could give sound advice. An hour or so of patient listening was far better than a hastily organized project.

Patience pays off in other ways, too. Watching Jim McTigue take several hours off to act as godfather to the 12th child of an unemployed laborer was to see what the don de gente can really accomplish.

SUITABLE PROJECTS

The Peace Corps projects in Sucre were sound because they posed no sharp threat to the established scheme of things and because, in general, they led naturally into other ways to achieve Peace Corps goals.

The milk-distribution program was an entré into the lives of thousands of persons who could then be persuaded to seek the medical attention that was available only if they asked for it. It was an opportunity to introduce concepts of public health and of nutrition which these people were not aware of.

Teaching a course at the university led to wider contacts with a variety of students eager to sit up half the night discussing politics and world affairs. The orphanage renovation brought a fresh awareness to the people of Sucre of what community effort can achieve.

None of the Sucre volunteer nurses was working in quite the way she expected. But out of initial discouragement in an urban assignment came a usefulness and effectiveness that fulfilled their hopes.

LEARNING FROM PASHUPATI

Shortly after arriving in the hill village of Dhulikhel, volunteers Jerry Young, Reading, Mich.; and Ken Van Sickle, Ellendale, N. Dak.; began building behind their house the first latrine in the history of the town. It was not elaborate but it was original, and Pashupati, a teacher from the volunteer's school, was impressed. A structure like this, he said, would be just the thing for the high school, and the volunteer saw an ideal community project coming up.

Winter vacation began, and so did work on the school latrine. Three other volunteers and I went out to help. But progress, unhappily, was patterned roughly as follows: the hole was dug (by volunteers), bricks were carried and laid (by volunteers), wood flooring was sawed and laid (by volunteers).

The students came by—to watch with an air of faint amusement all the goings-on. So did Pashupati. How strange to see teachers, and American ones at that, doing menial labor, soiling their hands. Meanwhile, we were becoming aware of the workings of the Hindu caste system.

PATIENCE TRIED

As the walls grew higher, our irritation increased. Occasionally a student would carry a brick or two, at our request, but usually our modest pleas for help were met with the excuses from the students that they weren't strong enough to carry bricks, that they did "not know how" to do the work. Pashupati wasn't much more enthusiastic, though he would occasionally tote a brick or two. I slapped the last brick in place just as the last stores of my patience were depleted.

Later, in calmer reflection, I realized two things. First, we had made mistakes in conceiving and organizing the project. We had failed to make the students see that the latrine, and its relation to health and sanitation, was something of immense importance to them. Enthusiasm for any project arises only if the project relates to the experience of the people involved. Furthermore, we had followed the old American way of doing things: see what needs to be done, then pitch in and do it.

SUPPORT NECESSARY

This Pashupati told us afterward, is not the Nepali way. Nepalis like to make great plans, organize committees, have meetings. This we did not do, and we consequently failed to obtain positive community support from the beginning. Lacking that support, we did not achieve the personal ties we might have.

Second, our own example had brought definite, though at times barely perceptible, changes in the attitudes of our "helpers." Pashupati's attitude changed from skeptical bewilderment to outright cooperation. What he observed was an accomplishment of initiative and hard work, and as the building neared completion, more labor and less looking came forth. It was satisfying to see a few students voluntarily beginning to get their hands dirty.

The experience was certainly invaluable as a guide for the future on how to accomplish in this culture, which is in some ways so different from our own.

Our little structure, which now firmly rests on the side of a hill commanding the vast panorama from Annapurna to Mount Everest, was built under trying conditions, but I believe it offers promise for the future.

LOCAL SERVICE CARRIERS HAVE STRENGTHENED AIR TRANSPORT SYSTEM OF THE UNITED STATES—CONGRESS HAS CLEARLY AFFIRMED ITS SUPPORT

Mr. RANDOLPH. Mr. President, in this 25th year since the passage of the Civil Aeronautics Act of 1938, now the Federal Aviation Act, it is well to reaffirm congressional interest in securing and strengthening scheduled air services to the smaller as well as the larger cities of the Nation.

The action of the Congress of the United States in establishing, through the Civil Aeronautics Board, a group of airlines dedicated to serving small and intermediate size municipalities and their trading areas, has proved to be a productive investment.

These carriers, known as local service airlines, provide direct and daily flights to 577 communities in this country. Three hundred and forty-four of these urban and suburban sections of small and intermediate size are dependent solely on the local service operators for their scheduled air transportation.

With these services supplementing the larger trunk airline systems, there are few points in the Nation more than a day's travel away from any part of the country.

Air transportation is therefore meeting the growing needs cited in the act, namely, those of "commerce of the United States, of the postal services, and of the national defense."

The importance of the local service airline today to the economic and social development of our intermediate and smaller communities is generally recognized. It indicates the appropriateness of reviewing the trend of air transportation in the 1940's and the occasion for establishing these carriers.

It was apparent at that time that the trunk airlines, for sound economic reasons, were concentrating on the larger metropolitan markets. Flights to small-

er cities were limited and subject to the needs of the terminal-to-terminal passengers. In many cases, intermediate trunk flights were down to one flight daily. Had this situation been permitted to continue, industries in our smaller and intermediate size cities would have been at a serious competitive disadvantage.

Recognizing this problem, the Congress urged the Civil Aeronautics Board to develop a program which ultimately led to the "two level" air transport system we now have. The trunk airlines were assigned the major markets and the local service airlines were certificated on a regional basis to meet local air service requirements.

The Congress has consistently provided the subsidies required by this investment in the economic and social development of smaller communities.

In West Virginia, three of the local service airlines—Allegheny, Lake Central and Piedmont—serve all 10 of the State's airports where there is scheduled carrier service. Eight of these airports, and scores of communities are solely dependent on these local service carriers for air transportation. Through the services of the local airlines, numerous West Virginia industries not in air trunkline cities, are accessible to the commerce of the Nation. They also are in better national defense status and more advantageously benefit from the movement of the mails and cargo by air. And, of course, the markets of the other States are more readily available to West Virginia.

In addition to being a primary requisite for the conduct of business of existing industries, air service is an important and, at time, a determining factor in the location of new industry. This was borne out in North American Aviation's decision to establish a plant employing 325 persons at Princeton, W. Va., last year. The same is true with respect to a number of new industries in other parts of our State, including the central counties, the Ohio Valley and the eastern panhandle.

It is vital, both from the standpoint of West Virginia and the United States, that local air services be continued and further developed.

West Virginia has not always been as dependent on local service airlines as at this time. Less than 4 years ago, the trunk airlines served seven of the State's certificated airports. Those carriers asked to be relieved of their operational obligation at five of these so-called loss points on the premise they could be served better by subsidized local service airlines. Following a series of hearings, the Civil Aeronautics Board suspended the services of the trunkline carriers. The local service airlines accepted their newly added responsibilities and the communities acquiesced in the belief that an adequate air pattern—hopefully better schedules—would be provided. This was the situation when American Airlines was replaced at Elkins and Parkersburg, Trans-World Airlines at Wheeling, and United Air Lines—Capital—at Clarksburg-Fairmont, Morgantown and Wheeling. American, Eastern, and United continue to provide excellent interstate service to our people from Charleston and Huntington.

In authorizing discontinuation of considerable trunkline services in West Virginia and at many other points in the Nation, the Civil Aeronautics Board is obliged to provide the replacing local service airline with the necessary support and flexibility to operate a meaningful and productive service.

The local oriented airlines carried more than 7 million passengers in 1962. This was a 130-percent growth over the previous 5 years. These lines, Mr. President, appear to have turned the corner on subsidy requirements.

While this is commendable, the Civil Aeronautics Board must recognize there is much to be done to stabilize and strengthen the local service carriers and thus assure the continuation and permanence of effective air service to smaller and intermediate size communities.

The intent of Congress has been clear in this area.

The Federal Aviation Act of 1958 and its predecessor legislation, the Civil Aeronautics Act of 1938, which I cosponsored, are expressions of congressional policy. Section 401 of the current act provides for the airline certification, including those flights operated by the local air carriers. The Board consistently refused to accord permanent and stable status to the local service carriers. In 1955 the Congress responded by amending section 401 of the 1938 act to make permanent the then outstanding route authority of the local airlines. Section 406 of the act provides for the payment of subsidy by the Board to the air carriers in amounts sufficient to meet the needs of such carriers and to yield to them a fair return in their investments.

The clear intent of Congress is to be found in the official reports and actions of the various committees of the Congress. Mine has been a longtime and very real personal and official concern for civil aviation, both as a Member of the House of Representatives and as a Member of the Senate.

The reduction of the subsidy required to sustain their expansion and development is of interest to all of us—the passenger, the shipper, and the user.

Such reduction should not, however, be accomplished through the emasculation of the program nor should arbitrary limits be placed on the carriers. These actions have the effect of forcing reduced intermediate services and arresting the dramatic traffic growth—over 100 percent in the last 5 years—of the local service airline industry. Certainly, there must be ways and means of strengthening the operators, once called feeder carriers, thereby realizing the same objective in a more constructive way.

Mr. President, the Board should recognize that Congress has a continuing interest in the development of air services in the smaller and intermediate size communities. And the companies providing such services must be economically sound if our air transport system is to fulfill the intent of Congress as defined in the Federal Aviation Act.

A GREAT MILESTONE IN THE HISTORY OF AMERICAN CULTURE—THE PRESIDENT'S ESTABLISHMENT OF AN ADVISORY COUNCIL ON THE ARTS

Mr. HUMPHREY. Mr. President, yesterday, June 12, 1963, will be regarded as a great milestone in the history of American artistic activities. On that day, the 35th President of the United States established within the Executive Office, for the first time in American history, an Advisory Council on the Arts.

The Council is to be composed of heads of departments and agencies concerned with the arts, together with 30 private citizens, active in American cultural affairs.

This is, I should like to point out, no mere pro forma organization. It is geared to help assist toward a dynamic program. Such a program can advance American cultural ideals through recommendations for practical long-range action.

The President anticipates, therefore, not only continued survey of the arts but receipt of specific, useful suggestions. The President is, of course, keenly familiar with the urgent needs of the arts. His statement refers, for example, very frankly, to the financial needs of many artistic organizations and professional artists.

ATTAINING NATIONAL CONSENSUS

I may say that those of us in the Congress who have been privileged to work for the arts see the advisory council as an admirable instrument for the attainment of a national consensus.

Consensus toward what, it may be asked? Toward action—action, as the President envisages, for encouraging more gifted youngsters to enter and to remain in the arts, action to stimulate and work with grass-roots and State art councils, action in specific fields such as "tax laws, copyright laws, disposition of surplus property, public works and community development, public buildings, housing and urban renewal."

An advisory group is, by definition, advisory, but the advice is the means toward ends. And the ends are actions.

The responsibility for actions is, of course, shared by the legislative branch.

ACTION NEEDED ON NATIONAL ART FOUNDATION

I believe, therefore, that we of the Congress should lose no opportunity to proceed on necessary art legislation.

I hope that action will be taken, for example, toward enactment of S. 1316, the bill which would not only establish the advisory council on a permanent statutory basis, but, far more important, would establish a U.S. National Art Foundation, including a grant-in-aid program to the States. This legislation, popularly known as the Javits-Pell-Humphrey bill, has been further improved since its enactment in an earlier form by the Senate in the closing days of the second session of the 87th Congress.

I am sure that the distinguished Senator from Rhode Island [Mr. PELL] will be giving this matter his most careful

attention as chairman of the Senate Labor and Public Welfare Subcommittee which is expert in this field, aided by the active Senator from New York [Mr. JAVITS].

TRIBUTE TO SUPPORTERS OF ADVISORY COUNCIL

Let it be noted that the President's issuance of the executive order represents the culmination of many years of patient, devoted effort by a great many public officials and private citizens. Most worthy of commendation is one particular citizen, Mr. August Heckscher. He has served with great distinction as the President's Special Consultant on the Arts. Mr. Heckscher brought to this post the same qualities of great learning, great understanding, and great ideals, which have characterized his efforts in a broad number of civic fields down through the years.

It would not be feasible to "call the roll" of the many other individuals in public and private life, who helped achieve the landmark of June 12, 1963.

I personally have been happy to offer bills for an Advisory Council for a number of years.

On April 18, 1962, I had written to Mr. Heckscher, suggesting that, in view of setbacks to legislation of this nature, the President might wish to exercise his prerogative to set up the Council administratively.

A week later, April 25, Mr. Heckscher wrote back, indicating deep interest in this concept. Our exchange of letters appears on pages 267–268 of the Senate hearings on my bill, S. 741, 87th Congress and on related bills.

BOTH PARTIES HAVE WORKED FOR THE GOAL

In the House of Representatives, several distinguished Members have worked hard for this goal. I believe that it would be universally conceded that no Member of the House has been more active in this effort than Congressman FRANK THOMPSON of New Jersey. I should like, too, to commend the role of Congressman JOHN LINDSAY of New York, among others of both parties.

In this connection, let it be noted that the first suggestion by the Executive office on this subject was made by President Dwight D. Eisenhower, 8 years ago. At that time, he urged enactment of a bill to establish an Advisory Council, but suggested that it be set up as an aid to the Secretary of Health, Education, and Welfare and within that particular Department.

By contrast, the present order, like the provision in S. 1316, sets up the Council close to the Chief Executive where it can rightly serve and to some extent speak for the entire executive branch.

REPORT BY MR. HECKSCHER

Now looking forward, may I mention these points:

First. Next Monday morning, a report will be released by the President's Special Consultant on the Arts, Mr. Heckscher. I believe that this report will represent an extremely important statement and will be very well received here and throughout the Nation.

Second. We are all, of course, awaiting with interest announcement of the names of the 30 private citizens who are being selected by the President to serve on the Advisory Council. I am informed by the White House that the selections have been completed. However, in view of the usual procedures of final clearance, and so forth, it will probably be a month and a half or so before the Executive office is in a position to announce the list.

FORTHCOMING PUBLICATION BY REORGANIZATION SUBCOMMITTEE

Third. I expect that, shortly thereafter, we will release a committee print, entitled: "Activities of the U.S. Government Related to the Arts." This print will be published by the Committee on Government Operations through its Subcommittee on Reorganization and International Organizations, of which I am chairman.

The print brings together, for the first time, the text of all Federal laws on the arts, as well as a brief description of Federal organization and expenditures in the arts. It lists all the advisory commissions, boards, panels, and other groups assisting Federal organizations in the arts. Advance copies of this print were circulated last year to Mr. Heckscher's office and to other sources. In doing so, I had pointed out this paradox: Many individual departments and agencies have had advisory art groups, but there has been no one group to serve the executive branch, as a whole. Fortunately, this particular situation has now been corrected.

WORK OF THE COUNCIL

With respect to the Council, itself, two points might be made:

First. The Advisory Council will aid the President's Special Consultant on the Arts and the latter will be in a position to aid the Council.

Second. The Council is fairly large—a maximum of 43 members. Even so large a group can function without being unwieldy. The fact is that there is a vast array of artistic areas and needs. And they require a broad, representative basis from which to draw specialized knowledge and skills.

The Council will function in large part through subcommittees and additional panels. Membership on these groups, in turn, will consist of the highest level individuals in the professions and artistic disciplines.

ART AND THE SPACE-NUCLEAR AGE

Finally, may I observe that formation of an Advisory Council on the Arts is ideally suited to these times when the soul of man is so tested on every front.

The Council symbolizes the nature of man—striving for the good, the excellent, and the beautiful, while meeting the fundamental challenges of security and survival.

A cultural renaissance is not an anachronism in the space-nuclear age—it is a necessity for this age, for it is an expression of the whole of man's interests. It is the proof that we will continue to pursue man's esthetic interests in order, among other reasons, to strengthen our inner lives against outer perils.

But mostly, we seek the highest in artistic creation, because the profound impulse to art exists in man and must find its fullest outlet.

I ask unanimous consent that there be printed at this point in the RECORD the text of the President's statement and of his Executive order.

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

STATEMENT BY THE PRESIDENT ESTABLISHING THE PRESIDENT'S ADVISORY COUNCIL ON THE ARTS

Establishment of an Advisory Council on the Arts has long seemed a natural step in fulfilling the Government's responsibility to the arts. I acknowledge the support of Members of the Congress in both Houses for this measure. I am hopeful that the Congress will give the Council a statutory base, but meanwhile, the setting up of the Council by Executive action seems timely and advisable.

Accordingly, I am establishing the President's Advisory Council on the Arts within the Executive office, to be composed of heads of Federal departments and agencies concerned with the arts and 30 private citizens who have played a prominent part in the arts. Private members will be drawn from civic and cultural leaders and others who are engaged professionally in some phase of the arts such as practicing artists, museum directors, producers, managers, and union leaders. An Executive order is being issued today defining the scope and structure of the Council and I shall shortly announce the names of those private citizens I am asking to serve.

The creation of this Council means that for the first time the arts will have some formal Government body which will be specifically concerned with all aspects of the arts and to which the artist and the arts institutions can present their views and bring their problems.

It is my hope that the Advisory Council will keep the state of the arts in this country under survey, and will make recommendations in regard to programs both public and private which can encourage their development. I trust that the Council will recommend such permanent procedures and programs as they consider necessary in this field.

I should like to summarize briefly my reasons for believing that the establishment of such a Council by the Federal Government is both appropriate and urgent.

Widespread public interest in the arts has not always been accompanied by adequate concern for the basic institutions of our cultural life. Increased attendance at museums, for example, has not eased long-standing financial problems but has actually increased the strains on these institutions as new services have been expected by the public. Of the thousand and more symphony orchestras of which we are justly proud as a nation, only a comparatively few have serious professional status and offer a season of sufficient length to provide a living wage to performers. The same is even more true of opera and dance groups. For some years American singers have been going in large numbers to find in Europe opportunities for employment which institutions at home cannot provide. The professional theater—despite the development of amateur groups—reaches only a limited part of the population. Indeed children are growing up who have never seen a professionally acted play.

A recent estimate by the Department of Labor presents a gloomy forecast of employ-

ment opportunities for the next decade. Although the demand for concerts and performances is bound to grow, there is no evidence that employment opportunities for the professional artist will increase. This is a situation which deprives Americans of the cultural opportunities they deserve and want, and discourages the development of creative talent.

I emphasize the importance of the professional artist because there is danger we may tend to accept the rich range of amateur activities which abound in our country as a substitute for the professional. Without the professional performer and the creative artist, the amateur spirit declines and the vast audience is only partially served.

Art is no exception to the rule in human affairs—that of needing a stable and ample financial and institutional base. As education needs schools, so art needs museums, actors and playwrights need theaters, and composers and musicians need opera companies and orchestras.

The Government has a responsibility to see that this important aspect of our lives is not neglected. The concept of the public welfare should reflect cultural as well as physical values, esthetic as well as economic considerations. We have agencies of the Government which are concerned with the welfare and advancement of science and technology, of education, recreation, and health. We should now begin to give similar attention to the arts.

Specific problems and areas which I hope the Council will look into include the following:

I am particularly interested in the opportunities for young people to develop their gifts in the field of the arts and also to participate in an active cultural life. The Council will, I hope, examine the degree to which we are now meeting our responsibilities to young people in this area.

The Council should evaluate the many new forms and institutions which are developing. For example, the growth of State arts councils is significant, as is also the planning of community cultural centers in many cities and regions of the country.

The impact of various general governmental policies and programs on the arts is an area to which I hope the Council will give special attention. This includes such specific fields as tax laws, copyright laws, disposition of surplus property, public works, and community development, public buildings, housing and urban renewal, and others.

Public recognition of excellence in the arts is one effective way of giving encouragement. I am sure that the Council will want to give consideration to various possibilities in this field, including such forms of recognition as prizes, competitions, festivals, traveling tours, and exhibitions.

Although the international cultural exchange program will not be a responsibility of the Council, the link between the vitality of our national cultural life and institutions and the success of our international programs is obvious. Our international programs are a direct reflection of our cultural achievements at home. I hope that the Council as it looks at the national cultural scene will consider its implications for our exchange programs.

The cultural life of the United States has at its best been varied, lively, and decentralized. It has been supported—often with great generosity—by private patrons. I hope these characteristics will not change, but it seems well to assess how far the traditional sources of support meet the needs of the present and the near future. In giving form to this reassessment the President's Advisory Council on the Arts will be making a most important contribution to the national life.

ESTABLISHING THE PRESIDENT'S ADVISORY COUNCIL ON THE ARTS

By virtue of the authority vested in me as President of the United States it is ordered as follows:

SECTION 1. Establishment of the Council: (a) There is hereby established the President's Advisory Council on the Arts (hereinafter referred to as the Council).

(b) The Council shall be composed of the Secretary of State, the Secretary of the Treasury, the Secretary of Defense, the Postmaster General, the Secretary of the Interior, the Secretary of Labor, the Secretary of Health, Education, and Welfare, the Housing and Home Finance Administrator, the Chairman of the Commission of Fine Arts, the Secretary of the Smithsonian Institution, the Director of the U.S. Information Agency, the Administrator of General Services, the President's Special Consultant on the Arts, and no more than 30 members appointed by the President from among persons in private life who are widely recognized for their role in the arts, including practicing artists, civic and cultural leaders, and others professionally engaged in the arts. Members from private life shall serve for terms of 2 years, except that the terms of members initially appointed shall be for 1 or 2 years as specified by the President. The Chairman shall also invite the Librarian of Congress to be a member of the Council.

(c) The President shall designate the Chairman of the Council.

(d) Federal members of the Council shall receive no compensation for such service. Members appointed from private life shall receive compensation for each day engaged on business of the Council and travel expenses, including per diem in lieu of subsistence, as authorized by law (5 U.S.C. 55a; 5 U.S.C. 73b–2) for persons in the Government service employed intermittently.

(e) The Council shall meet at the call of the Chairman.

Section 2. Functions and Responsibilities of the Council: (a) The Council shall—

(1) Survey and assess the needs and prospects of the various arts throughout the United States, the means used to encourage creative activity and to afford opportunity for participation in and appreciation and enjoyment of the arts, and the relative roles of governmental and nongovernmental institutions in relation to the arts;

(2) Identify existing Federal legislation, policies and programs which directly or indirectly affect the arts, and evaluate their current and potential effects on the development of cultural opportunities and institutions and, except to the extent that responsibility may be vested by statute in other Federal advisory bodies, the character and quality of Federal activities in the field of the arts;

(3) Submit reports and recommendations to the President on its own initiative or at the request of the President or the President's Special Consultant on the Arts;

(4) Encourage and facilitate the most effective use of resources available for support and development of the arts by advising and consulting with Federal, State, and local agencies, civic and community organizations, educational institutions, foundations, and other interested organizations and institutions; and

(5) Promote and stimulate public understanding and recognition of the importance of the arts and cultural institutions to our national welfare and our international interests.

(b) In carrying out its functions the Council shall, insofar as practicable, provide interested Government and nongovernmental agencies and organizations and private citizens, including practicing artists and others professionally engaged in the arts, an opportunity to present their views and recommendations to the Council for its consideration.

(c) For the purposes of this section the arts are defined to include music, drama, opera, dance, painting, sculpture, literature, architecture and such allied fields as urban and landscape design, photography, graphic arts, crafts, motion pictures, radio, and television.

Section 3. Federal agencies: (a) As deemed necessary to facilitate the work of the Council, the Chairman may request the head of any executive department or agency whose activities have significant implications for the arts to designate a liaison officer to consult with and advise the Council on matters of common concern.

(b) Upon request of the Chairman each executive department and agency is authorized and directed, consistent with law, to furnish the Council available information which the Council may require in the performance of its functions.

(c) Each Federal agency represented on the Council shall furnish such necessary assistance to the Council as may be authorized by section 214 of the act of May 3, 1945, 59 Stat. 134 (31 U.S.C. 691).

(d) The General Services Administration is hereby designated as the agency which shall provide administrative services for the Council on a reimbursable basis.

JOHN F. KENNEDY.

THE WHITE HOUSE, *June 12, 1963.*

The VICE PRESIDENT. Is there further morning business? If not, morning business is closed.

WAIVER OF INDEBTEDNESS IN CERTAIN CASES GUARANTEED BY THE VETERANS' ADMINISTRATION

Mr. METCALF. Mr. President, I ask unanimous consent that the unfinished business be laid before the Senate.

The VICE PRESIDENT. Without objection, the Chair lays before the Senate the unfinished business, which will be stated.

The LEGISLATIVE CLERK. A bill (S. 412) to amend title 38 of the United States Code to provide for waiver of indebtedness to the United States in certain cases arising out of default on loans guaranteed or made by the Veterans' Administration. Minority views filed.

THE FOREIGN POLICY OF THE UNITED STATES

Mr. THURMOND. Mr. President, on Monday, June 10, the President of the United States made the most significant and far-reaching speech he has made since taking office almost 2½ years ago. In this speech, the President set forth in detail the foreign policy of the United States.

There have been many calls in the Congress for the administration to make known to the Congress and to the public exactly what is the foreign policy of the United States. We have heard demands that the infamous and illusive Rostow policy paper be released to the public.

Well, Mr. President, now we have it; for, in his speech, the President has set forth the U.S. foreign policy, and, for all intents and purposes, he has consistently

and articulately pronounced as official the tenets of the Rostow policy paper.

Mr. President, in October 1962, in individual views filed with the report of the Special Preparedness Subcommittee of the Senate Armed Services Committee on Military Cold War Education and Speech Review Policies, I summarized U.S. foreign policy as follows:

The U.S. foreign policy objective is containment of direct foreign military aggression. It does not seek victory over communism, but only to deter aggression while seeking grounds for accommodation, so that the Communist dominated territories will have the necessary time in which to evolve into nonagressive, socialist states.

The President confirmed beyond any doubt in his speech at American University that this characterization of U.S. foreign policy was, and is, completely accurate.

In the first place, the President made it clear that it is the U.S. policy to accept the status quo between the Communists and the free world, and that if we hold on to the status quo, the Soviets will evolve or change. The President stated that we should live together with mutual tolerance, which is nothing more than formalizing the status quo. He stated:

We must deal with the world as it is, not as it might have been had the history of the last 18 years been different.

The President stated that we should focus our efforts on peace "based not on a sudden revolution in human nature but on a gradual evolution in human institutions."

He assured his listeners:

The tide of time and events will often bring surprising shifts in the relations between nations and neighbors.

Again, he stated:

We must, therefore, persevere in the hope for peace that constructive changes within the Communist bloc might bring within reach, solutions which now seem beyond us.

Mr. President, one would think that after the Soviet forays into Cuba, sensible and practical people would have put aside the notion that the Soviets have given up their drive for world conquest and their willingness to gamble the lives of all mankind to fulfill their quest for power. It appears, however, that the President tenaciously clings, despite all the evidence to the contrary, to the hope that the leopard really is changing its spots.

Perhaps the Cuban affair did affect the President's belief that the Soviets were evolving to a slight extent, for apparently he recognized the outside possibility that the Soviets might not mellow. This did not change the basic approach of his foreign policy, however, for with reference to this contingency, he stated:

And if we cannot end our differences, at least we can help to make the world safe for diversity.

Mr. President, I, for one, am not interested in making the world safe for a diversity from freedom. Communist rule and Communist terror are a diversity which should never be safe, and it is indeed tragic that our foreign policy would be directed toward making safe the conquests and dominations by Communist dictators.

The President urged his listeners not to see "accommodation as impossible." Quite obviously, the President does see accommodation, not only as possible, but as the best course to follow. As a basis for his conclusion, he has outlined a very dubious interpretation of history and existing circumstances.

The President stated, in speaking of the United States and the Soviet Union:

Almost unique among the major world powers, we have never been at war with each other.

To the extent that the Government of the Soviet Union has never formally declared war on the United States, the President is correct. It is a technicality without comfort, however, for the Soviet Union never formally declared war on such nations as Latvia, Lithuania, Estonia, Hungary, Poland, and Czechoslovakia; yet all of these countries and others are now dominated by the Communists. Putting aside such meaningless technicalities, it is an obvious fact that the international Communist movement, which rules the Soviet Union, long ago declared war on the United States and all other free peoples. We can predict with relative certainty that the Government of the Soviet Union will never make a formal declaration of war on the United States, but this gives us absolutely no assurance against a surprise nuclear attack nor any other level of belligerency with the Communists think is in their best interests.

The President charged his listeners:

Let us reexamine our attitude toward the Soviet Union.

As one basis for his re-examination, the President stated:

We are both caught up in a vicious and dangerous cycle in which suspicion on one side breeds suspicion on the other, and new weapons beget counter weapons.

From this statement by the President, one can only conclude that the President expects the American people to revise their attitude toward the Soviet Union and conclude that in the cold war the Communists and the Americans have been equally guilty of creating suspicion by their acts. Facts do not bear out this conclusion. It is the Soviet Union and its Communist apparatus throughout the world that has sought to undermine free governments everywhere or to take them over by force of arms. It is the Communists who have proclaimed their plan and program for overthrowing all non-Communist governments in the world. It is the Communists who have demonstrated their desire and capacity for terror and suppression, which surpass in evil any force in history. There is no basis in fact for concluding that the differences between the free world and Communists result from mutual suspicion. Any policy based on such a fallacious conclusion is doomed to failure.

The President also alleged that "both the United States and its allies, and the Soviet Union and its allies, have a mutually deep interest in a just and genuine peace."

Mr. President, there is no historical fact, or action by the Soviet Union, to indicate that it has any interest in a just and genuine peace, as we understand the word. What does the President find in the Soviet actions to indicate any interest in peace? Has he forgotten the atrocities and slaughter committed by the butcher of Budapest in 1956? Has he forgotten so soon the introduction of Soviet ballistic missiles into Cuba? Does he prefer to overlook Soviet intransigencies on the Lao question? These hardly seem the actions of a peacemonger.

The President also explained what his policy of accommodation has required, is requiring, and will require of the United States. He pointed out:

To secure these ends, America's weapons are nonprovocative, carefully controlled, designed to deter, and capable of selective use. Our military forces are committed to peace and disciplined in self-restraint.

One can only hope, with less than full faith, that this does not mean that we have resigned ourselves to a strategic military parity with the Soviet Union in order not to provoke the Soviets. With reference to this point, I ask unanimous consent that my weekly report to the people, entitled "Strategic Superiority or Strategic Parity" be printed at this point in the RECORD.

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

STRATEGIC SUPERIORITY OR STRATEGIC PARITY?

The opening battle in the Senate on what promises to be one of the most controversial subjects before the Congress this session begins in the Senate this week. The forum for this battle will be the defense posture hearings before the Armed Services Committee and the issue is the strategic defense policy of the Nation.

At least until June 1962, the officially announced defense policy of the United States was based on the concept of strategic superiority. Under this policy, nuclear deterrence was achieved by maintaining a clear superiority in quality and quantity of strategic weapons. This required heavy investments in research and development, with emphasis on multiple types of weaponry. It provided a mixed system of delivery for our nuclear punch, including medium, intermediate, and intercontinental missiles, manned air and carrier based bombers, and Polaris missiles, as well as a host of other weapons and conventional power. The essence of this policy was that it recognized that there is no ultimate weapon.

A new policy—nuclear stalemate—has been adopted by the Secretary of Defense and is well into the process of implementation. Under this policy, we would accept a nuclear standoff by relying on a very few types of missiles—Titan and Minuteman in hardened sites, and Polaris under the sea—to deter nuclear attacks by the Soviets. Research and development would diminish and no meaningful effort would be made to develop advanced space weaponry. Under this policy, the United States would strive only for nuclear parity, not nuclear superiority.

It was Secretary McNamara's pronouncement of the new policy in Paris, Bermuda, and Canada that really brought the matter into the open. France would not trust her national security to an allied power who was willing to settle for nuclear parity. So far, neither will Canada.

Traditionally, Congress is more interested in hardware, and its cost, than in strategic policy. The nuclear stalemate policy does permit lower costs, and is explained by the Secretary of Defense in this framework. The

abandonment of the Skybolt missile and the B–70 program, the impending cutback in the Dyna-Soar weapon system, and the dismal outlook for development of the TFX variable-sweep fighter are all elements of the new policy. Members of Congress are disturbed by the report in Air Force/Space Digest that "the heads of the Army, Navy, Marine Corps, and Air Force do not approve of the change in strategy. They are unanimous in their support of a doctrine of strategic superiority."

Implications of strategic stalemate in terms of disarmament become immediately apparent. The United States is now estimated to hold about a 3-to-1 superiority in strategic forces, which makes a percentage reduction of arms unacceptable to the Soviets. The disarmament studies conclude that strategic parity would increase chances for disarmament.

The Soviets will not accept a nuclear stalemate. They are continuing to work on development of new weapon systems, including space weapon systems. While the United States has stretched out the development of our anti-missile missile until 1969, the Soviets are working full speed on a defense against ballistic missiles. The Soviets have never been able to achieve strategic parity with the United States, but if we give them parity, their all-out efforts may give them the margin that will spell superiority.

Strategic superiority or strategic parity? The final round will begin in the Congress this week.

Sincerely,

STROM THURMOND.

Mr. THURMOND. Mr. President, the President also spoke of "halting the arms race." There has been no arms race in recent years, for the simple reason that the United States has not been racing. Nuclear tests are often cited as the prime example of the arms race. Mr. President, in the last 2 years, the Soviets have tested many times more shots, and many, many times higher yield detonations than has the United States. We have intentionally restrained our level of testing in order not to antagonize the Soviets and not to jeopardize the possibility of obtaining what would be, at best, a dubious, and probably disastrous, agreement with the Soviets on nuclear testing.

The President also stated:

Our diplomats are instructed to avoid unnecessary irritants.

Even the Soviets will interpret this as appeasement, for they themselves have stated repeatedly that they will not be provoked, but will act at times and at places of their own choosing.

If Americans wonder why a Communist military bastion has been permitted in Cuba, and under U.S. policy will continue to be tolerated in Cuba, they have only to refer to the President's statement:

Above all, while always defending our own vital interests, nuclear powers must avert those confrontations which present an adversary with a choice of either a humiliating retreat or a nuclear war.

The President is contemplating a one-way street. This is precisely the choice the Soviets sought to present to the United States by introducing nuclear ballistic missiles into Cuba.

In the Cuban crisis last October, the Soviets demonstrated that when faced with a firm resolve and superior power, they would withdraw rather than risk a war. To withdraw, however, would involve a "humiliating retreat" for the Soviets, and, this the President tells us, we must not inflict upon them. So long as the United States follows a policy that it must not cause the Communists to make a "humiliating retreat," we can, of course, never take any step to cause the withdrawal of the Soviet military might from Cuba. Nor for that matter, under this policy, could the United States tolerate an uprising in any of the captive nations, for that too would involve a "humiliating retreat," or possible defeat, of the Communists. The conditions in Cuba constitute a diversity from the principles of self-determination and liberty, which the Monroe Doctrine decreed for the Western Hemisphere, and, according to the President, "we can make the world safe for diversity." Since the United States is the major source of power against the Communist nations, we can "make the world safe for diversity" by mere inaction; and we can make the Red brand of diversity even safer by his policy of accommodation.

The President's efforts to reassure our free world allies, and to offset their growing lack of confidence in the United States resolve to resist Communist imperialism, will reassure none of them; it will only confirm their suspicion that the United States will negotiate, and will never defend them.

The President stated:

Our commitment to defend Western Europe and West Berlin, for example, stands undiminished.

He went further to state:

The United States will make no deal with the Soviet Union at the expense of other nations and other peoples, not merely because they are our partners, but because their interests and ours converge.

This statement brings to mind a similar statement, made by a high Government official a few years ago, to the effect that "What's good for General Motors, is good for the country." What the President has said in effect is that what's good for the United States is good for our allies.

The President also pointed out, however:

Today, should total war ever break out again—no matter how—our two countries would become primary targets. It is an ironical but accurate fact that the two strongest powers are the two in most danger of devastation. All we have built up, all we have worked for would be destroyed.

Mr. President, in view of these statements, together with our unwillingness to present the Soviets with "a choice of either a humiliating retreat or nuclear war" in Cuba and elsewhere, our allies in Western Europe can have little confidence that the makers of this foreign policy would defend them against Communist forays into Western Europe.

The President stated:

Our interests converge, however, not only in defending the frontiers of freedom, but in pursuing the paths of peace.

Mr. President, this is a far cry from the President's speech to a joint session of Congress on May 25, 1961, in which he spoke of "the expansion of freedom," and stated:

We would support a revolution seeking an end to injustice, tyranny, and exploitation.

The American University speech also tells us something about the manner in which this policy is to be implemented.

The President stated that a new context for world discussions is required. He said:

This will require a new effort to achieve world law—a new context for world discussions. It will require increased understanding between the Soviets and ourselves. And increased understanding will require increased contact and communication. One step in this direction is the proposed arrangement for a direct line between Moscow and Washington, to avoid on each side the dangerous delays, misunderstandings, and misreadings of the other's actions which might occur in a time of crisis.

This "direct communication" is in direct implementation of the Rostow paper, which is quoted in the press as follows:

We should seek, however, to develop further informal contacts and exchanges between the President and the top Soviet leadership which would—unlike more formal summit meetings—be received more as a forum for communication than negotiations.

We are now confronted with an agreement between the President, Prime Minister Macmillan, and Chairman Khrushchev, which is a result of the new, informal summitry, disguised as "communication." The so-called hot line between the White House and the Kremlin can be expected to produce more secret, informal summitry. This new channel of secret negotiations, camouflaged as communications, was designed to deceive, not the Soviet people, but the American people.

Quite obviously, this is just as dangerous a procedure as diplomacy by "tacit agreement," which has prevailed in the past year or so, and through which understandings which are never reduced to writing or made known to the public are reached.

I ask unanimous consent that a syndicated column entitled "Summitry a la Kennedy," written by Robert S. Allen and Paul Scott, which describes in some detail the genesis of this constant high-level negotiation procedure, be printed in the RECORD at this point in my remarks.

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

SUMMITRY A LA KENNEDY

WASHINGTON, D.C.—The increasingly frequent exchange of secret letters between President Kennedy and Premier Khrushchev is a new form of summitry.

While outwardly the two national chiefs are not conducting direct firsthand negotiations, actually that is exactly what they are doing.

A specific instance of this backstage summitry is Cuba, on which Kennedy and Khrushchev have been carrying on an extensive correspondence.

The same is true on the vital issues of disarmament, a nuclear test ban, South Vietnam, and Berlin—in each instance involving letters whose existence has never been revealed.

This highly significant development of secret U.S.-U.S.S.R. negotiations is spelled out

in detail in a National Security Council policy paper that is being circulated among top officials and ambassadors for their information and guidance.

Prepared under the direct supervision of McGeorge Bundy, special foreign policy adviser of the President, and Dr. Walt Rostow, head of the State Department's Policy Planning Council, this key document states:

"We should welcome temporary and partial accommodations or detentes with the U.S.S.R. We should seek to develop the basis for these agreements by further expanded contracts and exchanges between President Kennedy and the top Soviet leadership which would—unlike formal summit meetings—be viewed by the public as a form of communications while actually involving negotiations."

In defining negotiating guidelines, the Bundy-Rostow paper points out, "There may be (and it is in our interest that there should be) agreement on specific problems, Cuba, Berlin, disarmament, nuclear test ban, and arrangements for periods of relative tranquillity.

"To the extent possible in the existing climate, the United States should grant the U.S.S.R. the position its status as a great power warrants. We should also hold out by word and deed the prospect of fuller Soviet participation and influence in the community of free nations if and as the Soviet leaders show a genuine interest and will for such constructive participation."

Crisis management—In addition to negotiating an informal detente with Russia, the President's secret exchanges with Khrushchev have several other major objectives.

As discussed in the top-level policy paper, they are as follows:

"Convey to Moscow a clearer understanding of our intentions * * * so as to avoid or minimize future crises promoted or exploited by the Soviet Union.

"Work out over the longer run tacit understandings with the Soviets as to the ground rules governing our competition throughout the world.

"Close out any crises as quickly as possible with as little violence as consistent with avoiding any net loss for U.S. interests."

Warning U.S. policymakers to expect and prepare for other crises similar to last fall's missile showdown in Cuba, the Bundy-Rostow paper presents a "grand design" for the cautious handling of such war-threatening confrontations, stating:

"Since we must expect a series of crises which the Communists will systematically seek to exploit, it is essential that we not reward this Communist technique by diverting attention and energies from the long-term policies and enterprise on which ultimately, the success of the free community depends.

"We must, therefore, try to meet these threats in ways which, if possible, reinforce the long-term direction of our policy and minimize the diversionary consequences of our reactions.

"Thus, the Cuban crises should be used to push and expand the Alliance for Progress program in Latin America; the Berlin crisis to help resolve the debate on the role of conventional and nuclear forces in NATO; and the Vietnamese crisis to increase the degree of mutual involvement and support among non-Communist nations in the area."

It is "against this background" that the Bundy-Rostow document asserts that President Kennedy is using his secret exchanges with Khrushchev "to work out over the longer run tacit understandings with the Soviets as to the ground rules governing our competition throughout the world."

Mr. THURMOND. Mr. President, the President stated that the United States was, in effect, declaring a moratorium on nuclear testing, in order "to make clear our good faith and solemn convictions on the matter."

Mr. President, we have had experience with a test moratorium with the Soviet Union; and, in view of that experience and the Soviet duplicity which resulted, the United States has no reason—nor is it the proper party—to engage in an act to demonstrate "good faith." Indeed, a unilateral moratorium at this point does not demonstrate good faith; it demonstrates gross gullibility.

The United States needs to conduct nuclear tests in the atmosphere now, to provide our Nation with an effective defense against Soviet intercontinental ballistic missiles; to provide our Nation with a certain capability to penetrate a Soviet missile defense employing nuclear warheads; to assure the immunity of our second strike missile systems to a surprise enemy nuclear attack; and to develop specialized nuclear warheads to defend our Nation against satellite bombs and other terror weapons with which the free world has been threatened.

Real peace can be maintained only if the United States succeeds in keeping a strategic military superiority to the Soviets.

This superiority we are in danger of losing; and under the U.S. foreign policy pronounced on Monday, we will surely lose strategic superiority.

Dr. Edward Teller, one of the most outstanding nuclear scientists of our day, and father of the hydrogen bomb, has stated that the proposed test ban treaty "would endanger our security and help the Soviet Union in its plan to conquer the world."

Mr. President, all of the members of the Joint Chiefs of Staff are on record as being opposed to the current proposal of the United States for a test-ban treaty.

It was reported in the press yesterday that the service chiefs are also opposed to the moratorium on tests in the atmosphere, which the President announced on Monday. I ask unanimous consent that an article entitled "Service Chiefs Oppose Air-Test Moratorium" written by Richard Fryklund, and published in the Washington Evening Star for June 12, be printed in the RECORD at this point in my remarks.

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

SERVICE CHIEFS OPPOSE AIR-TEST MORATORIUM

(By Richard Fryklund)

The chiefs of staff of the three armed services unanimously opposed President Kennedy's moratorium on nuclear testing in the atmosphere, it was learned today.

They were not consulted in advance about the President's announcement Monday pledging that the United States will refrain from further atmospheric testing as long as no other nation resumes such tests, reliable sources report.

If they had been consulted, they would have told the President that they feel tests are necessary.

NO PUBLIC STATEMENTS

The service chiefs have no plans to speak out publicly, but if asked by a congressional committee, Gen. Earle G. Wheeler, Chief of Staff of the Army; Adm. George W. Anderson, Chief of Naval Operations, and Gen. Curtis E. LeMay, Chief of Staff of the Air Force, reportedly are ready to say it is vital to American security to continue testing.

Gen. Maxwell D. Taylor, chairman of the Joint Chiefs of Staff, is reported to have stood with the service chiefs in past private protests against moratorium proposals, but it is not known how he would testify specifically on the Kennedy plan.

Civilian leaders in the Pentagon will be split if they are asked to testify, these informed sources said.

Defense Secretary McNamara will support a moratorium as he has in the past. But at least one and perhaps all of the service Secretaries are reported ready to oppose a moratorium.

Up until this week the position of Pentagon leaders on testing had been almost academic because the Russians had been showing no signs of signing any agreement.

THREE-NATION TALKS

On Monday, however, Mr. Kennedy announced that the United States, Britain and Russia will hold high-level discussions in Moscow in July on a test ban, and he said that meanwhile the United States would not test in the atmosphere if other countries refrain.

His plan would permit underground, undersea and space testing.

A similar moratorium was tried by President Eisenhower, starting in the fall of 1958. He gave up all testing, as did the Russians.

In September 1961 however, the Russians suddenly resumed testing with the biggest explosions ever set off. The United States then started a long series of tests.

Both sides are now in a testing lull.

Tests in the air give off the most radioactivity and therefore have been the particular target of persons concerned about fallout. At the same time, such tests are the most useful in the development of weapons.

The service chiefs do not want to stop them, largely because they believe there is a good chance that the Russians now know more than we do about the possible vulnerability of our ICBM's to enemy near misses.

Military men point out that since the last moratorium was ended the Russians have set off three times the number of explosions as we have. Many of these explosions were monsters—up to 58 megatons, more than twice as large as any the United States has tested.

Apparently some of the explosions were in war game situations where they were used against simulated American weapons.

These military men fear the Russians may have found weaknesses in American ICBM installations or in the communications and support networks.

American tests have pitted A-bombs against some of the components of the American ICBM underground "silos," but never against a whole silo and its supporting equipment.

It is known, however, that nuclear explosions create electromagnetic waves which under some circumstances can disrupt electrical equipment from a considerable distance. If American ICBM's are vulnerable, the American chiefs do not want the Russians to be the only ones to know it.

SEEK "CLEAN" BOMBS

The service chiefs are also interested in perfecting "clean" weapons—that is, bombs that would not create radioactive fallout in time of war, anti-ICBM weapons and bigger weapons.

The Russians say they can orbit a 100-megaton weapon, and their tests have indicated that this may be an understatement.

The Chiefs do not believe these would be economical weapons, but they fear they could have great psychological effect whizzing over American and foreign cities. The chiefs want to be able to match the stunt.

All of these weapons advances would require additional testing in the atmosphere.

REDS GOT JUMP

Some of the Chiefs believe the last moratorium was disastrous to American interests. It is argued that the Russians prepared important tests during the ban and may even have tested underground in secret.

After the Russians broke the moratorium with a series of important tests, the United States had to build slowly toward major tests. Therefore, some military men say, the Russians may have been given a chance to catch up or move ahead in some weapons categories.

The basic argument for a moratorium or complete test ban is that the United States is now ahead and the ban would freeze that lead. Secretary of Defense McNamara took this position during hearings before the Senate Armed Services Committee in February.

At that time, the three service chiefs and service secretaries, under questioning by Senator SYMINGTON, Democrat, of Missouri, said continued atmospheric testing "is necessary for the security of the United States * * * under the present circumstances."

The public record of the closed-session testimony indicates they were not asked their reasons.

Mr. THURMOND. The President said:

And is not peace in the last analysis, basically a matter of human rights—the right to live out our lives without fear of devastation—the right to breathe air as nature provided it—the right of future generations to a healthy existence.

The President is correct in his analysis of the tragic effects which a nuclear war would bring upon mankind. The destructive power of nuclear weapons must be realistically assessed and taken into account, which fact must and does increase the weight of responsibility of those charged with averting a nuclear conflict.

In assessing the terrors of nuclear war, however, the President would do well to recall the words of President Roosevelt, that "All we have to fear is fear itself." We must not become so obsessed by the fear of the results of war that we lose perspective on the best methods for preventing those results. War cannot be prevented by repeating the tragic errors of Munich and Yalta.

The genesis of the no-win foreign policy of the United States goes back several years. Just last month the distinguished columnist, Holmes Alexander, wrote a series of articles on U.S. foreign policy and, somewhere, found evidence that, and from the first of this series—

It may be that the age of accommodation ended last May 8 when the President told us he was "not at all hopeful" about getting a nuclear test ban treaty with Russia.

Mr. Alexander's hopeful conclusion that the policy of accommodation was at an end has proved incorrect, but his analysis of the policy itself is very enlightening. Mr. President, I ask unanimous consent that these three articles by Mr. Alexander be printed in the RECORD at this point in my remarks.

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

KENNEDY'S EARLIER VIEW ON TEST BAN DISAPPEARING

WASHINGTON.—It may be that the age of accommodation ended last May 8 when the President told us he was "not at all hopeful" about getting a nuclear test ban treaty with Russia.

This is a good time to assess the dangerous and deceptive optimism which Mr. Kennedy, as candidate and later as President, dangled like an eye-pleasing bauble before the American people.

In a way, Mr. Kennedy's "hopefulness" was a much more perilous and unsubstantial promise than the one by Candidate Eisenhower in 1952 when he said that, if elected, "I will go to Korea." Ike's implication was that he would find a way to stop the bloodletting of that inconclusive war which he had chosen not to win. Ike was not wrong in the hopefulness he spread. The Korean situation did have a solution, although not a glorious one, and Ike found it in the cease-fire that still continues.

Mr. Kennedy's nuclear policy statement was made October 9, 1960, in a letter to former Atomic Energy Commissioner Thomas Murray. As to the Geneva disarmament talks, then already 2 years old, Candidate Kennedy said that, if elected, "I intend to prescribe a reasonable but definite time limit within which to determine whether significant progress is being made." The implication was, and Mr. Kennedy often verified and repeated it, that talks would stop when there was no further hope of getting a treaty. The talks have dragged on till now, continuing the delusion that an agreement with Russia is a possible and desirable thing.

Where did Mr. Kennedy come by this delusion? Well, shortly after the 1960 election, his close advisers, Profs. Jerome Wiesner and W. W. Rostow, headed for Moscow to attend the sixth renewal of the notorious Pugwash conference. Inspired by Bertrand Russell, originally financed by Cyrus Eaton, attended by such abject accommodationists as Linus Pauling, the Pugwash get-together of peace-mongering scientists is like the famous appeasement conference at Munich raised to the *n*th power.

Ranged against Rostow and Wiesner, and some other American volunteers, from November 27–December 5, 1960, was a phalanx of 21 Russian scientists, economists, historians, and militarists. Among them were Topchiev and Federov, Kapitza, and Emrlyanov, top figures in what amounts to the Soviet Ministry of Science. General Talenski and Admiral Isakov were there as leading military strategists. All the Russian delegates, along with representatives from Red China, were disciplined servants of the world Communist state. Rostow and Wiesner, though representing a President-to-be, had no authority or instructions from any branch of the American Nation. All confrontations of Americans and their enemies are contests of sorts. In this one, our side was untrained and overmatched to say the least.

Back from this strange conclave, Rostow and Wiesner entered the Kennedy administration as intimate policy advisers to the President. They had brought home, as was subsequently learned, the fragile, all but inexpressible belief that Russia would welcome a ban on nuclear testing—if only she could trust the United States, and if only we could understand the U.S.S.R.

For nearly 3 years, Mr. Kennedy has pursued the will-o'-the-wisp that came from Moscow with his unofficial emissaries. Was it loosed in their brains by the Kremlin's sorcerers? Was it hatched in visions of world peace or in nightmares of world war? In any event, Mr. Kennedy has tried mightily to coax Russia into loving and trusting us, so that communism and democracy can lie down together in green pastures of disarmament.

A likely thought. We'd better be glad that President Kennedy is finished with it.

[From the Holmes Alexander Gazette, May 22, 1963]

PUBLIC ISN'T INFORMED ON SINO-SOVIET SPLIT

(By Holmes Alexander)

WASHINGTON.—American policy on the Sino-Soviet split is well understood in administration circles and is occasionally imparted to congressional leaders—for their acceptance rather than for their approval.

The result is a great gap of ignorance in the minds of the American people, who are not as informed as they might be if the policy were openly debated. Perhaps the only way to inform the people is through the paraphrasing of certain ideas which, if put together, would spell out the policy on which this phase of the cold war is being conducted.

The administration is tiptoeing around the perimeter of the Sino-Soviet split, careful not to frighten either the Russians or the Chinese, but trying to give credence to Khrushchev's plan for nibbling the free world to death and trying to divert Mao's outspoken plan for a warlike crash.

For example, our military support of the South Vietnam regime does give credibility to Khrushchev's contention that "wars of liberation" are a substitute for a big war between the free world and world communism. As long as we are willing to fight in the bush, and not to use heavy bombardment by the Air Force or Navy, we strengthen Khrushchev's argument against Mao's argument. But do we dare win in South Vietnam any more than we dared to win in Korea? At best, we are playing for a stalemate which will establish in southeast Asia much the same situation we have in the Florida Strait, the Formosa Strait, at the demilitarized zone in Korea and at the Berlin wall. We are playing for surcease of aggression, but not for victory.

There is within the administration, though I hope not at the top, the idea of a negotiated withdrawal from the off-China islands of Quemoy and Matsu. As a candidate, Mr. Kennedy listened to his advisers in appeasement and spoke of shucking off our responsibility for these strategic positions. As President, he married himself to the Eisenhower policy of defending these islands. But today there are nervous glances toward Red China's future as a military power, and there is talk of abandonment of Quemoy-Matsu before Red China can brandish a massive threat.

Going in lock step with this counsel of retreat is advice coming to the President that we should foster trade and cultural exchange between Red China and allies and neutrals, although the climate is not right for our own participation. And, of course, we must never say "Never" to Red China's aspirations for UN membership. There is, however, no intention of deserting Nationalist China, which has succeeded beyond expectations.

Another phase of the policy for making Khrushchev look good as a relative peacemonger lies in our attitude toward East Europe. Although the peoples of these ancient countries are involuntarily immured behind the Iron Curtain, the idea is to make their satellite governments seem respectable. To this end, American officials are forbidden to denounce the fake "people's democracies" of East Europe, Congress is asked to aid Poland and Yugoslavia, and Western Europe is encouraged to trade with East Germany, which might otherwise collapse.

American policy, then, is aimed to coexist with both Russia and Red China, although favoring the former. The hope is for a stretchout of peace, but not for economic, diplomatic or military victory.

Would the American people approve such a policy if they knew about it? One way to find out, perhaps the only way, would be in an historic debate. This could happen if some bold Senator, such as Dodd, Keating or Goldwater, took the matter to the Senate floor. Or it could happen next year (which might be very late indeed) if the Republicans make the policy a central issue of the Presidential election.

DIPLOMACY IN THE DARK IS NEW POLICY OF THE UNITED STATES

(By Holmes Alexander)

WASHINGTON.—One big difference begins to emerge between American peaceseeking in the fifties and in the sixties. It is the difference between the cellar and the summit.

President Kennedy as Senator and presidential candidate saw his predecessor mousetrapped into meeting with Bulganin and Khrushchev at Geneva and saw him humiliated by Khrushchev's crude snub in Paris. Mr. Kennedy's one meeting with Khrushchev in Vienna confirmed his skepticism of top-level conferences with the enemy. It is now the administration's firm policy to avoid both confrontation and camaraderie with enemy potentates. Any personal meeting between the President and the Russian Premier would now be an act of last resort.

But the President does have a peace plan. It goes forward partly in the open, partly under diplomatic cover. That part which the American people see is the unhappy attempt to find a disarmament formula. The part usually hidden from public view, and therefore capable of producing welcome and unwelcome surprises, takes the form of official but unannounced policy attitudes toward Soviet Russia.

One such attitude has a certain 19th century structure in that it recognizes Russia's right as a major power to spheres of influence. It is the opposite of Secretary Dulles' liberation doctrine for East Europe. It concedes Communist occupation of that area as a means to peace. There is no longer even the theoretical threat that we would intervene to support the kind of uprisings in East Germany, Poland, and Hungary which rocked Khrushchev's early regime in the mid-fifties. By the same token no hope is held forth to the captive peoples.

The thinking on East Europe, and elsewhere, is that passivity on our part is the way to exploit Russia's mellowing as a successful industrial and political nation. This is how we show approval of the Kremlin's milder treatment of the satellites, and is the way we work toward relaxation of international tensions. But in the cellar we make concessions to communism that would be unthinkable at the summit. Public opinion remains muted because it is not informed.

In an atmosphere of relaxed tensions, if it ever comes, the policy calls for increased cooperative activities between the United States and U.S.S.R. Public health is a field already marked for joint operations between America and Russia. The administration hopes for peaceful and atomic energy, as well as in stepped-up cultural exchanges.

The hot line communication system between the White House and the Kremlin is another substitute for summitry. It avoids publicity and pageantry, but permits sotto voce diplomacy. It carries the implication that we are always ready to make a concession in order to quiet a crisis. With France out on the edge of the Western Alliance, and Britain heading toward neutralism under a Labor government, it is anticipated that there must be many more direct dealings between this country and Russia. Should a fire-eater such as Willy Brandt succeed Adenauer as West German Chancellor, precautions will be taken, by direct but medium-level methods, to assure that we are not dragged into war. But, again, the wheeling and dealing is for the cellar, not for the summit.

No President could do otherwise than be a peace seeker. Cellar diplomacy is not in itself a disgraceful thing. But there seems to be no reciprocity in the peace-seeking policy. If sphere of influence is a workable arrangement, it should work both ways. Russia should be as hands off in Cuba as we are in Hungary. If the cold war can be liquidated by concessions, there should be a fair exchange of these.

Nobody would want a repetition of our prestige losses at the summit meetings, but these mistakes were made in the open. They were subject to public judgment. They may be one reason why the American people defeated Mr. Eisenhower's chosen successor. The danger of secret covenants, secretly arrived at, does not seem the lesser of evils. The real change that we need is a switchover from defensive to offensive diplomacy. And this is nowhere in sight.

Mr. THURMOND. For over a year, the executive branch has refused to reveal the contents of the Rostow policy paper to either the Congress or the public. I am convinced that the President has now revealed a major portion of the fundamental positions of the Rostow paper in his speech at American University. Some comments concerning the Rostow policy paper have been printed in the press, of course, and, in my opinion, two of the most accurate of these articles were written by Mr. Willard Edwards and published in June 1962. For convenience in comparing the President's speech with reports on the Rostow paper, I ask unanimous consent that the articles written by Mr. Edwards on June 17 and 18, 1962, be printed in the RECORD at this point in my remarks.

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

[From the Chicago Tribune, June 17, 1962]

DRAFT FOREIGN POLICY REVISION BOWING TO REDS: BASED ON THEORY, SOVIET UNION IS "MELLOWING"

(By Willard Edwards)

WASHINGTON.—A master plan for historic changes in U.S. foreign policy has been readied for President Kennedy's consideration.

It embraces the theme that the Soviet Union's domestic and foreign policies are mellowing and the way is open for meaningful agreement between the Communist and non-Communist worlds.

This proposed guide for future decisions by the President and the National Security Council, the Nation's highest strategy group, advances these theories:

Russia's leaders are beginning to realize that neither the United States nor the Soviet Union can defeat the other in the world of the future.

FIND NO BASIS FOR IT

Both the United States and Russia are losing power and authority in their respective areas and an area of "overlapping interests" is developing in which mutually profitable agreements may be negotiated.

Envisioning, as it does, Communist abandonment of the goal of world conquest, this blueprint for future strategy has aroused heated dispute from military leaders and intelligence agencies who can detect no evidence to support its assumptions.

They quarrel with the contention that conciliation can be as important as a strong defense in future relations with the Kremlin.

Leading sponsor of the plan, which has been more than a year in preparation, is Walt W. Rostow, State Department counselor and Chairman of its Policy Planning Board. He acknowledges that a strong "educational" campaign will be needed to sell Congress and the public if the proposals are given official sanction.

SHAPED CAMPAIGN SPEECHES

Compiled under Rostow's supervision, the strategy plan represents the work of many officials in the White House, State, Treasury, and Defense Departments. It has been steadily revised and edited down from an original volume of 285 pages to a shorter draft.

Despite a host of contributors, the plan bears the Rostow stamp. A former member of the faculty of Massachusetts Institute of Technology, Rostow, 45, is the President's top foreign policy adviser. He played a major role in shaping Kennedy's foreign policy speeches in the Presidential campaign and was deputy special assistant to the President until he took over his present State Department post last December 6.

Rostow's brand of philosophy, not concealed in books, articles, theses, and speeches in recent years, has always envisioned the evolution of Soviet Russia into a mature state which will come to realize the outdating of the Marxian theory of the class struggle as the moving force in history.

FOR A NEW YOUNG PRESIDENT

As long ago as 1956, he voiced confidence that Communist leaders in the next decade would mend their ways and in 1958 he was depicting Russia as about ready to enter the age of high mass consumption reached by the United States a quarter century earlier.

He has now translated this optimistic conviction into a blueprint for basic national security policy, designed to govern future decisions at the highest levels.

It is a conception calculated to stimulate and enthuse a new, young President who could insure a secure place in history as the American leader who brought peace to the world, ending not only the dread potentialities of nuclear conflict, but the harassments of cold war conflicts which drain the economy.

NOT A SHRED OF PROOF

It is also a theory which has stirred many in the Government's intelligence agencies to alarm. They report not a scrap of hard data to support the roseate assumptions of the State Department planner.

They note no lessening of Communist intransigence nor of grim determination to "bury" the free world. They see in the Rostow recommendations a total misconception of the nature of the Communist conspiracy; a naive brushing off of its treachery as evidenced in a long history of broken treaties and agreements while steadily pursuing the goal of world conquest.

Rostow believes that Premier Nikita Khrushchev of Russia and his associates do not want a major war. He concedes their desire for a total victory for communism but he glimpses changes beneath the surface of old Communist objectives and a willingness among some in Russia to modify old ideological formulas in the light of changing reality.

UNITED STATES ON WANE, HE SAYS

Neither Russia nor the United States is going to dominate this century, he contends. To those who speak of a victory or win policy in the cold war, he retorts that neither of the great leading nations will win over the other. Capitalism will not triumph over socialism. Rather, the victory will be one of men and nations voluntarily cooperating under the principles of the United Nations Charter.

"And we deeply believe this victory will come—on both sides of the Iron Curtain," he concludes.

The policy outline pictures the United States and Russia as two aging combatants, both showing signs of waning prestige and power. There is a diffusion of power away from Moscow within the Communist bloc, it asserts, and away from the United States within the free world.

In lesser degree, the evolution theory is also applied to Red China and the same conciliatory tactics are advocated. The Chinese Communists can be encouraged to evolution into a peaceful state by showing them we have no aggressive intentions.

Possibilities should be explored for expanding contacts with Red China, placing it, according to one objector, in the same position as Yugoslavia and Poland.

CANNOT PROMOTE A SPLIT

There is no final bar to entrance of Communist China into more normal relations with the United States if they are prepared to modify present policies, the policy paper asserts. In the meantime, unnecessary provocations should be avoided and informal negotiations pursued.

There is little that the United States can do to promote a Sino-Soviet split, the paper contends.

The proposed foreign policy guidebook does not suggest any weakening of national defense and includes recommendations for a greater buildup of the Nation's capacity to wage conventional warfare.

It estimates Soviet policy as designed to avoid any actions which would bring about a nuclear war, ruling out the belief of many military leaders that the Communists will strike whenever they think they can destroy us.

WE WILL WAIT TO BE HIT

Any idea of the United States contemplating a "first strike" is ruled out. Planning in that direction is not relevant since the United States does not plan to initiate a nuclear attack on Communist nations. Military men assail this section as against all sound principles of war for which planning against all contingencies is essential.

Despite all rebuffs to date, strenuous efforts should be continued to get an agreement on limited arms control, the policy paper recommends. It is suggested that the United States might advance a program not requiring formal negotiations.

Again, objectors to this recommendation argued, the proposal totally disregards the nature of the Communist enemy. Any information furnished to Communists will be used against us and any such action will never change their basic aims.

REDS GOING PEACEFUL

Since both arms control planning and research and military planning are directed toward national security, the strategy outline asserts, they should be integrated. General and complete disarmament is a goal which must never be obscured.

There was objection from military men to inclusion of this section. They argued that the nature of communism is disregarded in a process of reasoning which contends that the United States will be secure in a disarmed world.

In seeming answer to these contentions, the proposed policy emphasizes the assumption that the Soviet policy will evolve into a peaceful state.

Even if Communist leaders are unwilling to share the United States image of the world's future in the degree necessary to negotiate major arms reduction programs, they may come to realize the dangers of accident, miscalculation, and failure of communications and thus be willing to join the United States in limited measures to reduce those dangers.

MORE POWER FOR KENNEDY

In the field of Presidential control of the strategic forces, the recommendation is for a wider range of plans, involving increased control, under centralized military command, in accordance with Presidential decisions.

Detailed plans are advocated for initial use of nuclear weapons in periods of great tension in order that they may be responsive to political decisions by the President.

The problem of executive authority, in case of the President's incapacity, is also discussed.

This disturbed former President Eisenhower but Congress ignored his request for a legislative solution.

The danger has been noted of the possibility that appointed officials could assume the powers of the President instead of officials responsible to the electorate.

AWAITS OFFICIAL STATUS

The Rostow document awaits official status. When Undersecretary of State George W. Ball was before a special Senate armed services subcommittee last week, a demand was made upon him for production of the strategy outline.

Ball protested that the papers were "a working draft," not representing "settled views" and not approved by either the President or Secretary of State Dean Rusk. In their present incomplete form, he said, they should not be inspected by a congressional group.

Senator STROM THURMOND, Democrat, of South Carolina, noted several leaks to the press in the last 3 months which hinted at some of the provisions in the document. Senator STENNIS, Democrat, of Mississippi, lamented that Congress was always "the last to know" about some Government policies.

The reason for these leaks was disclosed in the policy document itself. This and additional details of the proposed guide to foreign policy will be disclosed in a following article.

[From the Chicago Tribune, June 18, 1962]

SOFT RED LINE MUST BE SOLD—ROSTOW

(By Willard Edwards)

WASHINGTON, June 17.—A systematic publicity campaign will be necessary to sell Congress and the American people on the merits of a bold new foreign policy advocating conciliation of Russia, a state department planner has advised.

The problem of this "gap" between government and popular thinking is tackled with candor by Walt W. Rostow, chairman of the State Department's policy planning board in his draft of a master plan which awaits President Kennedy's consideration.

The new policy, the work of a number of experts in government under Rostow's supervision, is based upon the theory that Russian domestic and foreign policies have mellowed during the post-Stalin period. It holds the way has been opened for cooperation between the Communist and noncommunist worlds.

EDUCATION IS NEEDED

Since the evidence, in the form of deeds and words by Soviet leaders, runs directly contrary to this assumption, Congress and the people, the Rostow outline confesses, must be educated to acceptance of a fresh approach.

In typical State Department parlance, this can be accomplished by "systematic exposition in forms appropriate for public presentation." The term "indoctrination" is avoided.

One of the appropriate methods of public enlightenment, favored highly by the Kennedy administration, is the newspaper leak. This involves funneling of selected information to favored reporters.

CITE OUTMODED POLICIES

Although the Rostow document is presumed to be confidential and described by a State Department spokesman as a working draft, hints of its contents have been leaked in the last 3 months to three newspapers, a news magazine, and a syndicated column. The resulting articles, in the main, feature it as a precise, balanced, and complete master plan of global objectives and strategies which would replace old policies, manufactured under crisis conditions.

These inspired stories lacked detail, in most instances, but stressed the need for replacement of policies left over from the Eisenhower administration. The existence of ambiguities had permitted dispute between partisans of different concepts and contributed to varying interpretations of policy, they noted.

HINT ON A-STRATEGY

One "leak" was definite, however, in reporting a provision that the United States would never strike the first nuclear blow unless it were faced with a massive conventional assault, such as a full-scale invasion of Western Europe.

Another revealed proposed new policies for dealing with the problem of the two Chinas on the mainland and Formosa.

Speeches and statements by administration spokesmen to condition Congress and the public to the new policy are also suggested in the Rostow document. Rostow has set a good example in this respect. In a number of addresses, he has stated his conviction that neither the United States nor Russia can win the cold war, that capitalism will not triumph over communism, and that the fate of the world will be settled by forces now at work on both sides of the Iron Curtain.

SEES NEW LINEUP

In a speech June 3 at Minneapolis, Rostow said:

"It is sometimes asked if our policy is a no-win policy. Our answer is this—we do not expect this planet to be forever split between a Communist bloc and a free world. We expect this planet to organize itself in time on the principles of voluntary cooperation among independent nation states dedicated to human freedom. We expect the principle that 'governments derive their just powers from the consent of the governed' to triumph on both sides of the iron curtain.

"It will not be a victory of the United States over Russia. It will be a victory of men and nations over the forces that wish to entrap and to exploit their revolutionary aspirations."

In another speech to the special warfare school at Fort Bragg, N.C., he voiced the same sentiments and added: "It will not be a victory of capitalism over socialism."

Two years ago, in a California speech, he outlined Russia's fears that other nations would get the nuclear bomb, calling the prospect of nuclear weapons in Chinese hands "a latent nightmare" for the Kremlin.

RUSSIA OUR ALLY

He saw in this a possibility that Russia might find "the only logical course is to make a common cause with the United States to establish a minimum framework of order."

Thus, Rostow's policy draft contains few surprises to students of his record. He is aware of the initial lack of popular acceptance which will greet its unfolding. Suggested in the draft is a shifting of emphasis, particularly in the public consciousness, from the problem of opposing Communist aggression to exploiting opportunities in building and extending "a community of free nations."

These "opportunities" are described in the document as growing from a gathering historical trend toward fragmentation in the Communist bloc and some relaxation of internal controls in the Soviet Union and its satellites.

Thus, Communist regimes and peoples are to be dealt with in terms of "overlapping interest," a phrase which is also popular with Rostow in public statements.

The U.S. information agency must be used abroad to define and dramatize the "limited but real areas of overlapping interests" between the United States and other governments and peoples, the paper asserts.

Students of Communist policy eye this alleged intertwining of interests with strong doubt, noting that Communists have never admitted any interest which lies outside world domination.

One theme is consistent in the proposed strategy plan—continuing communication with Russia, informal and formal, direct and indirect, must be maintained in order to dispel its fears of the United States and give it a clear understanding of our peaceful intentions.

Rising tensions or the pleas of our allies or of the American public must be ignored in any crisis with Russia. The temptation must be avoided to prolong or expand any crisis in an effort to degrade or embarrass the Soviets in the eyes of the world.

The Soviet Union, the paper advises, must be granted its status as a great power and induced, by word and deed, to fuller participation and influence in the community of free nations if its leaders show a genuine interest and will for such constructive consideration.

EASY ON SATELLITES

Gentle treatment of the satellite nations is advocated. No official attacks should be made against their regimes, whatever the provocation, and even criticism should be softened. Western Europe, at the same time, must be encouraged to closer relationship with the satellites and urged to furnish aid to them.

East Germany, the policy draft says, cannot be forever insulated from dealings with the United States and business must be transacted with them.

Above all, no encouragement or support must be given to armed uprisings in eastern Europe. This is a continuance of policy in existence for several years.

These proposals, one critic noted, will in effect recognize the satellites, including East Germany, as legitimate regimes, disregard the principle of self-determination, and cause the captive peoples to lose all hope of freeing themselves from communist rule.

A POPULAR WORD

The plan is concerned with the promotion of rapid industrial growth and full employment in the United States. Unless there is great prosperity here, it noted, it will be extremely difficult to obtain congressional and popular consent for allocation of resources to international purposes or liberal trade adjustments.

The word "modernization" appears frequently in the plan in relation to the development of nations. The strength of international communism, it states, can best be sapped by strengthening the performance of the free community through "modernization." Opponents of the policy draft have suggested that "modernization" may be a synonym for "Democratic socialization."

The United States must expand its participation in institutions and organizations "which transcend the independent powers of the nation-state," the outline proposes.

It seeks progressive moves toward a legal order which lays down and enforces essential rules of conduct in interstate relations which will "provide sure and equitable means for the settlement of international disputes."

Again, in arguments over this proposal, it was noted that it presupposes Communist submission to the law. One expert recalled the sardonic comment made by the late Andrei Y. Vishinsky, chief delegate to the United Nations. He once told the U.N.: "What laws? We make our own. We do not abide by bourgeoisie laws."

SEEKS MODERN ALLIES

On balance, the draft asserts, American interests will be better served by leaning toward nations with modern ideas rather than sticking to old allies with outmoded notions. The paper identifies neither the modern states nor the old friends, conceding no general rule can cover this situation.

As a final touch, the policy paper suggests that denial of foreign aid can be as useful as supplying it. In Laos, where aid was withdrawn to force a coalition with Communists, this policy has already been implemented, it was noted.

Mr. THURMOND. The foreign policy of the United States, pronounced by the President of the United States Monday at American University, is doomed to failure, for the simple reason that it ignores the nature and the purposes of the Communist beast. It is based on an assessment of the Communists derived from a mirror image—that is, the intentions and motivations of the Communists are assessed by trying to determine what non-Communists, such as we, would do under similar circumstances. Whatever else we may say about them, and however much we may reexamine our attitude toward the Soviets, we should certainly realize that the Communists are a breed apart. They seek not only to rule the world, and to change the existing world order, but they also seek to remake mankind into a mold of their own choosing. By their own words and acts, they seek to improve on the handiwork of God.

Any policy which is based on the fallacious concept that we can judge the Communists by what we would do under similar circumstances, and by the motivations by which a non-Communist would act and react to circumstances, is doomed to utter and miserable failure.

Mr. President, the Senate does not have legislative power to prevent the President from negotiating with foreign nations on the subject of a nuclear test ban. By virtue of the constitutional provision that no treaty shall be binding on the United States in the absence of the advice and consent of the Senate, however, the Senate does have legitimate and official responsibility in this matter. The Senate has a repsonsibility to the American people to insure, among other things, that their security and rights are not impaired by a treaty.

This responsibility cannot always be completely fulfilled by waiting until a treaty is signed by the executive branch and formally sent to the Senate for consideration. If a nuclear test ban treaty is actually signed, the Senate will be told that regardless of how badly it would affect the interests of country, a rejection of the treaty by the Senate would give the Soviets fuel for a major propaganda campaign.

It would be far better for the Senate to nonconcur in advance of the negotiations, making it clear that the Senate would not under any circumstances ratify a treaty which would jeopardize the security of the Nation or endanger peace. An appropriate resolution to accomplish such a nonconcurrence might well be worded as follows:

Whereas the Union of Soviet Socialist Republics in 1961 unilaterally breached the moratorium on nuclear testing, having made secret preparations for nuclear testing while pretending to negotiate in good faith with the United States and other nations to end nuclear testing; and

Whereas the Union of Soviet Socialist Republics, by its duplicity, succeeded in making substantial progress in nuclear weaponry; and

Whereas because of the progress made by the Union of Soviet Socialist Republics in the field of nuclear weaponry, it is vital to the security of the United States and the free world that the United States engage in nuclear testing in the atmosphere and other mediums in order:

(1) to provide our Nation with an effective defense against Soviet intercontinental and submarine-launched ballistic missiles,

(2) to provide our Nation with a certain capability to penetrate a Soviet missile defense employing nuclear warheads,

(3) to assure the immunity of our second strike missile systems to a surprise enemy nuclear attack, and

(4) to develop specialized nuclear warheads to defend our Nation against satellite bombs and other terror weapons with which the free world has been threatened; and

Whereas in the absence of further nuclear testing in the atmosphere and other mediums by the United States, the United States cannot be assured with any degree of confidence that the Union of Soviet Socialist Republics has not achieved a level of knowledge of nuclear science from their recent nuclear tests which, without further testing by the Union of Soviet Socialist Republics, would permit them to develop and deploy a new generation of nuclear weapons which would give them a clear nuclear superiority over the United States and the free world; and

Whereas the present and foreseeable state of the art of detection of clandestine nuclear tests underground, in the atmosphere and in space is such that it is scientifically impossible to detect and identify clandestine nuclear tests of certain magnitudes; and

Whereas the President of the United States has announced that the United States will not conduct any further nuclear tests in the atmosphere so long as other nations do not, and

Whereas the President of the United States has announced that he has agreed with the Prime Minister of the Government of Great Britain and the Chairman of the Presidium of the Union of Soviet Socialist Republics to engage in high level negotiations for a ban on nuclear weapons testing, despite the proven duplicity and demonstrations of bad faith in this and other fields by the Government of the Union of Soviet Socialist Republics; it is

Resolved, That it is the sense of the Senate of the United States that the United States should resume nuclear testing in the atmosphere and in all other mediums at the earliest date at which preparations for such tests can be completed, and that negotiations with other nations seeking an end to nuclear testing be immediately suspended until a new series of nuclear tests have been completed by the United States, and negotiations not be resumed until and unless the United States is assured beyond a reasonable doubt that in the absence of further nuclear testing by any nation, the United States can maintain a clear nuclear superiority and an invulnerable second strike capability, and until the Union of Soviet Socialist Republics has demonstrated that it has renounced its goal of world domination and its attempts to achieve a superiority in nuclear weaponry with which to implement that goal.

Mr. President, I send to the desk this resolution and ask that it be appropriately referred.

The PRESIDING OFFICER (Mr. NELSON in the chair). The resolution will be received and appropriately referred.

The resolution (S. Res. 163) was referred to the Committee on Foreign Relations.

The PRESIDING OFFICER. What is the will of the Senate?

Mr. THURMOND. 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. DOMINICK. Mr. President, I ask unanimous consent that further proceedings under the quorum call may be dispensed with.

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

CIVIL RIGHTS LEGISLATION

Mr. COOPER. Mr. President, on Tuesday evening the President of the United States made an important speech on the necessity of obtaining civil rights legislation. In addition, he made a proper appeal to the conscience of the people of the United States and to the Congress.

His speech was needed, because it must be said that it represents a change in the position of the administration with repect to civil rights legislation. For, despite the growing tensions, the administration has contended during its tenure in office, even until 3 weeks ago, that one enactment of civil rights legislation by the Congress, which would empower the Federal Government to take decisive enforcement action, was not required. This attitude persisted in spite of the fact that legislation, familiarly known as title III legislation, which deals with enforcement, was introduced in 1961, 1962, and 1963 by a bipartisan group of Senators.

I should also like to say that several weeks ago the Senator from Connecticut [Mr. DODD] and I introduced legislation dealing precisely with the three areas to which the President has directed his attention—voting rights, desegragation of schools, and the prohibition of segregations in "public accommodations."

The bills relating to desegregation of schools and public accommodations have been cosponsored by over 30 Republican and Democratic members of the Senate. And I know that many Senators—both Republicans and Democrats—have held for years that civil rights legislation is necessary.

I do not underemphasize the efforts of the administration, and of many officials and organizations and citizens, to secure acceptance of the fact that the equal rights of all our citizens are constitutional and moral rights. But these rights cannot be conferred or negotiated by anyone. They derive from the law. Legislation is required to define the means by which rights guaranteed by the Constitution can be enforced; it will provide also the necessary background for moral persuasion.

I make these comments today because I believe they bear upon the question which now faces the administration and Congress, and indeed the country.

That question is: Will the administration press for and will the Congress enact needed civil rights legislation? I know that enactment of legislation will not settle every question, or even secure these rights immediately, but legislation will provide the legal framework for enforcement and persuasion. It is the immediate responsibility of the administration and of Congress.

I point out again that civil rights legislation has been before Congress for more than 2 years, has been introduced this year, will be offered by the administration. But after the administration has offered its bills, the vital question then will be, can it be enacted?

There is a dual responsibility. The first responsibility is that of the administration. Will the administration recognize the fact that the issue of equal rights is the most important question before our country, subordinate only to the question of maintaining the security, the freedom, and the existence of our country? If the administration will recognize this fact, and subordinate other legislation, however important it may be, then the first step will be taken toward enactment of civil rights legislation this year. If the administration will then marshal the support of its own leadership in the House and in the Senate, and its vast majority; and if, when legislation is brought before the Senate—whether it be by report of a committee or by amendment of another bill—the administration will not then abandon the fight until a vote is finally taken even if we must remain here until the next session of Congress is required to convene, then I believe civil rights legislation will be enacted.

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

Mr. COOPER. I yield.

Mr. MORSE. Let me say to my friend from Kentucky that I share the observation he has made with respect to the responsibility of the executive branch of the Government and the responsibility of Congress with respect to placing on the statute books legislation necessary to make possible the implementation of the Constitution of the United States.

As I said the other day, we have never delivered the Constitution to the Negroes of this country, and it will not be delivered to the Negroes of the country until Congress enacts the necessary legislation to make it possible to enforce, procedurally, the constitutional guarantees.

I want the Senator from Kentucky to know that I stand shoulder to shoulder with him in the observations he has made.

When the Senator from Kentucky speaks about the Democratic majority in Congress, I believe he knows, as well as the senior Senator from Oregon knows, that it is necessary to qualify the word "majority," because there is a historic division in Congress which very often results in failure to muster a majority of the Democratic Party on the civil rights issue. I regret that that is so. I regret also to say that the record clearly shows that too often there has been an interesting coalition between southern Democrats and certain Republicans, which has made it very difficult for us to do things in the Senate that are necessary to be done in order to end debate.

Although in this connection I have no concern about the Senator from Kentucky and the Senator from New York [Mr. JAVITS], whom I see on his feet, I wish to say in a nonpartisan way that Senators on the Senator's side of the aisle have the same responsibility as Senators on this side of the aisle, to see to it that the votes which are necessary to impose cloture are obtained. We can take judicial notice, I believe, that there will be a filibuster as soon as civil rights legislation comes before the Senate. In that connection, I say to the leadership of my party that I am not interested in any leadership talk about not holding the Senate in round-the-clock sessions. I am willing to eat my Christmas dinner here. We may have to eat our Christmas dinner here, but we will not get this job done unless the Republicans and the Democrats, in order to guarantee to the Negroes of this country their constitutional rights, are willing to stay here, 24 hours a day, day after day, and week after week, in order to break the filibuster. The filibuster will be broken by American public opinion. It will be broken by American public opinion only after we do the job of getting across to the public the necessity for breaking the filibuster.

Mr. COOPER. I intend to address myself later to the responsibility of Congress and the responsibility of both parties. But I do insist upon what I have said in order to emphasize the first responsibility of the administration: To see that legislation is brought before the Senate.

When a civil rights bill does come to the floor, another decision must be made by the President and the Democratic leadership. It is that the fight will not be abandoned, by some procedural vote, until a final vote can be had upon the merits of the legislation.

What I say is not partisan. It is a fact that the decisions I have outlined are the responsibility of the President and the Democratic majority. Again and again I have been asked in recent days, "What are Republicans going to do to assist the passage of civil rights legislation?" We want to help, but cannot help greatly unless the Democratic leadership provides the Senate the opportunity to consider legislation.

I now yield to the distinguished senior Senator from New York.

Mr. JAVITS. Mr. President, very few who speak upon this issue are given closer attention than the Senator from Kentucky, for many reasons, involving his prestige, character, and great reputation. The Senator from Kentucky has a very well deserved reputation in this Chamber for integrity.

In addition there is the unique position of his State, dating back to the days even before the Civil War, when Kentucky was a border State, in which the

conflict raged and when it had, as it were, relatives in both camps, as it does to this day—people within the State having divergent points of view. It is much more risky for the Senator from Kentucky to take these positions than it is for me, not that that fact in any way detracts from the depth of conviction which I feel on this subject. Nonetheless, it is a political fact. The views of the Senator from Kentucky have always been very important and helpful to me.

It seems to me there are three things which the Senator from Kentucky is emphasizing which I thoroughly agree with the Senator must have emphasis: First, there has not been, since President Kennedy took office, a determined drive by the President for civil rights legislation. The fact that President Eisenhower may not have pressed for such legislation either is no excuse. That was said even when he was President, so we have a right to say it now. Similarly, when something good happens in one's administration, one is entitled to claim credit for it. The only two civil rights bills that have been passed since the Civil War period were passed in 1957 and 1960, when Eisenhower was President.

So I join fully with the Senator from Kentucky and with my dear friend the distinguished Senator from Oregon [Mr. MORSE] in the belief that the President must feel that the statement which he made to the American people in his speech must last. It must last—by reason of the speech, the publicity, and the very words. The President has already had a reverse in the other body; he may have one here. So he must have visceral determination.

I am not stating these things in the order in which I think they must occur.

Second, there cannot be the remotest implication that this is a Democratic Party show, because such an implication would lose the few votes that are indispensable. The Administration has my vote, the vote of the Senator from Kentucky, and other votes on this side of the aisle. We know there are a good many. But there are still a few who will make the outcome uncertain. They are very likely to be heavily influenced by whether it is a bipartisan or a party show. I think the President must make up his mind that he might lose on this issue; but he cannot expect to win on it: he should expect to do it for the country in a truly bipartisan spirit.

Third, I think it is not too early today to start—and I am deeply grateful that the Senator from Kentucky speaks in this field with such prestige—to focus the attention of the country on the fact that the vote of every Senator on cloture will count. The speeches we make when we introduce bills—and there are many bills on the desk—will not count as much as our votes on cloture.

When the proposal to amend rule XXII was before the Senate, the vote fell short of the mark. There were 18 votes from this side of the aisle and 36 from the other side. That showing is inadequate.

The public has a job to do, just as we and the President have. It seems to me that those are three broad conditions for action in this field.

I again express gratitude to the Senator from Kentucky. He knows that I need not reassure him that it is a great privilege to join him in any of the efforts which I know he will make.

Mr. COOPER. Mr. President, I sincerely thank the senior Senator from New York for his statement. I do not wish to stray from the central purpose of my speech to state the conditions which I believe are required for the enactment of civil rights legislation. But, for a moment I will digress, as the Senator from New York has been very kind in his remarks about my State, Kentucky. I see in the Chamber my colleague and friend from Kentucky [Mr. MORTON]. I am very proud, as I know he is, of the record of our State in respect to civil rights. We are very conscious of the fact that the situation in Kentucky is not as difficult as it is in many other Southern States. Yet it is correct to say, and I am proud to say, that since the Civil War, a war which divided our State, the people of Kentucky and their officials of both parties have accepted and supported equal rights as issues have developed. They have accepted the rulings of the courts, including the Brown case, relating to schools. Only a few weeks ago, the city of Louisville enacted an ordinance prohibiting discrimination in public accommodations.

I return to my chief thesis. It is to emphasize that the first essential for the enactment of civil rights legislation is that the Democratic leadership bring before the Senate for actual consideration a bill, and not abandon it until there is a final vote upon its merits. I do not believe it can be successfully contradicted that this is the first essential.

Second, the Congress has its own responsibility, and I now address myself to its elements.

The position which Senators take upon civil rights issues is determined by their convictions, and is affected, I have no doubt, by the sentiment of the people whom they represent. But our country has come to a point of crisis. Whether one wants to deny it or not, or say they do not exist, there are equal rights which have been given to every citizen, Negro or white, all races, all beliefs, by the Constitution of the United States. Some of the rights have been spelled out in the Constitution. Among these are the right of citizenship in the Union, and in the States, and the voting right. Some of the rights have been defined by the courts; and once defined by the courts, they are rights which must be recognized. The law must be obeyed. It must be enforced.

The right to vote, the right of equal use of interstate facilities, the equal right to enter desegregated schools, and the right of equal access to facilities under the control of the Federal Government or of a State or subdivision, have been determined.

It is correct that the right to the equal use of public accommodations has not been determined by the Courts since it was denied in the civil rights case of 1883. But in that case Justice Harlan, from my State of Kentucky, and a Confederate veteran, wrote a dissenting opinion which I believe is as sound and as applicable today as it was then—and that it will become the law of the land. In his dissent, Justice Harlan held that the right to the equal use of accommodations affected with a public interest—such as hotels, theaters, and restaurants—was a legal right—not a social privilege, and as a legal right should be accorded to all citizens.

I believe the recent decisions of the Supreme Court holding that the States, their subdivisions, or their officials, could not enforce discrimination in public accommodations can only rest upon a premise which will eventually be determined by the Court. It is that those seeking the use of public accommodations had the legal right to be there; because if they had no legal right, the Court could not have held logically that the private individual or the State could not enforce discrimination and prohibit their use of the public accommodation.

Be that as it may, I now return to the province of this body. If proposed legislation comes before the Senate, we cannot longer avoid acting upon it. We cannot avoid voting upon it, by a procedural motion to table the proposed legislation. It would not be right, and the country will not long accept such procedural devices. The Senate must finally come to a vote on this issue.

If a filibuster develops, the first test in the Senate will come upon cloture.

I do not know what will occur. I cannot predict the outcome of any vote. I can only state what I think should obtain; namely, that after a reasonable time for debate—and by that, I do not mean a filibuster—if the debate still continues and becomes a filibuster, cloture should be voted.

This morning I was asked a question on the television program "Today"—and I say this because I see my dear friend and colleague [Mr. MORTON] in the Chamber—attributing to him a statement to the effect that he doubted there would be sufficient votes on the Republican side of the aisle to order cloture, even if a number of Senators on the Democratic side of the aisle voted in favor of ordering cloture. I agree with him that it would be difficult to obtain cloture; but I believe that if the issue is debated and the opinion and conscience of the people of the country assert themselves, there are enough Members on the Republican side, with full knowledge of their responsibilities, to join with a sufficient number on the Democratic side to assure cloture.

But if cloture cannot be obtained, then—in view of the importance of this issue—I repeat that I believe we should stay here until a vote on the bill is obtained.

Mr. MORTON. Mr. President, will my colleague yield?

The PRESIDING OFFICER (Mr. MCGOVERN in the chair). Does the Senator from Kentucky yield to his colleague?

Mr. COOPER. I yield.

Mr. MORTON. I thank my senior colleague.

Mr. President, in reference to the mathematics of this matter, let me say that when I was stopped in the hall the day before yesterday, and was asked about cloture, my reply was that cloture requires 67 votes, and we are only 33. So obviously the obtaining of cloture will depend entirely on the number of votes cast by Senators on the Democratic side who agree with us.

If the last vote on cloture can be regarded as an accurate barometer—and, as I recall, on that occasion 38 Senators on the Democratic side voted for cloture—29 votes from our side would be required; and 29 out of 33 is a rather high percentage. But certainly I did not mean to imply that there would be any difference between this vote and those in the past. I was merely pointing out what seems to me to be a mathematical reality and the statement of a fact—namely, that we simply do not know what the outcome will be.

But I thoroughly agree with my colleague that if we cannot obtain cloture, let us continue our sessions around the clock, until this question is settled.

Mr. COOPER. I thank my colleague. I raised the question because I believe that his statement was misunderstood.

Mr. KEATING. Mr. President, will the Senator from Kentucky yield?

Mr. COOPER. I yield.

Mr. KEATING. Mr. President, in my judgment the only way to obtain cloture is to have 'round-the-clock sessions; in my judgment we shall never obtain cloture in any other way. Those of us on both sides of the aisle who feel as strongly in favor of obtaining cloture must act with the same determination as those who are opposed to cloture. We must have the same fortitude, the same organization, the same diligence as the opposition and be prepared to meet this problem head on. We will not succeed with halfhearted efforts. Our cause is just, and it deserves every ounce of our energy.

The vote on cloture will be crucial. If we have to move in the cots and remain in session indefinitely, then let us do so and obtain the action needed in this field.

It will be a great demonstration to the country and will tend to be helpful since Congress has to cope with our civil rights problems. If Members of the U.S. Senate make clear our determination to put through needed legislation, I believe it will have a helpful result all through the country, at this time of great strife. To date, all that has been displayed is a determination on the part of those who are opposed to cloture and who are opposed to civil rights legislation. That is where the determination has been—at least, insofar as it has been evident. Those of us who believe in civil rights legislation and who feel that in these times its enactment is essential, must stand up and show our strength, even at some inconvenience and, if necessary, some physical discomfort. Others are undergoing severe trials in their efforts to obtain their rights; and I believe many Senators on both sides of the aisle must be prepared to show their support for the magnificent struggle being waged for freedom throughout our land.

Mr. COOPER. I thank the Senator from New York.

Mr. President, the Senator from Oregon [Mr. MORSE] has been waiting a long time to speak; so I shall conclude my remarks after commenting briefly on the statement the Senator from New York has made.

I think action by Congress would have a helpful influence in restraining violence. I am interested in having these issues brought into the realm of law. It is right to have these matters decided by legislation and in the courts, rather than by violence. Our system of orderly government, of consent to law, does not comprehend or desire the determinations of governmental and legal issues by violence, and such a tradition should not develop. But if legislative bodies will not act at all to protect fundamental rights, the conditions for violence are created.

In conclusion, let me say that I do not know what kind of public accommodations bill the President will send to the Congress. I hope it will not be tied to the commerce clause of the Constitution. For to do so would result in only partial relief; it would declare legislatively that the equal rights of all citizens are applicable only to certain businesses, which would be designated ultimately by regulation of the Federal Government. It would legislate inequality among the owners of businesses, and would provoke interminable litigation.

But above all, the equal right to use public accommodations, as it will be determined by the courts, derives from the equal rights declared to all citizens, of all races, colors, and faiths, under the 14th amendment. So such legislation should not be based on the commerce clause, in connection with the question of how segregation affects interstate commerce or is a burden upon commerce. The political rights established under the Constitution go to the equality of the individual, and his inherent integrity and dignity; they should not be placed upon a lesser ground, such as the commerce clause.

I hope the President will consider carefully this distinction, and will examine the public accommodations bill introduced in the Senate by Senator DODD and myself, joined by many other Senators and by Congressman LINDSAY and others in the House, which bases the right to use public accommodations upon the 14th amendment.

Mr. President, I thank the Senator from Oregon; and I yield the floor.

DO DOCTORS DESIRE SOCIAL SECURITY COVERAGE?

Mr. MCNAMARA. Mr. President, the Michigan Medical Society recently conducted a referendum vote of its membership to determine whether the doctors of medicine in the State wanted the protection of Social Security for themselves and their families.

The results of this opinion poll, by secret ballot vote, are now in, and I am pleased to report that an overwhelming majority of those doctors who responded to the questionaire said that they wanted social security coverage.

A report on the results of this referendum was published in the May 9, 1963, editions of the Detroit News. And now I ask unanimous consent that this Detroit News article be printed in the RECORD at the conclusion of my remarks.

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

(See exhibit 1.)

Mr. MCNAMARA. The News article points out that nearly three-fourths of the Michigan Medical Society members took part in the referendum. The vote was 3,099 in favor of Social Security for doctors, with 1,845 opposed and 20 expressing no opinion.

This is the second statewide referendum conducted on this issue by the Michigan Medical Society. The ratio of approval is similar to the earlier poll, by the State society, and to two additional polls of the members of the Wayne County Medical Society.

Despite these repeated expressions in favor of social security by a clear majority of Michigan doctors, they find themselves today, along with their fellow physicians throughout the country, ineligible for the program.

I think it is important to note that doctors of medicine are the only self-employed group in the United States today who are denied the protection of social security for themselves and their families.

The reason for this is very simple. The hierarchy of the American Medical Association is opposed to social security for doctors, and we here in the Congress have been listening to the AMA leadership lobby instead of to the physicians themselves.

Nearly all of the available evidence points to the conclusion that a considerable majority of doctors favor Social Security coverage.

It will be recalled that in 1960, the House of Representatives voted to extend social security to self-employed physicians. But the provision was deleted by the Senate Committee on Finance which stated in its report:

> The provision of the House bill extending coverage to physicians has been deleted because of lack of definitive information on whether a majority of doctors wish to come under the program (S. Rept. 1856, 86th Cong., 2d sess., p. 15).

At that time, on June 30, 1960, the then-president of the AMA, Dr. Leonard W. Larson, filed a letter with the Senate Finance Committee in which he pointed out that the AMA had been opposed to social security for doctors since 1949—on the grounds that the program "does not fit the economic pattern of the practicing physician."

While conceding that "several State medical societies have endorsed coverage of physicians," Dr. Larson said, "it can be concluded from the results that a majority of the profession is still opposed to compulsory coverage."

This dubious conclusion of the AMA, unsupported by any documentation, was forcefully challenged that same day before the committee by another group of doctors. Dr. I. L. Schamberg, speaking for the committee for social security for physicians, flatly contradicted Dr. Larson's claim.

Dr. Schamberg submitted a statement on behalf of Dr. Harold Aaron, chairman of the committee on social security for physicians, asserting that a "substantial majority" of doctors want to be covered by social security.

More important, the claim was backed up by the results of 27 statewide polls of doctors on this issue.

Taken by State, the polls showed that a majority of doctors in 19 States, representing 126,462 physicians, or 64 percent of the Nation's total, were in favor of doctor coverage, while 6 States, representing 18,266 physicians, or 9 percent of the Nation's totals were opposed.

Two States, representing 4,351 physicians, or 2 percent of the total, voted for voluntary coverage only—which, of course, as we know, is not possible.

A summary of 18 polls showed 62.5 percent of the doctors favoring social security coverage, while 37.5 percent were opposed.

Mr. President, I ask unanimous consent that the statement of Dr. Aaron, along with a summary and tabulation of the various State polls on physician coverage be placed in the RECORD at the conclusion of my remarks.

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

(See exhibit 2.)

Mr. McNAMARA. Dr. Schamberg made another point, conveniently ignored by the AMA hierarchy, and that is the need and desire of younger doctors to have the protection of social security for themselves and their families.

Dr. Schamberg told of a doctor—with a wife and three small children—who died of leukemia at the age of 41.

Speaking of the doctor's widow, he said:

> She is one of the few widows in the country who is denied social security protection when her husband dies at the age of 41.

I believe, Mr. President, that a substantial majority of the doctors of medicine of this country are involuntary holdouts from social security.

The House of Delegates of the American Medical Association meets in annual convention in Atlantic City, N.J., starting this Sunday, June 16.

No doubt this question of social security protection for doctors will come before the convention again, as it has in the past several years.

I would strongly hope that the AMA convention would take steps to obtain an accurate, definitive, and nationwide expression of physician opinion on this important matter.

Ideally, this would be in the nature of a nationwide referendum, conducted by some outside, objective organization, and covering not only the 200,000 members of the AMA but also the 60,000 doctors of medicine who do not belong to the AMA.

The several statewide polls taken thus far clearly point to the prospect of a pro-social security vote in such a referendum.

I think it is important that the doctors of this country be given an opportunity to express their choice—by secret ballot—on the important issue of social security coverage.

I would hope that the AMA, in convention next week, would allow such a choice to be made. In the event they do not do so, the Congress might well consider other methods of obtaining an accurate expression of doctor sentiment on this matter.

EXHIBIT 1

PHYSICIANS BACK SOCIAL SECURITY BID

(By Merle Oliver)

Michigan physicians in a secret ballot have voted by a wide margin in favor of being included under social security.

An opinion poll, the second in 2 years taken by the Michigan State Medical Society (MSMS) asked the single question: "Do you favor inclusion of physicians under social security?"

Nearly three-quarters of the 6,790 members of the society responded. The vote was: Yes, 3,099; no, 1845; and no opinion, 20.

SAME RESULTS HERE

The result was substantially the same as when Wayne County Medical Society members were polled on two occasions.

The statewide vote was ordered last fall by the MSMS house of delegates at its annual meeting. The house, policymaking body of the society, refused to accept results of a 1961 poll.

A resolution passed by the delegates said that the 1961 questionnaire was "faulty and subject to misrepresentation," and was misrepresented to the house of delegates of the American Medical Association (AMA).

The poll 2 years ago asked two questions: "Are you in favor of permitting doctors of medicine in private practice to have the opportunity to participate in social security if they so desire?" There were 4,658 yes and 591 no votes.

HIT COMPULSORY IDEA

"Do you favor making participation of all doctors of medicine in social security compulsory?" The result here was 1,035 yes and 3,964 no.

The AMA house of delegates last June voted down social security. The results of the new Michigan poll will be submitted to the AMA at its annual meeting next month in Atlantic City.

Physicians were informed before they voted that, under social security, when members of an occupation are admitted by act of Congress it becomes compulsory.

OTHERS COVERED

Physicians represent the only self-employed group not covered, according to Samuel F. Test, assistant district manager of the Social Security Administration. Dentists and lawyers are covered.

Approximately 30 percent of physicians are included because they work for salaries in research institutions, hospitals, in industrial medicine, or educational institutions.

Some have social security because they are self-employed part time as partners in businesses, Test explained.

EXHIBIT 2

STATEMENT OF DR. HAROLD AARON, CHAIRMAN, COMMITTEE ON SOCIAL SECURITY FOR PHYSICIANS

We are glad to have this opportunity to present up-to-date evidence to prove that a substantial majority of the Nation's self-employed physicians want to be included under social security.

A tally of the 27 statewide polls on social security held in the past 2 years shows: 19 States, representing 126,462 physicians, or 64 percent of the Nation's total, are in favor of physician coverage; 6 States, representing 18,266 physicians, or 9 percent of the Nation's total, are opposed to coverage; 2 States, representing 4,531 physicians, or 2 percent of the Nation's total, are in favor of voluntary coverage only.

We have enclosed a tabulated breakdown of these various polls for the examination of members of the committee.

There are several significant factors about these polls to which we would like to call your attention:

1. Twenty-four of these polls were official surveys conducted by State medical societies, most of whose delegates to AMA conventions had consistently opposed social security coverage for physicians.

2. Two independent polls among Illinois and California physicians, conducted by the Honest Ballot Association as recently as May and June of this year, show majorities of 67 percent and 62 percent, respectively, in favor of social security coverage. These polls included not only physicians affiliated with the AMA but all physicians.

3. You will note that substantial majorities, ranging from 57 percent to as high as 77 percent, were piled up in States which favored coverage.

4. All of these latest figures confirm the trend observed in the nationwide independent poll conducted by the authoritative publication, Medical Economics, which showed a nearly 2-to-1 majority in favor of coverage.

For years now physicians have been virtually the only self-employed group to be denied the benefits and protection of social security coverage. On the basis of the evidence we have presented, we sincerely hope that Congress will remedy this injustice to members of the medical profession and their families.

In conclusion, we would like to state our approval of the provision passed by the House, which would indicate not only self-employed physicians but also interns under the social security law.

Results of 18 State polls of physicians on the issue of social security coverage

State	For coverage	Against coverage	Total voting	Number of physicians in the State
Arkansas	167	596	763	1,533
California [1]	635	372	1,007	[1] 2,104
Connecticut	1,391	504	1,895	3,782
Delaware	135	85	220	522
District of Columbia	550	192	742	2,252
Florida	957	714	1,671	4,613
Georgia	496	539	1,035	3,288
Illinois	3,964	1,962	5,926	11,624
Maine	369	210	579	888
Massachusetts	3,253	988	4,241	8,274
Michigan	1,781	1,048	2,820	7,823
Minnesota	817	1,030	1,847	4,080
New Jersey	2,174	916	3,090	6,694
Ohio	4,095	2,737	6,832	10,616
Oklahoma	446	761	1,207	1,999
Pennsylvania	5,605	3,335	8,940	13,821
South Dakota	155	104	259	456
West Virginia	436	237	673	1,582
Total	27,426	16,330	43,756	95,951

[1] The California poll is a 1-in-10 poll of the State's 21,045 physicians, conducted by the Honest Ballot Association.

SUMMARY OF 18 POLLS

27,426 physicians favor coverage; 62.5 percent of all physicians voting.

16,330 physicians oppose coverage; 37.5 percent of all physicians voting.

The 43,756 physicians who cast "yes" or "no" votes represent 46 percent of all physicians in these States.

In two State society polls—Maryland and Montana—the vote was mixed and inconclusive. In Maryland, physicians opposed compulsory coverage 853 to 368, but favored voluntary coverage for themselves by a vote of 741 to 571. In Montana, the physicians opposed compulsory coverage 256 to 65, but approved voluntary coverage 195 to 133.

In the case of four State medical societies, only percentage figures were available: Rhode Island, 70 percent for, 30 percent

against; Utah, 60 percent for, 40 percent against; Vermont, 65 percent for, 35 percent against; Washington State, 60 percent for, 40 percent against.

In two States—Virginia and Wisconsin—no figures or percentages have as yet been released, although the State medical societies have informed our committee that a majority of the physicians voted against social security coverage. The two States have been listed accordingly in our tabulation.

We have also leaned backward, Mr. Chairman, in estimating the ratio of physicians who returned yes or no ballots as against the total number of physicians in these States. Our figure of slightly more than 46 percent is obviously conservative as it does not take into account the following categories: physicians who cast blank or "undecided" ballots; those who are not members of the AMA; those who did not receive ballots because of change of address; those who sent in ballots after the poll was closed; and so forth.

To conclude this point, Mr. Chairman, we sincerely believe that these figures, in addition to the data we have already presented at these hearings, provide clear-cut evidence that a substantial majority of the Nation's self-employed physicians want social security coverage.

SENATE COMMITTEE HEARINGS ON FOREIGN AID

Mr. MORSE. Mr. President, the Foreign Relations Committee is now conducting hearings on the foreign aid bill.

These are historic hearings and, in my judgment, of great importance to the American people. It is extremely important that the American people be apprised of the facts in great detail relative to foreign aid as the hearings progress. I wish it were true that all we would need would be public hearings in order to insure the American people of knowledge of the facts about legislation as important as the measure now before the committee. But that does not happen to be the case.

There is an aspect to these hearings that troubles me no little. The Secretary of State appeared before the committee the other morning and testified for 45 minutes to an hour. The next day Mr. Bell appeared and testified a corresponding period of time from a prepared statement. The committee went into executive session, and about that I shall comment momentarily.

This morning the Secretary of Defense appeared before the committee. He was accompanied by General Taylor, the Chairman of the Joint Chiefs of Staff. They presented a formal statement.

But the committee necessarily, because of the time limitations for that particular individual session of the committee, finds it necessary to adopt a procedural policy of limiting each Senator to 5 minutes for questioning in rotation. The result is that under that procedure the American people really are denied a full examination of the witnesses on the statements that they have made. Under our legislative process, the purpose of public hearings is to present publicly points of view of the representatives of the administration on a given subject countered by such question as members of the committee feel important to ask the witnesses, and discussions between the witnesses and members of the committee, so that a complete and full record may be made on the pros and cons of the issue raised by the witnesses.

In the last 10 years or so, I have been greatly concerned and increasingly disturbed about what is happening to public hearings in the Senate. They have become pretty much pro-forma.

Do not forget that the most powerful legislative representative groups in our country are the various departments of the administration at any time. I speak respectfully when I say that there is no lobby in the United States as powerful as the State Department, the Defense Department, or any other department that seeks to put through the Congress legislation with which it is directly concerned, such as the foreign aid measure. They have large staffs, paid for at public expense, to prepare and present their material, no small amount of which is in special pleading form.

I pay no disrespect to the Secretary of State or to Mr. Bell, the Director of AID, or to the great Secretary of Defense, Mr. McNamara, when I point out that their testimony is the testimony of special pleaders. They have a bill of goods to sell. They have behind them the power of the press and the media of public information. When they take the witness stand and present formal statements, their formal statements receive wide circulation in the media of information—as they should. But I am concerned about the increasing tendency on the part of Senate committees to close out too quickly public examination of the statements made by special pleaders from the executive departments, especially in fields of foreign policy.

I would have my colleagues in the Senate look back into the history of this great parliamentary body 25, 35, 50, or 75 years.

They will find that committee examination of a witness presenting a major legislative proposal desired by the administration which he represented frequently was kept on the witness chair for days, until there was an examination in minutiae of claims of evidence in the representations made by that witness.

Theoretically, Mr. President, it will be said that such procedure is still available; but it is available only in theory, and not in fact.

The other day there was a rather long session with the Secretary of State. I do not think it is fair or reasonable or right for us to hold a Cabinet officer before the Senate committee for more than two and a half hours. Common decency should cause us to dismiss him at the end of 2 hours, for that particular examination.

But I wish to speak out against what I think is a general notion in the precincts of the Senate that such witnesses should not be called back repeatedly, as many times as is necessary for a Senator to fulfill what he considers to be his trust as a Member of this body. The Senator must be perfectly willing, when he makes such a request, to withstand some evidences of displeasure on the part of any member of the committee who wants to go on to the next witness.

But I happen to think that the foreign aid bill is vital to the protection of our greatest security, namely, our economy. The Senator from Oregon serves notice on the floor of the Senate today, as he has done already in the Committee on Foreign Relations, that he will not be satisfied with only one or two appearances of a witness—be he the Secretary of State, the Secretary of Defense, or the Director of AID.

The Senator from Oregon would fight to guarantee this procedure to any other Senator. So long as a member of the Committee on Foreign Relations wants a witness recalled for examination on the foreign aid bill, or on any other bill, I shall insist that the Senator be guaranteed that right.

I am not implying that we are not guaranteed that right at the present time, although I do not have to be hit on the head with a baseball bat to know what the sentiment within the committee is. It has been accepted that the plan this year is to have short hearings on foreign aid. I am against short hearings on foreign aid this year.

I do not know of another time in my 19 years in the Senate when it was more important to have a detailed examination of witnesses on a foreign policy bill than in this year of 1963 in connection with this bill.

So, when the Secretary of State had been on the witness stand for more than 2 hours the other day it was only fair and reasonable and proper that he be excused for the day. I announced that I wanted to have him called back, for I had been able to examine him only a maximum of 15 minutes—and I am not sure that I had the third round of questions.

Because of what was really a taking-it-for-granted position concerning the second hearing, that of Mr. Bell, the Director of AID, the committee went into executive session for the hearing; and I assumed that there was some good reason for going into executive session. I assumed that probably there was to be some truly top secret material which Mr. Bell was to disclose to the committee which, from the standpoint of the security of our country, needed to be delivered to us in executive session.

The witness started with the suggestion that he file his statement and summarize it or condense it by oral remarks, which I found completely unacceptable. I objected to such procedure, for I think it very important that we hear these witnesses through on the basis of their prepared statements, which we see for the first time when they take the witness chair. So I objected to the filing of any statement, and requested that Mr. Bell be required to read his statement, which was perfectly agreeable to him. I wish to make that very clear.

I listened to Mr. Bell. For the life of me, I could not find one single bit of information in that statement which should not have been told to the American people in public hearings. He was perfectly agreeable to appearing in a public hearing. I do not criticize my colleagues on the Foreign Relations Committee for the fact that we were not having a public hearing.

But I made the point—and I was joined by other members of the committee—that I felt all the hearings on the foreign aid bill should be public hearings, with the press and the public invited; and, if any department or any witness felt there was some top secret material which should be given to the committee in executive session, he could omit it from his formal public statement, and make the request of the committee—and it would be automatically granted—to meet with the committee in executive session to present material which he thought should be given in secret.

Of course, the committee reserves the right to pass judgment on whether it is in fact secret material and whether the Department's request that it be kept secret should be granted.

The senior Senator from Oregon serves notice now that on any such occasion the material had better be secret and not merely bear the label of "top secret," because much of the material that has been presented to us bearing the label of "top secret" is not top secret at all, and should never have been so labeled.

Such materials belong to the American people. The final judgment on the foreign aid bill will be made by the American people, at the polls, if necessary. It is my view that the foreign aid bill raises certain issues of legislative public policy so vital to the welfare of the American people that if the facts are presented to them, the American people will demand drastic downward revisions of the bill.

So I notified the Foreign Relations Committee yesterday that I reserved the right to speak each day, starting next week, on foreign aid issues, from the floor of the Senate, supplementing the hearings before the Foreign Relations Committee. I did so because the procedure being followed in Senate committees makes it almost certain that Senators will not be able to use the time in committee to call the attention of the American people to what I consider to be some of the very unsound parts of the testimony already heard before the committee.

I have stepped up my schedule. I was in Detroit last night, and I discussed some of these problems with certain prominent businessmen who told me things about the administration of foreign aid of which I was not aware. I came back to Washington in the wee hours of the morning satisfied that I should start talking about foreign aid right away. They will all be relatively short speeches for me, for I intend to make these speeches issue by issue.

I intend to have my hearing in the Senate, and to cooperate with my majority leader, as I always have done, to the fullest extent possible; but I have written my majority leader to notify him that, while the foreign aid bill is pending in the Senate, I will not accede to any unanimous-consent request for limiting debate in the Senate or for fixing a time for debate in the Senate, which operations would thereby prevent a discussion on the floor of the Senate of other matters, such as the foreign-aid bill.

I know I can take judicial notice as to what the position of my majority leader will be, for he would be the last Member of this body to in any way deny to the senior Senator from Oregon necessary time each day, if he desires to use that time each day, to engage in these discussions. I have cooperated for years in talking after 5 o'clock in the afternoon, with the result that in some places I am referred to as the "5 o'clock shadow." But on this subject matter I will not relegate this discussion to the period after 5 o'clock, for the issue of foreign aid is so important that it needs to be the subject of discussion at earlier hours in the day on most occasions.

When it comes to unanimous-consent requests, we probably shall be able to arrive at an understanding that a certain period of time during the day shall be set aside for the discussion of subject matters other than the subject matter to which the unanimous-consent agreement pertains.

I do not know how the American people can be made to understand the foreign aid bill unless Senators discuss it, as I propose to discuss it, and answer here on the floor of the Senate, as the administration's case for foreign aid is developed in committee, the positions taken by the administration in respect to certain parts of the bill which I think are completely unsound.

TESTIMONY OF SECRETARY M'NAMARA

Before I turn to the particular phase of foreign aid which I am about to discuss from the manuscript, I wish to refer to the testimony of the Secretary of Defense before the Foreign Relations Committee this morning. As I told him at that hearing, I welcome the opportunity to pay tribute to his leadership as Secretary of Defense. In my judgment, he has had no peer in that position during my service in the Senate. I have great admiration for him.

Many other things could be mentioned, but I mentioned three things in his record that I think will cause him to go down in the history of the Pentagon as one of the great Secretaries of Defense of all time.

First, he has done a magnificent job in making it perfectly clear to the American military that, under our Constitution, the American military is subject at all times to civilian command; and that the policies of this Government in the field of defense, as well as in all other fields, are to be civilian-determined, with the advice of professional assistants and the experts of the military. But the decisions are to be the decisions of a civilian government, and based upon the recommendations of a civilian Secretary of Defense.

In my opinion, Secretary McNamara has performed a great service in making that clear both to the American people and to the Military Establishment.

In the second place, I think Secretary McNamara is a great Secretary of Defense because of his objectivity, because of his insistence on getting the answer to the question, "What are the facts about this problem?"

As is true of each of us, he may come to a mistaken conclusion in his interpretation of the facts and his application of the facts to a particular problem; but it is an honest mistake.

As I did more briefly this morning in committee hearing, I want to pay my respects to Secretary McNamara for his objectivity. He owes that objectivity to the President of the United States. The President of the United States is fortunate to have such an objective man as his Secretary of Defense.

Third, as I said in the hearing this morning, I pay my great respects to him because of his courage, his forthrightness, and his determination to stand up against pressures, whether those pressures come from the Congress, from the military within the Pentagon, or from great industrial powers.

I told him I had great respect and high regard for the position he took, for example, after he had made an analysis of the facts and reached a conclusion in connection with the controversy raging over the building of a great military plane. Certain economic forces in my section of the country sought to have me disagree with the Secretary of Defense and seek to apply pressure to bring about a change in his decision. Of course, they were all wrong if they thought such a procedure would be successful, because Secretary McNamara is not that kind of public servant. They should have known they were all wrong if they thought I would apply pressure in any case, for I have never asked for an economic advantage for my section of the country if the facts did not warrant it.

On the basis of what I have learned to date, I believe the Secretary of Defense is right in that controversy. I pay homage to him for standing up against all the pressures to which he has been subjected on that issue.

Having paid that tribute to him this morning, I must still find myself in disagreement with him on certain aspects of his prepared statement concerning the administration's program for military aid.

The examination was started this morning. I have formally requested on the record, that he be called back. I shall continue to press for a further hearing with the Secretary of Defense, because I believe the statement he made needs to be discussed in public. I do not believe it is in keeping with the purpose of public hearings of committees merely to call a witness in, have him make a statement, have a few questions asked him for a period of an hour or an hour and a half, and then dismiss him. The testimony which the Secretary of Defense gave this morning raises so many important and vital questions, as the examination already shows, that in my judgment the Secretary of Defense also should be called back for as many more sessions as are necessary to satisfy every member of that committee.

That raises the final procedural point I wish to raise. It may be that a Senate committee can decide by vote that no Cabinet officer or administration wit-

ness or any other witness should be called back for further examination. Technically, a committee might do that. I hope no committee will do so. Each of us represents the people of a sovereign State. Those people are entitled to ask whatever questions their representatives believe should be asked of any witness, no matter how many sessions may be required to ask such questions, provided—and that is easy to determine—the requests made by a Senator are good-faith requests, and provided the examination itself shows that it is a good-faith examination.

The American people cannot be informed about the facts of the foreign aid bill unless the administration spokesmen are subjected to thorough examination, involving every minutia, to which a Senator wishes to subject them.

I quite agree that it is necessary to have a rule such as is being followed in the Foreign Relations Committee, of rotation on a 5-minute basis. However, it does not take very long, under such a rule, to put a Senator in the position where he could not examine a witness for more than 10 or 15 minutes.

I shall abide by the majority opinion of the Foreign Relations Committee on this subject. However, I raise the question here because I believe that a procedural problem faces the Senate. The trend toward quick hearings and short periods of examination of witnesses is a trend of recent development in the history of the Senate. It is a trend that should be reversed.

In addition to cross-examination in the committee, it is important that Senators start now making a case on the foreign aid bill on the part of those of us who believe it should be drastically reduced. I would have Senators keep in mind that the foreign aid bill for fiscal year 1964, as proposed by the administration, is $4½ billion; that the military aid section is $1.4 billion; that the economic aid section is $3.1 billion. I am not favorably impressed with the argument made by the Secretary of State the other day, and again this morning by the Secretary of Defense, that the $1.4 billion bill for military aid is only 3 percent of the national defense budget. My question is: So what? I do not intend to permit them, by such a nonsequitur approach to this subject, to seem to establish the justification of a $55 billion national defense budget in round figures. It is entirely too high. It needs to be drastically reduced. When we discussed this point with the Secretary of Defense this morning, in replying to a question put to him by the Senator from Alabama [Mr. SPARKMAN], and subsequently elaborated upon by the senior Senator from Oregon, he took the position that the $1.4 billion for military aid could not be reduced, and indicated that if any reduction had to occur—and he does not favor any—it should be made elsewhere in the defense budget.

There is nothing sacred about these figures, although I expected the Secretary of Defense to take exactly the position he took when I pointed that out, for in a sense, the Secretary is a special pleader. The Pentagon is not going to topple, and the security of this country is not going to be endangered if there is a reduction in both these figures. I suspect that the most surprised people in Washington will be those in the Pentagon if the figures are not reduced. I did not have an opportunity to ask the Secretary this morning, because of the limitation of time, how much unexpended funds there are from last year's appropriation. I will ask him the next time. I serve notice on him now that I shall ask him.

I suggested to him this morning in public hearing that in my opinion the total budget could easily be reduced by 15 percent. I asked him what his position was. I received exactly the answer that I expected from him. One does not go through these hearings as many times as I have, without being able almost to give the witness's answer for the question. Of course, he told me that he thought such action would endanger the security of our country. I will give him an opportunity to show me in what way. I am not interested in the generalities that the administration witnesses have given to date as the chief characterization of their testimony; and that goes for the Secretary of State, Mr. Rusk; for Br. Bell, the Director of Foreign Aid; and for Mr. McNamara, the Secretary of Defense.

I want a breakdown of the figures; and I also want to have presented clear proof as to why a reduction here or there would do serious damage to the security of the country. One gets a kind of generality from page 16 of the testimony of the Secretary of Defense this morning. As I recall, he pointed out that in the past couple of years, NATO countries have increased their contributions to the expenses of NATO.

I asked, "In what way? Prepare for me a memorandum that shows exactly what every dollar they have contributed has been spent for."

It is very important to have such a memorandum, because merely to say that the NATO countries are increasing their contributions is completely meaningless, unless it can be shown that the increases they are making really are to the benefit of NATO as a totality.

I was very much interested in the testimony of the Secretary of Defense this morning, when I asked him if it were not true that De Gaulle has failed to assign French forces to the NATO command in any such numbers as France is supposed to furnish.

In effect, the response was that, of course, it was thought De Gaulle should assign French troops to NATO, but it was also true that in case of war every Frenchman would be available.

I asked the Secretary of Defense if he did not think every American would be available, too. Under article V of the NATO treaty, all the participants pledged themselves to the doctrine of one-for-all and all-for-one. But as I made clear to the Secretary of Defense, it is no answer, by way of a rationalization of De Gaulle's failure to carry out the obligations of France under NATO, to say that although it is true that De Gaulle has not been providing France's share of NATO troops, still all Frenchmen will be available if we should become involved in a war. On that basis, we could bring all our boys home, for we would all be available, too. The fact is that De Gaulle has not kept the commitments of France.

That leads me to the issue which I wish to discuss in this first of a series of many speeches I propose to make in the Senate in the weeks immediately ahead with respect to foreign aid.

I wish to address myself to the future of U.S. relations with Western Europe, especially as they have been affected by the issue of a NATO nuclear force. It is of great regret to me that my comments in the Senate on this issue have, except for the remarkable speeches by my friend from Idaho [Mr. CHURCH], been the only public comments among Senators on one of the greatest foreign policy issues of this decade. It is of no credit to Congress, and especially to the Senate, that we have abandoned the matter of America's relations with Europe to the executive branch. When the time comes for a large new American contribution to a NATO nuclear force, or for an amendment to the McMahon Act, then Congress will find itself confronted with a fait accompli, and we will be told that we had better simply ratify what the administration has done for us in our name, and as a result of our delinquency.

I do not intend to be caught in that predicament. I do intend to discuss this issue, whether anyone else in Congress is interested in it or not, because I have the feeling that what is being put forward, both at Ottawa and in the multilateral Polaris fleet, is only that small part of the iceberg that shows above the surface.

One reason I shall discuss it is that I was so active in 1949 in getting the North Atlantic Treaty ratified by the Senate. I know that NATO was created for a certain reason and because of a certain circumstance. The current generation of policymakers seems to have forgotten entirely what it was created for.

These original purposes have been achieved, and every partner except the United States is now operating on that assumption.

I have alluded previously to the objectives of European economic recovery, the economic integration of Europe, and the drawing of Germany back into the community of Western nations as constituting the primary purposes of the treaty. The current issue of the NATO nuclear force has brought into sharp relief the achievement of these objectives and the many other fundamental changes that have taken place since 1949.

ADVENT OF NUCLEAR AGE

The principle one is the advent of the nuclear age, and the missile age. This technological revolution has alone made NATO obsolete, in my opinion. It is now the United States, not Western Europe, that is most likely to take the brunt of any aggression from the Soviet Union. The doubts expressed among Europeans

that the United States will fire its nuclear missiles in the event of an attack on Europe are nothing compared to my doubts that our NATO allies will move a muscle if the United States is attacked by the Soviet Union.

EXPANSION OF U.S. COMMITMENTS

A second major change since 1949 is the vast increase in U.S. commitments elsewhere in the world. Whenever any question is raised in Washington about the value of NATO, one can be certain of hearing the old refrain "the security of Western Europe is vital to the security of the United States," played like an old phonograph record.

The people who say it have usually been saying it for most of their diplomatic or political careers, and would not know how to say anything else, much less think anything else. Even if true, it is not very relevant to the question.

But since 1949 there is hardly a spot in the world that we have not tabbed as vital to our security. In 1950, 14 nations in the world received U.S. military aid—all of it in grants. In 1964 we will be giving grants of military aid, not to 14 nations, but to 70 nations, and will be furnishing military aid through loan or purchase to 13 more countries.

As with Western Europe, this military aid to 83 countries is also extended on the finding that they are vital to the security of the United States. Aside from the financial expense, we have indicated by our military assistance that we have a commitment to their general interests and security. That commitment now includes almost every nation in the world outside the Communist bloc and Africa.

Mention South Vietnam, Taiwan, Iran, South Korea, India, Pakistan, and anyone in Washington will swear that each is vital to the security of the United States to the tune of billions of dollars. This may not prove anything except the stupidity of the United States, but it is nonetheless costing us billions of dollars and spreads our general defense commitment from one end of the globe to the other.

Western European countries have no such commitments. In fact, some of those we have acquired have been commitments abandoned by our allies. In south Asia, France has bowed out; we have tried to pick up the pieces. We are deeply involved in South Vietnam and in Laos, areas which Americans felt were vital to our security, but which France decided were not vital to hers at all. Much the same is true in the Middle East, where we also send huge amounts of military and economic aid in order to build what we think will be a bulwark against communism in an area called vital to our security. These areas were formerly dependencies of Western Europe; today they are dependencies of the United States.

India is one of the principal members of the British Commonwealth of Nations.

It is my understanding that the President of India is now in London. I am happy to know that. I hope that while he is in London he will take up with the British Government the question: "How much are you willing to help to contribute or to lend for the defense of freedom in India?" Although India is a member of the British Commonwealth of Nations, the sad fact is that to date the United States has been the country to which India has turned, primarily, for military assistance and economic assistance. In my judgment, any aid we give to India should be given in relationship to the amount of aid India receives from the other free nations of the world, for the American taxpayers must be protected more than they have been protected for some years in regard to being called upon to "shell out" billions and billions of dollars for the protection of freedom elsewhere in the world, whereas other free nations are not carrying their fair share of the burden; and that goes for England vis-a-vis India. I hope the President of India, who now is in London, will be successful in getting that point across, if he is interested in pressing that point. Let me say to the President of India that if he is not interested in pressing that point, I am not going to be enthusiastic about voting for apropriations of American taxpayers' funds to be used to come to the rescue of India. But I think India knows perfectly well that only in the United States does she stand to get consideration of the amounts of military aid and economic aid she needs in order to be able to defend herself against Red China.

I was very much interested in a response made this morning by the Secretary of Defense when I was pressing the point that our greatest defense weapon—namely, our economy—needs a little more protection than it has been receiving. The Secretary thought we could aid all these countries, because our gross national product is $600 billion a year. Again I ask, so what? Let us apply this point to a very homey problem which each one of us meets in his own private financing. I operate a few farms. The gross product of those farms has been increasing; but the only thing that really counts is the net return, and it has not been increasing. So we must consider what the American people have left, their net return from the gross national product. The Secretary of Defense, the Secretary of State, and Mr. Bell, the Director of AID, cannot escape the fact that today the U.S. economy is lagging in comparison with the economies of most of the countries of Western Europe. Our production rate is not rising as rapidly as the production rates of the prosperous countries of Western Europe. One of the reasons for that situation is that we have rebuilt their economies. We should have done that, and I voted for it, for we had a moral obligation and a national self-interest obligation to rebuild Western Europe. But Western Europe too frequently impresses me with the feeling that it has overlooked the fact that we rebuilt it. So we are being subjected by Western Europe to one discriminatory practice after another in the field of foreign trade. We find France failing to carry out her obligations under NATO; we find the other countries of Western Europe, save and except West Germany—and her record in the field of foreign trade vis-a-vis the United States is not good—taking advantage of the American taxpayers by failing to assume their fair share of the cost of protecting freedom, not only in Europe, but also elsewhere in the world.

This morning, when I questioned the Secretary of Defense about what England and other NATO countries, including Australia and New Zealand, are doing in South Vietnam, he replied, as the record shows, that they are doing something. However, when we press for details, we find that the aid being given is only token aid. I am not interested in form; I am interested in substance. The other nations of the free world are not paying their fair share of the support of freedom in the areas of the world where freedom is threatened.

In view of the many billions of dollars that the American taxpayers have poured out to build up the nuclear power of the United States—with the understanding that it is for the defense of the free world—is it any wonder that our economy is dragging? This morning I was astounded to hear the Secretary of Defense argue that he thinks the pouring of these billions of dollars into nonproductive military expenditures does not have a serious effect on our country's economy. When he next appears before the committee, I shall discuss that point with him at greater length; but at this time I wish to file this caveat, by saying that I could not disagree more with him on a matter of economics, for expenditures for military defense are not productive expenditures. Expenditures for military defense did not expand our economy; they do not create new wealth. We need to begin pouring into our economy huge sums of money which will expand the economy at the civilian level, for today our country does not have a civilian economy and a free economy. Today, the economy of the United States is a defense economy, and it is very lopsided. We have a right—and we must insist on it—to have the other free nations of the world increase their contributions to the military aid costs and the economic aid costs for the underdeveloped areas of the world; and the time to do that is now, in connection with the foreign aid bill.

If we reduce the foreign aid bill a minimum of 25 percent, we shall begin to hear talk in international conferences in regard to what other nations will do. But so long as Uncle Sam is willing to "pay through the nose," he will be permitted to continue to do so.

So, Mr. President, I will continue to take the position that until the Secretary of State, Mr. Bell, and Mr. McNamara, submit to the Foreign Relations Committee proof that other nations in the world are substantially increasing their contributions, I will not support a foreign-aid bill. Last year I voted against the measure for the first time in all my years in the Senate. If that is what I shall again be called upon to vote for this year, I shall vote against it, and I have made that point very clear to the White House. I could not think of voting for a bill which, in my judgment,

would do injustice to the American people and weaken the strongest defense of our country; namely, our economy. I could not think of voting for a bill in terms of the present administration bill.

So it is no longer a question of whether Western Europe is vital to the interests of the United States, because it is. But I do not think Russia is going to swoop down on Europe, whether we are there or not. It is the one place where our friends are wealthy enough and strong enough to take care of their security without us.

EUROPEAN PARTNERS NO LONGER SATISFIED WITH NATO

They know that, even if we do not. They are acting on it, and have been acting on it. Both the rising right in France, and the rising left in Britain and Italy are espousing doctrines of independence from the United States. I think they are doing so because the first and foremost objective of NATO has already been achieved, and that is the economic recovery of Europe. These nations are no longer scared to death of communism. They are no longer fearful of a takeover by their internal Communist parties, nor are they fearful of military aggression from the Soviet Union.

Economic self-confidence is bringing political self-confidence to Europe. If these nations were still truly fearful of Russia, they would be helping us to subsidize the poorer members. Britain, France, and the Benelux countries are not only continuing to receive military aid from this country which they do not need, but they are doing nothing to take over a proportionate share of the subsidy to Greece and Turkey, without which these two nations probably could not furnish the some 24 divisions they now furnish to NATO.

I digress to say that the American people need to learn about these figures. I wish the administration would make clear to the American people what it is costing them, for I believe that the American people are entitled to know these facts. I am satisfied that if the individual taxpayers of our country come to understand what we are doing on the question of foreign aid to NATO countries, their answer will be, "Cut it drastically."

Military aid alone for fiscal 1963 to NATO members shows Belgium receiving $28 million; Denmark $22 million; France $14 million; Germany less than a quarter million; Greece $62 million; Italy $70 million; The Netherlands $16 million; Norway $38.7 million; Portugal $11 million; Turkey $135.7 million; Britain $11 million. To this should be added the some $150 million in various kinds of economic aid which we also send to Greece and Turkey, and the $32 million in military and the roughly equivalent amount of economic aid we make available to Spain, because one need only look at the Summary Presentation to Congress of the current foreign aid bill to know that our aid to both Spain and Portugal is in payment for U.S. bases used in the defense of Europe.

If the European partners truly thought that Spain, Greece, and Turkey were vital to their own defenses, they would be helping us pay these costs.

I asked the Secretary of Defense about the aid that we give to Portugal and Spain for our bases in Portugal and Spain. I said, "Mr. Secretary, is it your position that the bases are vital to the defense of the United States?"

He said that the Joint Chiefs of Staff had gone into that subject. It was their opinion—and he shared the opinion—that the bases are essential to the defense of the United States.

I raised the question as to whether they were considered essential to the defense of Europe. Of course, the answer was that they were so considered.

My next question was as follows: "That being true, why does not Europe pay a part of the cost of the bases?"

To that question I did not receive a satisfactory answer. I was told that the per capita income of Portugal and Spain is much lower than that of the United States.

Again I asked the question—"So what?" I am not suggesting that Spain and Portugal pay us. I am only asking why we must pay them for the privilege of defending them.

We cannot pay the bill for the world. We have helped Portugal and Spain to the point where they have attained economic rehabilitation and a degree of prosperity that they have not known for many decades.

Why should not the other free nations of Europe pay a part of the cost of maintaining bases in Spain and Portugal, assuming that they are important to the security of our country? A general statement in committee this morning to that effect does not convince me. The Department must have an opportunity to prove to the committee not only that the bases are vital to the security of the United States, but why we must pay for them and why no other country should help us.

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

Mr. MORSE. I should like to finish this point, and then I shall be happy to yield.

Spain and Portugal remind me of a good many chambers of commerce in the United States. They are anxious to obtain certain installations for their cities. They are willing to do almost anything to obtain the installations. The desired installations are brought in, and not very long after that the cities start seeking to obtain further benefits for the maintenance of the installations—quite in contradiction to the assurances of local support that were made in the effort to obtain the installations.

We did not have to force these bases on Spain and Portugal. If they are vital to the defense of the United States, they are equally vital to the defense of Portugal, Spain, and other countries of Europe; and those countries should pay a part of the cost.

I yield to my friend from West Virginia.

Mr. RANDOLPH. Mr. President, the Senator from Oregon has spoken courageously. But beyond his courage, which is characteristic of his service in the Senate, we see the clear intent of the case he is making. What he has said is significant not only because he has made the statement, and made it well, but because, at deeper levels than we acknowledge or understand, he reflects the reasoning of a considerable segment of the American people.

The facts which the Senator expounds in this forum are sobering. I am conscious of this since I have knowledge, as does my colleague, that there are perhaps only six or seven countries on earth which have not received either direct aid or indirect assistance from the United States of America. We ponder the truism that more than 100 countries have been participating in the largesse of this Nation, resulting from the productivity of our people. There is no desire, Mr. President, on my part to think in narrow terms. We both believe, as I understand, that we have a covenant and commitment with the needy peoples of the world. This is a time not only for appraisal, but also for reappraisal of our personal, national, and international goals.

I compliment my colleague the Senator from Oregon.

Mr. MORSE. Mr. President, it means a great deal to me to have these words from the Senator from West Virginia, who serves with me on the Subcommittee on Education of this body. A good many of the economic factors I am discussing in connection with this issue are involved also in our educational problem. We know what is happening to the economy of our country because so much of our money has been going into the noncivilian production of defense and foreign aid.

When I think of the great pockets of unemployment in this country—the Senator's State is one, and my State is another—and when I think of the great need to correct undeveloped areas in our own country, I say it is about time that, as Senators, we start directing our attention to some of the economic needs of our own domestic economy, and let France, England, Australia, New Zealand, Portugal, Spain, Italy, Norway, Belgium, and other countries, into which we have been pouring our largesse since 1946, start paying their share.

I do not buy the argument of this administration, "If you follow that course of action you may alienate some of our friends; you may drive some of them into the arms of the Communists; you may create a serious international problem."

If our relationship with our allies is dependent upon our paying more than our fair share, the sooner we find out who are our friends the better. We cannot continue to support 83 nations, which we are now doing—never dropping any, but taking on more—and maintain the strength of our economy.

I say to the American people, "Rise up! Rise up! Make clear that you think the time has come for this Congress to start protecting the domestic economy of our country. We cannot do it by pouring out these billions of dollars being called for in the foreign aid and defense programs."

EUROPEAN DRIVE FOR NUCLEAR INEPENDENCE

One good which I do see coming out of the whole discussion of a NATO nuclear force is that it will finally compel the United States to face reality and make some basic and long overdue decisions about NATO.

The meaningless cut-and-paste job that came out of the Ottawa Conference is one more stalling device designed to protect our Defense and State Department policymakers from facing the inevitable while they work on something else. But it will not save them for long.

It will not save them, because they are refusing to recognize that now, and for several years past, NATO has been largely a United States-German alliance maintained primarily for the defense of Berlin.

The monumental disinterest of France and Britain in this endeavor is being made more clear than ever in the debate over the NATO nuclear force. Like Germany, they see no need whatever to subsidize Greece, Turkey, Spain, Norway, Denmark, and Italy in order to keep the Russians from rolling through West Berlin. That is a folly all the members have all been happy to leave to the United States.

But unlike Germany, none of our other NATO partners has much interest in a nuclear force, even under NATO command and with mixed units that cannot be withdrawn, over which the United States will maintain a veto and which will add little but a new expense to the NATO defenses.

Why do we not face up to the fact that the only purpose in the proposed NATO nuclear force is to give Germany a hand in nuclear weaponry which she is not allowed to have on her own? That is what this is all about. West Germany is forbidden by treaty to manufacture nuclear warheads and missiles. Now that France has decided that NATO no longer serves her primary national interest and is embarking on her own military buildup, including the nuclear one, it is alleged that Germany will soon come to feel that she, too, must have her own such force.

One alternative would be to free Germany from her 1954 pledge. But that is supposed to arouse raging fires of apprehension on the part of the Russians, and among some of Germany's neighbors as well.

FALLACY OF FEAR OF GERMANY

I do not think that there is much to be said for the notion that the former victims of German aggression within the Atlantic Alliance fear nuclear weapons in the hands of Germany. If they truly did, they would be anxious to participate in a NATO force in which Germany was only one of many members, and over which the United States had a veto.

But no. France does not allow any nuclear warheads on her soil because they are under American control.

That is the De Gaulle position. I ask, Is that the position of an ally?

Considering this position of de Gaulle, and the position of de Gaulle on manpower assignments to NATO, on foreign trade, on the Common Market, and on the discrimination against the United States vis-a-vis GATT, we would have a hard time bringing him under the definition of "ally."

I am at a loss to understand why this administration is proposing more concessions to France until we determine the question as to whether de Gaulle is to be an ally again. If he is not, let him "go it alone." We should not support his nationalistic program, or his plan for a French nuclear force, with a single dollar of American taxpayers' money.

Norway and Denmark do not allow nuclear warheads on their soil at all. The Italian Government was recently forced to promise its people that no bases would be made available in Italy for our Polaris submarines. So much for their fear of the possibility of a German hand on a nuclear capacity in which there was no American participation.

While Germany is anxious to have American participation in nuclear force even with an American veto, France is only anxious to have a European nuclear force in which there will be no American participation at all. The rest of the partners, including Britain, are too disinterested or too poor to concern themselves with any appreciable share in it.

AMERICAN PROPOSALS

I do not see anything in either the rearrangement on paper that was put together at Ottawa, or the proposed surface fleet of Polaris vessels, that will bridge this gap, that is really a gap among the Europeans. I do not see any good purpose whatever in putting more American money into a venture that is only a facade to cover up the dissolved foundation of NATO.

At Ottawa, a nuclear command under General Lemnitzer was set up, having at its disposal three U.S. Polaris subs, 180 British Vulcan bombers, and national fighter-bomber forces from 8 other members, many of which are already equipped for U.S. controlled nuclear warheads. A NATO liaison staff will go to Strategic Air Command headquarters at Omaha to take part in planning and targeting operations. However, all warheads assigned to NATO will still be under American control, and any of the assigned forces can be withdrawn at the discretion of the donor country.

The French were right in accepting this arrangement as being nothing new, different, or constructive.

The Secretary of State did not bring out of Ottawa the slightest change in French posture from what it was when the French delegates first sat around the table at Ottawa. Ottawa did not produce any significant commitment on the part of France. The French delegates went back to France, and De Gaulle remains free to travel down his nationalistic road. I say he should be allowed to go, but we should not pay his travel expenses. He should pay them, himself.

The force is proposed to be under NATO command, but not under NATO control. It retains the same objection that the French and many others in Europe regard as the fatal defect, and that is an American veto.

PROPOSED FLEET NOT MULTILATERAL AT ALL

But our proposed nuclear surface fleet maintains the same defect. It also has the added defect of being very costly to ourselves and the Germans, because under this arrangement, we and the Germans would each pay 40 percent, leaving 10 percent to Britain, and 10 percent to any of the other members who might want to participate. France will undoubtedly remain out of it entirely. For its mere 10 percent Britain will also have a veto over its use.

The total cost of this force has not been indicated, but estimates I have heard run from $2.5 to $6 billion. Forty percent of $2.5 billion would put the U.S. share at $1 billion. Forty percent of $6 billion would be $2.4 billion. Even the lower figure is much too high a price to pay for political peace within NATO. That this is a purely political device is generally understood. The force would add nothing to the existing destructive power of the nuclear forces already in the hands of the West.

I do not see how anyone who thinks we and Germany should finance 80 percent of a new nuclear force can consider that force to be a multilateral, NATO force. With Britain financing only 10 percent, it is idle to maintain the fiction that she would be a real partner in the surface fleet venture.

And without France, there simply is no NATO any more, no matter how much we may pretend otherwise. France is too key a country to permit NATO to continue to function without her. It does not matter whether France's reasons for picking up her marbles and leaving the game were sound or not. It is not an issue of wisdom, but an issue of fact. We are all in NATO together, making equal financial and manpower contributions, or NATO is finished. When a major participant declines to fulfill those contributions, that is the end of the organization.

Yet here we are, pushing for a new branch to the organization, this time without France, with only 10-percent participation from Britain, and with insignificant and reluctant contributions, if any are forthcoming at all, from 10 of the other members.

DOES NOT MEET EUROPEAN OBJECTIONS TO PRESENT SETUP

Neither do I see anything in this force that would do anything to overcome European objections to the present arrangement of having all nuclear warheads in NATO under American command. The U.S. veto would remain, and I would be very strongly opposed to any subsequent effort to eliminate that U.S. veto.

What concerns me is that this surface fleet may be only the preliminary step to the creation of a NATO nuclear force in which there will be no veto. Only the doctrine of use of the force by majority vote would overcome the European objection to the present system. Any system that retains a veto in the hands of the United States can hardly remove those objections. So I see little in the surface fleet that will meet the objections to the status quo, unless this is but

an opening wedge to a future move to put it under majority vote.

It is quite possible that the military and diplomatic planners who are obsessed with the idea that the United States must be permanently joined with Europe politically, economically, and militarily, think they can advance faster by taking a step at a time than by revealing their true objective at the outset. Perhaps they mistakenly think that once the surface fleet is a reality, and we have sunk a billion dollars into it, Congress will then be more easily persuaded to keep it going by giving up our veto over its use.

UNITED STATES MUST MAINTAIN ABSOLUTE VETO

There are already reports that some kind of weighted vote is being dangled before France as a means of assuaging her objections to a full American veto. Why American officials are so anxious to court France, I am never able to understand. In my opinion, there is nothing to be said to France at all on the subject of the nuclear force, until she has met her full manpower obligation for NATO's conventional forces.

Our spokesmen are making a grave mistake if they are discussing a weighted command of the surface fleet with the understanding that they can get quick congressional approval, once the force is in being.

They should be disabused of that notion right now. I do not intend to support a billion dollar outlay for NATO at all, when it constitutes 40 percent of the whole cost, much less vote for it and then be told later that this was only the first installment and the next installment will be a modification or a relinquishment of a U.S. veto.

I would not be in favor of giving up any part of our veto because I do not believe the United States should ever be in a position where Western Europe could make us a target for nuclear attack against our own judgment. If it were possible to limit our liability to those nuclear forces that were actually under NATO command, that might be different. But I do not see how that could be done. I do not see how a nuclear war in which Western participation was commenced by a majority vote in NATO and against American objections, could be restricted to those forces actually under NATO command.

So long as nuclear arsenals exist, we will best serve the cause of peace if we continue to take an adamant stand in regard to the control of any nuclear forces to which we make a contribution.

U.S. ALTERNATIVES

It seems to me we have two possible alternatives. One is to come to grips with the reality that NATO is really a United States-German organization, and confine ourselves to a bilateral arrangement with Germany alone so long as the Berlin issue remains unsettled. At least this would enable us to rid ourselves of all the excess baggage of subsidizing peripheral members. It would save us from the stupidity of begging for French support. And it would remove the issue of the veto, at least as long as the Germans themselves do not raise it.

Or we might make it clear to France, Britain, and Germany that they are on their own, free to do whatever they like about creating a European defense force of their own, including a nuclear deterrent, free from all American financing, participation, and veto.

I believe we must "lay it on the line," so to speak. If they want to go it alone, it must be with the understanding that they pay their own way. That is why I believe the foreign aid bill should be discussed at the crossroads of America for weeks to come, because it is part and parcel of the whole NATO issue. That is why I am not at all interested in a rush act on the foreign aid bill. I am not at all interested in quick hearings. I am not at all interested in closed hearings. I am interested in a sufficient passage of time, so that the American people will know that Congress is being asked, and will be asked in the future, to give away hundreds and hundreds of millions of dollars for a purpose which I seriously question has a good ending.

A British-French-German pool of nuclear technology could lead to a European deterrent that would obviate the issue of their reliance upon America. It would obviate the issue of the American veto over a NATO nuclear force.

That something of this nature is in the wind seems evident to me. Newsweek magazine has recently published a comment to this effect by the prospective Defense Minister in a Labor government in Britain, Mr. Patrick Gordon-Walker. Mr. Gordon-Walker is quoted as saying that the Labor government will abandon the independent British deterrent, in exchange for which it will ask Washington for a veto over the entire American nuclear policy. And if Washington refused, he was asked. "Then we should have no alternative but to throw in with Europe."

I understand that Mr. Gordon-Walker is coming to Washington in the near future. If he is coming to sound out the prospects for the British Labor government having a veto over American nuclear policy, he should plan to throw in with Europe right now, and save himself the cost of the trip over.

Moreover, a purely European defense would also make it possible for us to begin withdrawing a good part of our 400,000 troops in Europe. They would no longer be needed as the hostage of our good intentions.

Mr. President, that rankles me, when I think of what we have poured into Europe, in blood, materiel, and money, and when I recognize that France has not been able to defend herself for half a century.

France has continued to exist, not because of any capability of defending herself, but because for half a century the free world has come to her defense. Mr. De Gaulle needs to reread French history, not distort it, and to be told, as we have been told—and this includes the Germans too—what the truth is. They suspect that the United States would not really come to their defense. They seem to have taken the position that we must have 400,000 American boys in Europe, figuratively as hostages, to demonstrate our good intentions. What assurances have we from Europe, correspondingly, that give us any assurance that Europe will come to our defense?

It would probably be true—and I suspect that many of the European allied leaders are taking this into account, which may somewhat explain their intransigence—that if we should get into a nuclear war, it would be a quick one between two great powers, the United States and Russia, and would be fought over the heads of the Europeans; and the European countries, conceivably, might not be touched. So I ask, What assurance have we that in such event the Europeans would not stand on the side lines?

That is what I mean when I say I rankle at the repeated challenges to the good faith of the United States that have broken out from time to time throughout Europe. We have too many boys over there. A large number of them should be brought home now. I have been heard to say before that we have more boys over there under NATO command than France, Great Britain, and Canada combined. De Gaulle leaves a long gap in the NATO defense, without any French manpower.

However, the Secretary of Defense told me from the witness stand that while this is true, he is satisfied that in case of war all French soldiers would be available. I do not "buy" that argument. That is not my idea of keeping faith with an alliance. If De Gaulle does not want to keep faith with the alliance, all of us must reappraise our participation in it.

I repeat that we should consider seriously turning over the defense of Europe to Europe. If these nations believe large numbers of conventional forces are needed in Europe, they will be willing to furnish them themselves. And if they believe subsidies are needed for Spain, Greece, Turkey, Italy, and other members, they will see that they are paid.

My suspicion is that it is almost true that only the United States seems to think these subsidies are necessary. If Great Britain, France, Germany, Belgium, and the other countries really thought that the subsidies were necessary for NATO countries which cannot afford to maintain their military forces, and if they really thought they were necessary to the defense of Europe, they would help to pay for them.

Let us find out. The best way to find out is to cut the bill drastically with respect to the whole matter of NATO allowances. We should cut it, and then we will find out whether England and France and Belgium and Italy think that the heavy support that we are giving to these other countries is important to the defense of Europe.

My suspicion is they do not think it is. That is why they are so reluctant to contribute any money. That is why we have not gotten anywhere in all the past negotiations on this subject. I do not "buy" the argument of the Secretary of Defense, which in effect is that we should go ahead, because we are proceeding on the assumption that if we get into trouble over there, those countries will rally

around the NATO standard. The time for rallying is now.

Mr. LONG of Louisiana. Mr. President, will the Senator yield?

Mr. MORSE. I yield to the Senator from Louisiana.

Mr. LONG of Louisiana. I believe the Senator from Oregon will recall that several years ago the two of us had occasion to take a look at the arrangements that were being made for building military bases in various countries.

As an example, it was found that the United States had rushed into England to build some new airfields and to convert some old airfields in accordance with modern standards. We operated on a 60 to 40 arrangement, whereby, as I recall, the British would pay 40 percent of the expense ratio. Then the British rushed ahead to build more airbases without any agreement, on the theory that we would negotiate about them later.

From the point of view of the hard-headed British businessman, the British would have been absolutely idiotic to have paid us more than about 10 percent for the construction of the additional bases, because while originally they went into the program as a matter of mutual defense, since the airfields meant as much to them as they did to us, once they saw that America was willing to go ahead, even if we had to pay for the whole business, from the point of view of a nation that was hard pressed for finances anyway, it would have been ridiculous and not in the public interest of Britain to have made any contribution to the construction of the bases.

Mr. MORSE. What we said in our confidential report in 1952 can be said publicly now, namely, that the Senator from Louisiana and the Senator from Oregon filed with the Committee on Armed Services a report that pointed out what a very unwise course of action the United States was following even then.

Since the Senator has raised the question—and I am glad he has raised it—we found one waste after another in NATO as we went across Europe. The Senator from Louisiana and I stood on air fields in France on which not a single jet fighter had been landed, nor could be landed.

It was possible for us to kick out—and we did kick out with the toes of our shoes on those airfields—stones and gravel which in some instances were half again as big as our closed fists.

Those bases had to be built by French contractors and under French supervision. Their construction involved the waste of millions of dollars. The American taxpayers had to pay through the nose again for the rebuilding of those air bases. Does the Senator from Louisiana recall that?

Mr. LONG of Louisiana. I do. In some cases, we had been charged heavy taxes and tariffs to import material into those countries for their own benefit. We were virtually giving it to them for their own defense.

Mr. MORSE. Listen to that, Mr. President. It came out also this morning in the testimony with respect to our present policy. The Secretary of Defense denied that such a situation exists, but I have asked him to submit a memorandum in support of his statement.

The Senator from Louisiana is correct. Let the American taxpayers know that in some of the countries we have been aiding, we pay the taxes and tariff duties on American military supplies which are destined for the building of air bases for the defense of those countries. France is one of the worst offenders. The record against France is a sordid record so far as her economic treatment of the United States is concerned. The senior Senator from Oregon does not propose to vote for a single sou for the French, because the French do not have it coming to them.

Let me say to my administration: "You had better do some negotiating with France first. You had better try to rectify the situation before you come to the Hill and ask Congress to continue this shocking waste of the American taxpayers' money by way of aid for the defense of France through NATO."

France is not the only country. I say to my administration: "You had better have a new conference on NATO before you seek a vote on the foreign aid bill, because Ottowa did not solve anything."

Mr. CHURCH. Mr. President, will the Senator from Oregon yield?

Mr. MORSE. I yield.

Mr. CHURCH. First, I congratulate the Senator from Oregon on the excellent speech he has made. I was unable to be present while the Senator delivered it, but I have read his speech in full. I think he has rendered a very real service in pointing up the way that conditions have changed since the NATO Alliance was first formed, though our policies toward the alliance have not. The Senator from Oregon knows that I share many of his views in this regard. I commend him for alerting the American people and the administration to the need for a change in our policy toward Western Europe.

The Senator will recall that yesterday or the day before, when the Secretary of State appeared before our committee to testify on behalf of this year's foreign aid bill, both the senior Senator from Oregon and the senior Senator from Idaho questioned him with respect to the spread of the foreign aid program.

I believe I observed that in 1962 we were giving American aid in some form to 107 countries. If we exclude the Sino-Soviet bloc, that means that only eight countries are left in the whole world that are not getting some form of American subsidy.

Mr. MORSE. They must not give up hope.

Mr. CHURCH. I do not know what accounts for the fact that these eight countries have not yet climbed aboard. Perhaps it has been pure oversight. But every year the list grows longer. Once the spigots are turned on, they are never turned off. That is what gives some of us who have been supporters of the foreign aid program reason to pause. It does not matter whether the administration is Republican or Democratic. It does not matter who is administering the program. It does not matter how much is given, or for how long. The administration of the program never changes. Although the form of aid may change, although, in some cases, the amount of aid may be decreased, once the spigots are turned on, they never stop dripping.

I am hopeful that this year, with the help of the senior Senator from Oregon, who has always stood with me in this cause, we can have written into the foreign aid bill an amendment to shut off the spigots to those countries which have become so affluent that no one seriously contends they cannot afford to pay their own way. That is all I ask. No spokesman for foreign aid has ever contended that it was meant to subsidize the rich. It is about time for us to begin to write the law in such a way as to take the rich countries off the dole.

I hope that with the help of the senior Senator from Oregon and such other Members of the Senate as the junior Senator from Louisiana [Mr. LONG] the bill can be amended so that it will begin to make more sense to the American people and to the Government. If that can be done, we can all continue to support foreign aid in good conscience. But if it cannot be done, the time may have come to reappraise our position with respect to the whole program.

I again commend the Senator from Oregon and thank him for his speech.

Mr. MORSE. Mr. President, I cannot begin to tell the Senator from Idaho how much I appreciate his contribution to the discussion this afternoon. For several years he has been one of the leaders in raising these danger signs. He has rendered a magnificent service. For several years I have supported the amendment offered by the Senator from Idaho on this subject.

I want to support foreign aid. I have supported it until last year. When we started this fight 5 years ago, 94 cents out of every foreign aid dollar was grant money. Merely for giving aid away we provided 94 cents out of every foreign aid dollar. In the early days of the program, it was necessary to provide a large share of grant money, although I never thought it should be that much. Some of us kept struggling to have the amount reduced. The Senator from Louisiana [Mr. LONG], on amendment after amendment offered in the Committee on Foreign Relations, supported us and also uttered words of caution about where the program was leading. But we did not make progress fast enough to suit me. Sometimes I would vote against the bill in committee, hoping that thereby we could get a better bill on the floor. Sometimes I voted against the bill both in committee and on the floor, hoping that thereby we could get a better bill from the conference. But last year I was fed up; I voted against the bill at each of the three critical voting points—in the committee, on the floor, and when we were dealing with the conference report. I shall do the same this year if the bill comes anywhere near resembling the one we now have under committee hearing.

We changed the proportion until 65 cents of every Federal-aid dollar was for grants and 35 cents was for repayable

loans. But it has remained static at those proportions for some time.

It is most difficult to specify a definite rule and say that when it is applied, we will vote for the bill. But I will state my goal—namely, that when the foreign aid bill is changed to such an extent that 75 cents of each dollar is for repayable loans and 25 percent is for grants, and when—as the Senator from Idaho has said—no funds are provided for nations which no longer are entitled to our foreign aid, I will vote again for foreign aid.

I say to the administration that when the American people understand these facts, I have no doubt what their position will be. But as of now they, too, have had their fill of the foreign aid program. This administration will make one of the most serious mistakes it could make from the standpoint of sound public policy if it tries to ram this bill through merely because it may think it has the power to do so. If it follows that course of action, it will get its answer in 1964.

Mr. LONG of Louisiana. Mr. President, will the Senator from Oregon yield?

The PRESIDING OFFICER (Mr. BAYH in the chair). Does the Senator from Oregon yield to the Senator from Louisiana?

Mr. MORSE. I yield.

Mr. LONG of Louisiana. I wish to commend the Senator from Oregon for his excellent statement. Let me point out that when he refers to a goal of having 75 percent of the foreign-aid program be in terms of repayable loans, I hope he is speaking of their repaying us, rather than repaying themselves.

Mr. MORSE. That is exactly what I am speaking of.

Mr. LONG of Louisiana. The Senator from Oregon well knows that the loan fund under the development loan program began, and has for a long time been pursued, on the theory that we would loan them the money, and they would repay it to themselves, with the result that if they used the commodities or other things of value which we sent them under our foreign aid program and sold them for their own local currencies, and left the proceeds in the bank, it was as if they had never repaid anyone—either themselves or anyone else. So the loans turned out to be gifts.

The Senator from Oregon will recall that when Mr. Dillon was Secretary of State, he recommended to us that the loan funds we had made available to Turkey and Greece be struck off the books—in other words, to cancel the indebtedness of those countries to us; not only to immobilize approximately $100 million of local currencies, as of that time, but also to strike that indebtedness completely off the books, and forget about it. It seems that some persons have been somewhat misled, under the theory that some of the development loans would be repaid, whereas the only obligation was to repay it to themselves.

Mr. MORSE. I am glad the Senator from Louisiana has raised that point.

The other day, in the course of questioning the Secretary of State, we brought out the point that a very high proportion of the so-called repayable loans—that is to say, repayable in hard dollars, not in the soft currency of the country concerned—is loaned at three-fourths of 1 percent interest, with 10 years of grace during which no interest whatever is charged. So I said to the Secretary of State that this is another hidden subsidy to those countries, because three-fourths of 1 percent interest does not begin to pay the cost of the use of that money of the American taxpayers, in view of the fact that when our Government goes into the market to borrow money for the American taxpayers—and that is done every day by the Treasury Department—it does not get money at three-fourths of 1 percent interest. Instead, the last figure I saw was more than 3 percent.

So we are giving these countries another handout. Yet some persons would give the impression that the gifts are repayable loans, with interest and at no cost to the United States. However, in this debate and in the hearings we must be sure to set forth in the record every cent of the cost of the bill to the American people.

As for soft loans, the Senator from Louisiana said he hoped I was talking about loans repayable in American dollars. Let us not forget that many of the loans are not repaid to the United States. They are paid in terms of the soft currency of the country concerned, and the "repayment" is deposited in a bank in that country, for whatever expenditures the United States may wish to make there. But we know that in that situation, many countries build up huge deposits of their soft currencies which are of practically no value to us.

Mr. LONG of Louisiana. The Senator from Oregon said "for whatever expenditures the United States may wish to make there." I believe many of them are for such use as the United States wishes to make of the money, provided the foreign country agrees.

Mr. MORSE. Yes; that is the other "gimmick"—that even with the so-called loans repayable in soft currency, we cannot use that currency in that country at our discretion. Instead, we must go hat in hand to the government of that country, and ask it, "Can we use some of this money to build an American embassy" or "to buy American supplies for our various service agencies here?" Frequently they deny our request—on the ground that such expenditures might be disruptive of their economy.

Mr. LONG of Louisiana. So long as the foreign country does not agree to use the money or does not permit us to use the money in the way we want to have it used, insofar as that money is concerned, it is about the same as if the funds did not exist at all, is it not?

Mr. MORSE. That is correct.

Mr. LONG of Louisiana. Furthermore, when the program was begun, General Bradley, then chairman of the Joint Chiefs of Staff, testified that those funds would not reduce by one dollar the cost of our defense requirements, and that we could not thereby reduce by one dollar the cost of our necessary defense expenditures. That was his opinion of the value of the foreign-aid program.

I feel that subsequently, under the Eisenhower administration, the witnesses were more or less required to testify or to infer that the foreign aid program reduced the cost of our national defense.

It is well for us to keep this point in mind. Any good defense planner realizes that if our country were forced to fight a war with some great power, such as the Soviet Union, we could not be sure that any of our allies would help us. It is entirely possible that we might find ourselves at war over a situation such as a blockade of Cuba, and that no other country would fight by our side. As a result, we might find ourselves fighting it entirely with American men, dollars, and equipment. That being the case, even our dispositions of troops in various countries in the world would actually reduce, rather than increase, our ability to defend our homeland. In other words, if the nations of Europe were not at war, I would certainly hope that in a war between our country and some other great power, we would undertake to remove our troops from other countries, so they would be available to fight for the defense of the United States.

Mr. MORSE. I agree.

Mr. LONG of Louisiana. Thus they would contribute to the defense of this country, and thereby our defense costs would be decreased.

So while it is well that we spend funds in ways that will help keep countries from falling under Communist domination, it is also well to realize that not one of the dollars spent on such a program actually contributes to the defense of our own country.

Mr. MORSE. The Senator is correct. I thank him very much for strengthening the record of my speech by his comments.

Mr. President, I close with my last paragraph.

I am convinced that the impasse over the nuclear force will eventually force some such choice upon us, as I have outlined. It is unfortunate that we did not face up to the choice before we squandered hundreds of millions of dollars on defenses for Europe that the Western Europeans have not considered worthwhile. They have been more cognizant of changed conditions since 1949 than we have. They have acted on their new self-confidence and we have pretended that things were still the same. The Ottawa agreement was one more stalling device, but it did not settle anything. In the end, we are going to have to disengage ourselves from Europe, and I only hope it will be sooner rather than later.

As the debate continues in the weeks ahead, I hope that the administration will reevaluate its position on the bill and make some suggestions for amendments that will once again unite our forces. But our forces will never be united, so far as the senior Senator from Oregon is concerned, if the administration continues to press for this bill, which, in my judgment, involves an expenditure that cannot be justified from the standpoint of the reasons that I

have enumerated today, and the many more that I shall enumerate in the days to come.

I yield the floor.

Mr. MORTON. Mr. President, I have listened with interest to the remarks of the senior Senator from Oregon, and I can assure him and the Senator from Idaho [Mr. CHURCH] that they will have substantial support on this side of the aisle in achieving their objectives.

U.S. POLICY ON CUBA

Mr. MORTON. Mr. President, Cuba is the most urgent of the many problems on the agenda of American foreign policy. Its urgency results from a number of factors, not the least significant of which is the special and traditional relationship that Cuba has had with the United States. Also, the presence of a sizable body of troops from our main adversary in world politics underscores the importance of Cuba as a problem for American foreign policy.

Since Cuba is the most pressing problem confronting the United States in its foreign relations today, it behooves all citizens concerned with the safety of this Republic to study the Cuban question in order to understand all of its ramifications and, hopefully, to carry on a dialogue about it with the aim of strengthening the hand of those charged with the responsibility of formulating and executing American policy on Cuba.

The Senate has an especially important role to play in the developing dialog on Cuba. Although its constitutional power to "advise and consent" encompasses nominations and treaties only, its role in the treaty process enhances its importance in the foreign policymaking process. I, for one, welcome the responsibility charged to the Senate with respect to American foreign policy. Although I am not a member of the Committee on Foreign Relations, nevertheless, I am an interested and concerned observer of American foreign policy.

I have been following closely the development of our policy with respect to the Cuban situation. Today I want to discuss it, for the purpose primarily of attempting to clarify our present policy and to point out what I feel are its shortcomings and inadequacies. I do this in the spirit of patriotism, not partisanship, for I want the President and his administration to succeed in carrying out whatever policy options they select.

What is the objective of our Cuban policy? The objective as well as the broad outlines of the present policy have been spelled out on a number of occasions in recent weeks by the distinguished and able Secretary of State: "It is the unanimous view of the governments of this hemisphere," Secretary Rusk declared some weeks ago before the American Society of Newspaper Editors, "that the present Marxist-Leninist regime on that island is incompatible with the inter-American system, and that our object must be to welcome a free Cuban people back into the inter-American community." Included within the scope of our objective Secretary Rusk said, is the fact that "a Soviet military presence in this hemisphere is not to be accepted as a normal state of affairs."

What measures are being taken to achieve this objective? Secretary Rusk divides them into three categories:

> The first involves the commitment of our Armed Forces to insure that Cuba does not pose a threat to the security of the hemisphere. This means a prohibition of the return of offensive weapons to Cuba, a maintenance of surveillance to assure ourselves and others that such an offensive capability is not present, enforcement of the free use of international air space and waters in the Caribbean, interdiction of arms and shipments and other forays aimed at other countries, and insurance that there not be a Hungarian-type episode in this hemisphere.
>
> A second group of actions aimed at demonstrating that there is no future for Cuba under the present regime, and that the Cuban people cannot achieve success at home or normal relations with their traditional friends of the free world under a regime committed to implacable hostility toward free institutions.
>
> This is why trade and fiscal relations with the free world have been rapidly shrinking, and why free world ships are being steadily withdrawn from the Cuban trade.
>
> A third group of measures has to do with the rest of the hemisphere. They include a strong effort within the Alliance for Progress to demonstrate that rapid economic and social development can best be achieved through free institutions. They include measures such as those discussed by President Kennedy with the Presidents of Central America and Panama to interrupt the clandestine flow of funds and personnel between Cuba and other countries of the hemisphere.
>
> They include close cooperation among the armed forces and security agencies of the Caribbean in the interest of public safety. They include a fourfold increase in our own broadcasting to Latin America since 1960, and the vigorous engagement of Latin Americans themselves in the political and propaganda battle.

Secretary Rusk contends that the present policy on Cuba, viewed in its entirety, constitutes "a serious, sustained, and effective effort to deal with the threat of Marxist-Leninism in this hemisphere."

This, then in broad outlines is our present policy on Cuba. I might comment here that review of various declarations by administration spokesmen, including most notably the President and the Secretary of State, discloses that with the exception of some modifications resulting from our experience during the October missile crisis our policy has been pretty consistent for many months. In fact, one might say that the policy has been constant since the debacle at the Bay of Pigs over 2 years ago.

The policy can be summarized in the phrase "isolation of Cuba." All the measures outlined by Secretary Rusk, the President, and other administration spokesmen are designed to bring about the complete isolation of the Castro Communist regime within the confines of the island of Cuba, with the aim thereby of bringing about the end of that regime and welcoming the reentry of a free Cuba into the inter-American community. Isolation, then, is the working aim of the present policy.

Secretary Rusk's statements of the ultimate objective of our Cuban policy have been vague in that he does not specify just what will take place in Cuba in order to assure its return to the inter-American family of states. Other administration spokesmen, however, have indicated that we advocate the overthrow of the Castro regime. The Vice President, in remarks before the first graduating class of the Inter-American Defense College, declared:

> Our mutual objective is to end that Communist regime in Cuba. We cannot be really content until communism is gone from Cuba and gone from this hemisphere.

The Secretary of Defense was more specific in testimony last February before the Committee on Armed Services. He stated that an objective of our policy with respect to Cuba was:

> The eventual change in government. The President has expressed it in various ways at various times, but I think it is quite clear that we continue to work for the overthrow of the Castro government and the elimination of the Communist control of Cuba.

I doubt that any thoughtful American will quarrel with that aim as expressed by Secretary McNamara, although I note that neither the President nor the Secretary of State have been that specific.

When it comes to the question of how the downfall of Castro will be brought about, however, the matter becomes fuzzy. When asked about this at his press conference on February 7, the President said:

> I am quite obviously hopeful that it (the Castro regime) can be eliminated, but we have to wait and see what happens.

The President commented further:

> There is no obviously easy solution as to how the Communist movement will be removed. One way, of course, would be by the Cubans themselves, though that is very difficult, given the police setup.

Other administration spokesmen apparently contradict themselves. The Assistant Secretary of State for Inter-American Affairs, Edwin M. Martin, implied in a television interview on April 27 that the most likely way to eliminate the Castro regime would be an internal uprising. Mr. Martin pointed out that for more than a year the administration had constantly maintained that—

> Castro would have to be deposed whether from within Cuba or by a massive U.S. invasion.

Rejecting an invasion under present circumstances, Mr. Martin said:

> That leaves us primarily looking to action from within Cuba, for the Cuban people to repudiate Castro, which we thought and think still is the most likely and from its overall impact in Latin America and Cuba in the future, is the best way for him to go down.

The State Department's Coordinator of Cuban Affairs, Sterling J. Cottrell, seemingly contradicted Mr. Martin 2 days later when he said that the administration does not expect a popular revolt against the Castro Communist regime. According to an Associated Press dispatch:

> "Military control is too restrictive for that" Cottrell told a news conference on his arrival here (Kansas City) for a Rockhurst College banquet address tonight. Also, he added, "We note a considerable amount of apathy on the part of the Cuban peasants."

I leave it to my colleagues in the Senate and the American people to make sense out of these apparent contradictions.

One thing seems clear about our present Cuba policy. Although recognizing that Cuba is presently a Soviet garrison and a forward base for Communist subversive activity throughout this hemisphere, the administration does not regard Cuba as a grave danger to the security of the Americas. The seemingly serene confidence in present measures to build, in President Kennedy's words, "a wall of dedicated men" around Cuba—most notably the Alliance for Progress—is evidence of a lack of urgency within the administration about Cuba.

Such serenity certainly is not shared at this end of Pennsylvania Avenue. In its recent and outstanding report on the Cuban military buildup, the Preparedness Investigating Subcommittee of the Committee on Armed Services asserted that—

> Cuba as a source of weapons and small bands of provocateurs, saboteurs, agents of revolution and chaos * * * is a distinct and present threat to all of the Latin American nations with shores on the Atlantic Ocean and Caribbean Sea.

And the subcommittee warned of the longer range threat:

> The paramount danger at this time is that the nations of this hemisphere may be subverted one by one and be exploited, in turn, for subversive and revolutionary activities. By this process of erosion our neighbors to the south may fall, nation by nation, until the entire hemisphere is lost and the Communist goal of isolating the United States has been attained.

What is wrong with the present policy on Cuba as I have just outlined it? I contend that it fails to come to grips with the central problem confronting this Nation and its hemispheric allies: the continued presence in this hemisphere of a regime controlled by a hostile alien power whose object is to destroy the various societies existing in this hemisphere and building in their place its tyrannical Communist society. Let me be more specific in what I regard as the inadequacies and shortcomings of the policy.

I think there is a broad consensus throughout the hemisphere, certainly in the United States and the Caribbean region, that the Communist base and regime in Cuba must be eliminated. Whether this objective is expressed in the vague and polite diplomatic language of the Secretary of State or the more straightforward language of his colleague in the Pentagon is immaterial, provided that this is the aim of our policy. Given this objective, the question is whether or not the various measures instituted by the administration and outlined on various occasions by its spokesmen will do the job.

Prediction is hazardous, of course, but I am inclined to be pessimistic for several reasons.

First, the task of policing the Caribbean to prevent clandestine shipments of arms, propaganda, and personnel to countries on its periphery seems wellnigh impossible. Unless the administration can present positive and conclusive evidence to the contrary, I shall continue to be skeptical of the effectiveness of this seemingly overwhelming task that has been assigned to our Armed Forces in the Caribbean.

Second, the unwillingness of several important Latin American countries to go along with the United States in the effort to control the traffic of men between their countries and Cuba and between their countries and, through Cuba, the countries of the Communist bloc, raises doubts in my mind as to the effectiveness of isolation no matter what we do under the present policy. Perhaps our attempt to gain assent for such control measures would be more effective if we advised these recalcitrant governments that we might suspend all aid programs we have in their respective countries until they become more cooperative.

Third, I wonder how effective our embargo on Cuba will be, especially since the bulk of Cuba's commercial intercourse is with the Communist bloc, whose ships are permitted uninterrupted ingress and egress to the Caribbean. We are told that the embargo is making this intercourse steadily more expensive for the Soviet Union, but I wonder if this seriously bothers the Soviets in view of their obvious satisfaction that they have a forward base from which they can wage their "wars of national liberation" throughout Latin America.

I most strenuously dissent from one argument that is repeatedly voiced by administration spokesmen. I refer to the contention that, in the words of the Vice President:

> Cuba is clearly proving to be for the Communists a showcase of failure—not a show window of success.

Several facts are usually offered to sustain this contention, including the fact that food consumption under Castro has declined by 15 percent and the fact that nearly a quarter of a million people have fled from Cuba since Castro came to power 4½ years ago.

I feel that we are most seriously mistaken indeed to pin our hopes on such ideas as, first, Cuba will be a showcase of economic failure manifested by suppression of food consumption there, and second Cuba will be a showcase for social and political failure manifested by the massive exodus of middle-class Cubans. Let me point out that such phenomena have never yet brought about the overthrow of a Communist regime. To the contrary, Cuba may demonstrate the efficacy of Communist methods in permitting a totalitarian cadre actually to retain its grip on power in the face of suppressing consumption, partly by combining hunger with a monopoly of food supplies as an instrument of control and order. Communist China over the past several years provides a vivid example. As we know, the regime there has survived gravely serious famines in 3 successive years without crumbling. I might note parenthetically that the Chinese have not been as fortunate as Castro's Cuba in obtaining Soviet assistance. As for the flight of Cubans from their homeland, the regime has been enabled thereby to enrich itself by seizing the wealth and goods of those who depart. Moreover, potential opposition to the regime thereby leaves Cuban soil. In this sense, the exodus of Cubans performs what the Chinese Communists accomplished by their mass executions in the winter of 1950.

Actually, I believe, a case could be made, in the eyes of some people at least, for the contention that Castro's Cuba is a showcase for success. Think of the groups of highly dedicated and disciplined men throughout Latin America who are striving and indeed plotting for the overthrow of the regimes presently in power. Certainly they must be heartened by the continued existence of a Communist forward base in Cuba. Not only does it continue to exist, but, if I may use a figure of speech, it is nestled securely under the arm of the colossus to the north, Uncle Sam. Surely this emboldens these determined insurrectionists who are ready and willing to advance the cause of Marxist-Leninism.

We had an example of that the other day when the U.S. military mission in Venezuela was destroyed and burned. We all know that those who engineered that mission certainly have had close contacts with, if not actual training in, Cuba itself.

No, I cannot go along with those who are serenely, even supremely confident that our present policy with respect to Cuba will effectively achieve its objective. Certainly rapid economic and social development envisioned under the Alliance for Progress cannot cope with this most immediate and urgent challenge. I know of no case in history where rapid economic and social development has ever taken place. I credit the administration with trying to achieve its objectives. I concede that there is a policy on Cuba. But this policy, I submit, is a policy of procrastination, a policy that fails to grasp the central issue, a policy that postpones decisions that will have to be made sooner or later relating to the presence in this hemisphere of a Communist regime pledged to the extension of Communist rule throughout this hemisphere.

Having already outlined what I believe are some of the inadequacies of the present policy, let me say a word about its consequences. With respect to Latin America, as the Preparedness Investigating Subcommittee eloquently pointed out, we risk permitting a process of erosion to occur that could lead to the isolation within this hemisphere of the United States.

But there is another consequence involving the United States only, and it is one that deeply concerns me. That is: a policy of procrastination on Cuba risks the likelihood that Cuba might become on a grand scale a political football on the domestic scene in the months ahead. Naturally, I am a partisan, but I am an American first, and this prospect distresses me because it can only hinder the efforts to achieve the objective we seek with respects to Cuba. With the approach of another presidential campaign, rising temperatures will not be conducive to the thoughtful and introspective study of our Cuban policy, especially if through the coming months we

continue to drift with the present policy. Procrastination now renders more likely and risky, I might add, the possibility of some dramatic grandstand play later on.

I have limited myself today deliberately to a review and analysis of the present policy for the purpose of clarifying it and criticizing it. I realize, however, that criticism by itself can serve no useful purpose, although I hasten to add that we must recognize our shortcomings and errors before we can develop more satisfactory alternatives.

I expressed the hope at the beginning of my remarks that a dialogue on Cuba will begin with the aim of developing these alternatives. And I noted the important role that the Senate can play in this connection. I shall continue to study the Cuban situation as closely and conscientiously as I can, and perhaps some time in the future I can contribute more to what I hope will be a developing dialogue. I invite my distinguished colleagues on both sides of the aisle to do likewise.

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

Mr. MORTON. I am happy to yield to the Senator from Colorado.

Mr. ALLOTT. The distinguished Senator from Kentucky has placed his finger this afternoon on one of the more sensitive areas of our foreign relations, and he has contributed greatly to an understanding of the problem by his objective analysis of it.

Many of us who have studied this question over a period of time might disagree with some of his conclusions, or support all of them, because each of us have varying points of view.

My own feeling is that while, in a sense, the present policy toward Cuba could be called a policy, it is if anything an ineffective policy of containment.

It seems to me the situation at the present time is deteriorating. I am concerned, as the Senator from Kentucky is, that anything as vital to America as the Cuban situation should, as a Presidential campaign develops in the months ahead, enter the arena of politics, the Senator has so very well pointed out. If it does come into the arena of politics, it is extremely doubtful that we shall be able to obtain, from the State Department, the executive branch, or the Congress, any objective solution of this problem.

We all have an interest in this subject. The interest of every Democrat in the Senate is the same as the interest of every Republican in the Senate, and our interest is as Americans. Our interest as Americans is the implementation of the President's policy which will hopefully forge ahead in the Cuban area and produce results.

From a reading of the report of the Preparedness Committee, the brilliant report which the distinguished Senator from Mississippi delivered on this floor some time ago, and upon which the distinguished Senator from Massachusetts [Mr. SALTONSTALL] commented, I believe everyone is concerned about this question. Today no one can successfully contend that the situation in South America, with respect to the strengthening of the free countries of the world, is improving. Except for one or two small areas, the situation is showing a decided and steady deterioration.

My mail from friends I have known for many years, and my contacts with persons who have visited Latin America, bear out that statement.

I hope the Senate will continue this discussion of Cuban affairs. We must get the United States out of a position where we are reeling on our heels like a punch-drunk fighter; and get in a position where we can steadily exert pressure, in one manner or another, and produce a free government in Cuba.

Those poor, misled people, who suffered so long under Batista, now are suffering even more under Castro. We must do something to give them an opportunity to return to a free way of life, and prosperity, under a form of government similar to that which the Constitution of 1940 guaranteed.

I have been giving this problem much thought. Within the next few days I hope to make some proposals on the floor of the Senate with respect to the Cuban question which I hope will be discussed and examined most critically, and which can perhaps form the basis of a future policy toward Cuba. A policy not only with respect to Cuba itself, but with respect to stopping the infiltration of poisonous communism into every country in Latin America, which is going on this very minute, and which has been going on every minute for the past year and a half.

My distinguished friend from Kentucky has made a very great contribution. The mild, moderate, and objective manner in which he has made his critical analysis of the Cuban situation should appeal to all Members of the Senate. I am certain it will appeal to a great majority of the American people. I hope it will stimulate not merely one discussion, but a series of discussions, in the Senate, and serve to provide impetus and direction to our Cuban policy, which, I feel, does not exist today.

Next week I hope to continue this discussion with some concrete proposals.

I thank the Senator very much for yielding, and particularly for the contribution he has made this afternoon.

Mr. MORTON. I thank the Senator from Colorado. I look forward to hearing his suggestions next week.

What I am trying to do is to avoid being critical in a negative sense, but to show that I am in sympathy with the objectives of our policy; but our policy is not attaining those objectives. It is incumbent upon all Americans to try to develop something that will get us moving. I cannot conceive that, in the reverse of the present situation, the Russians would allow a similar situation to exist if Cuba were in either the Baltic or Black Sea.

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

Mr. MORTON. I am very glad to yield to the Senator from Nebraska.

Mr. CURTIS. I am very happy that the Senator from Kentucky has spoken as he has today. The Senator has a wide knowledge, not only as a legislator, but from having served in an important post in the State Department. He has expressed today a universal concern of all Americans. When it is our privilege to visit with someone of military competence, in terms of the Cuban situation, it is said to be a tragedy that we do nothing about it.

When it is our opportunity to talk with those competent in diplomatic affairs, they express the same concern that has been expressed today. I have such a profound respect for the knowledge and intuition and commonsense and patriotism of the rank and file of Americans that I believe our Government should always take cognizance of the feeling of patriotic Americans all over the country.

I believe that the Senator from Kentucky has been giving voice to the feelings of patriotic Americans in all political parties.

I hope this will not be his last speech on this subject. What he has said needs to be said over and over again until something is done. I shall look forward to hearing what the Senator from Colorado [Mr. ALLOTT] will have to say, because I know that his remarks also will be worth listening to, and will make a great contribution.

It seems to me that because of the attention that is given from day to day to other problems of varying degrees of importance, this most important problem, the survival of the United States and of liberty in the Western Hemisphere is continually brushed aside. The Senator has called our attention to many important things. I am glad that he repeated the summary from the Preparedness Investigating Subcommittee of the Committee on Armed Services. Those Senators have spent a great deal of time on this subject. They are experts in their field. As the Senator from Kentucky has reminded us, they state in their report that Cuba "as a source of weapons and small bands of provocateurs, saboteurs, agents of revolution and chaos—is a distinct and present threat to all of the Latin American nations with shores on the Atlantic Ocean and Caribbean Sea."

The subcommittee also warned:

> The paramount danger at this time is that the nations of this hemisphere may be subverted one by one and be exploited, in turn, for subversive and revolutionary activities. By this process of erosion our neighbors to the south may fall nation by nation until the entire hemisphere is lost and the Communist goal of isolating the United States has been attained.

That is not political oratory. That is the finding of the Armed Services Committee of the Senate. In all the attention that has been turned to domestic matters and matters of foreign policy far removed from our hemisphere, this grave warning is lost sight of and pushed aside.

I apologize to the Senator from Kentucky for taking so much time. He has been on his feet for a long time. However, as an American I am very much pleased that he has taken this stand today. There is nothing more important, even though there are many issues in which Americans are interested, and even though there are wrongs that ought to be righted and problems that must be

solved. However, lest we lose the battle with the Communists, and collapse internally and financially, what we think about this subject is significant. The Senator has made a great contribution in his speech. I hope he will make more speeches of the same character. I look forward, also, to what the Senator from Colorado will have to say on the subject.

Mr. MORTON. I thank the Senator very much. I thank him for his contribution.

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

Mr. MORTON. I yield.

Mr. PEARSON. Mr. President, other Senators have commented on the contribution made by the Senator from Kentucky to the Senate and to the Nation. He has also made a contribution to the junior Senator from Kansas. Perhaps now I can answer in better form the questions that come to me from the plains of Kansas as to just exactly what our policy is in Cuba. I am not sure that it will satisfy my constituents, but the effort to define this particular policy will serve me very well in that effort.

There is one point the Senator made which has especially attracted my attention, in seeking to evaluate the real meaning of the existence of a Communist power in Cuba, supported by the Soviet Union. I hear this fact mentioned in relationship to Berlin. I ask the Senator what our real position is in Berlin today.

We stand there, in a part of a city, surrounded by the Soviet sector, facing a wall, which was erected, if I am correct, in violation of five separate treaties and agreements signed since World War II. We stand there on a tiny bit of land. I suggest that the real meaning of our existence there is to say to our allies in Western Europe and all over the world: Here we stand in fulfillment of our commitments to the free world, and here we are going to honor those commitments. That is why we are here.

That is why Chairman Khrushchev may very well describe the Berlin situation as a bone in the Russian throat. Is this not exactly what the Communist influence in Cuba is today, in the same sense that our presence in Berlin is a bone in the Russian throat on the other side of the ocean?

Mr. MORTON. I believe that is true. We often hear it said that we cannot do anything more rapidly, or under a policy that is in any way aggressive, because of Berlin, because of Vietnam, because of Laos, or because of something else. If we are to look at the solution of every problem in relation to the whole global concept and what it might result in bringing about somewhere else, we will never do anything. If the Communists took over five other countries in Latin America, we would still hear that argument made—that we cannot do anything about it because of Berlin, because of Vietnam, because of Laos, or because the pot is boiling in Indonesia, or because the Chinese Communists may go back into India, or because the Shah of Iran is having some difficulties. If we are to restrain ourselves and hesitate to take action that we should take because of what is going on in the rest of the world, we will not take any action at all. That is what concerns me.

The Senator from Nebraska made some reference to the Department of State. It was my high privilege to serve in the Department of State under Secretary Dulles. History will have to judge him as a Secretary of State. In my opinion, he stands very high. He understood that prestige is built on respect, not on popularity. I talked with many Latin American acquaintances after the firm stand our country took last fall, which we all applauded. However, we have let our sword become dull; we have backed down on four or five conditions that we set. We have not seen a withdrawal of troops. We have not seen a U.N. inspection team in Cuba. We have not seen a great many things take place that we said would have to take place. If we keep relating this problem to Vietnam, Berlin, or any other place, we will never solve the problem, or any other problem that may arise from time to time in this hemisphere. If we continue to relate the problem to the difficulties that we and our friends and allies face around the globe, whether it be in Congo or anywhere else, we cannot solve the problem.

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

Mr. MORTON. I yield.

Mr. ALLOTT. It is well known that the present situation in Venezuela is very difficult. The Communists have been hard at work for a long time. If there should be a Communist overthrow in Venezuela, which I hope will never occur, unless we acted decisively, would we not face the same situation that we face with respect to Berlin, Vietnam, Laos, Quemoy, or somewhere else, and now face with respect to Cuba? The argument has been used that we cannot do this because it would disrupt the world. Would such a continuing policy not mean that we might gradually see the world attritioned away from us while we did nothing at all for it, because if we did, we might upset the apple cart somewhere else?

Mr. MORTON. Exactly; our hands would be forever tied.

Mr. ALLOTT. I should like to ask the Senator one further question. In his speech, the Senator quoted the Assistant Secretary of State for Inter-American Affairs, Mr. Martin, to the effect that Castro would have to be deposed, whether within Cuba or by massive U.S. invasion.

Can the Senator from Kentucky foresee at any time any factors progressing from an active U.S. policy that would actually put pressure on the Castro regime?

Mr. MORTON. In fairness to the administration, I must say that the leadership of this country has cut off trade with Cuba by most of the other free nations of the world. There is still some trade. But I think the cutting off of most of the trade has been the result of U.S. leadership and persuasion. However, I do not think it is doing the job. As Assistant Secretary of State Martin pointed out, we are not now talking about massive invasion. This leaves as the only alternative a rising of the people of Cuba from within; and that would require more encouragement than they are getting now.

Mr. ALLOTT. The Senator is well acquainted with current opinion about the Communist threat and the Communist regime in Cuba. When people speak about a rising from within, does the Senator from Kentucky see any prospect of that happening without substantial outside aid, support, organization, and leadership?

Mr. MORTON. Not under the police state methods that have been employed. We have seen what happened in the Balkan States, in Eastern Europe, and in China itself. History proves that when there is policy authority, the catalyst for an overthrow of such regime, the source of supply, the communication with the underground, must come from without.

Mr. ALLOTT. So if Mr. Martin's supposition is correct, such an incentive must come from either of two sources—a massive invasion or a rising from within. The elements which must be supplied are not on the horizon today.

Mr. MORTON. From what I can learn, they are not on the horizon; they are not even on order; and in fact, such efforts as have been made have been discouraged.

Mr. ALLOTT. In addition, we see an increasing fragmentation of the exiles from Cuba, because of U.S. policy over the past several months.

Mr. MORTON. That is correct. The fragmentation of Cuban exiles is worse today than it has been at any time in the last 3 months, and it is getting worse every month.

Mr. DOMINICK. Mr. President, will the Senator from Kentucky yield?

Mr. MORTON. I yield to the Senator from Colorado.

Mr. DOMINICK. I wish to add my voice to the colloquy that has been taking place and to congratulate the Senator for bringing up the subject. A little more than 2 weeks ago, or perhaps a little less than 2 weeks ago, I had an opportunity to meet with a Cuban national who was formerly one of the supporters of Castro, and who is now active in South America. The very first question he asked me was, "Why does not the United States use the determination it showed in October 1962 in order to again give to the people who want to get control of their own government encouragement to go ahead in some way with the very activities which the Senator has mentioned in connection with the policy of isolation?" He has indicated rather clearly to me that what has happened with respect to the isolation factor in South America will not work with the Cubans at this time. But trained Communists are active in South America; they are creating revolutions; they are moving. So the isolation policy does not seem to be working.

Would the Senator say that in a real sense our policy has been constant?

Mr. MORTON. Yes; I should say our policy has been constant except for the firm stand we took during the missile

situation, a period of 3 weeks when missiles were supposed to have been withdrawn from the island.

Mr. DOMINICK. That policy having been shown to be at least inadequate over that period of time, it seems to me we ought to be developing a new policy. I shall listen with great interest to the remarks of my colleague [Mr. ALLOTT], which I hope he will make next week, and to those of other Senators. This is really an important problem. I hope that before we are through, with the Senator's assistance and leadership, there will be a broad debate so that there may be a consensus of the Senate about what should be done.

Mr. MORTON. I thank the Senator from Colorado. I yield the floor.

THE SCHOOL FOR SOCIAL DEVELOPMENT OF THE MENTALLY RETARDED YOUNG ADULT

Mr. HUMPHREY. Mr. President, the Senate performed a noble service in behalf of humanity last week when it accorded overwhelming approval to President Kennedy's comprehensive program to combat mental illness and retardation. I am hopeful that the House approval will be forthcoming promptly. We should implement these historic proposals as soon as possible.

While mental illness and retardation is a problem that we have only begun to face, there are many existing mental health facilities that are performing outstanding and enlightened service in our local communities. One such institution in Minneapolis, the School for Social Development of the Mentally Retarded Young Adult, is demonstrating how much can now be done to prepare the mentally underdeveloped members of our society for a useful, purposeful, and productive life. Individual handicaps are closely studied, and a variety of teaching methods are used to establish for each retarded person an immediate relationship between learning and doing. By skillfully combining the professional services of physicians, psychiatrists, clinical psychologists, speech therapists, elementary teachers, social workers, and vocational counselors, the school has been able to develop untrained potential to such an extent that mentally retarded people have become assets to their families and their community. This is indeed an exciting accomplishment. For it means that we can offer these people something far more precious than pity—the chance to assume a place of dignity and responsibility in the larger world about them.

Mr. President, I believe that there is a lesson to be learned from the record of this school. Given sufficient will and imagination, a significant step can be made in leading the mentally retarded away from the shadows of an aimless and narrowly bounded existence. It is through such institutions that we must hope to give reality to President Kennedy's program for combating the effects of mental retardation. I, therefore, ask unanimous consent that the following description of the work of the School for Social Develpment be printed at this point in the RECORD.

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

A DEMONSTRATION IN HUMANITY—SCHOOL FOR SOCIAL DEVELOPMENT

The School for Social Development is a continuation, and expansion, of a demonstration project which was supported by the U.S. Department of Health, Education, and Welfare, and sponsored by the Minneapolis Association for Retarded Children, from April 1, 1958, to March 31, 1960.

PURPOSE

1. To promote the mentally underdeveloped individual, within his own specific limitations—who would otherwise be a financial and moral burden to himself, his family, his local community, and his State—to a useful, purposeful, and productive life.

2. To demonstrate through use of a combination of professional services—provided by the physician, psychiatrist, clinical psychologist, speech therapist, elementary teacher, social worker, and vocational counselor—it is possible to meet individual needs and to develop untrained potential to such an extent that the mentally underdeveloped person can be an asset to his family, and can assume his rightful place of responsibility in home and community.

CONCEPTS IN PRACTICE

School for Social Development subscribes to and practices the following concepts:

1. The mentally underdeveloped young adult can learn when an obvious relationship exists between learning and doing.

2. The mentally underdeveloped individual can be trained to use good judgment and to assume responsibility for making decisions which affect his personal preference for social, recreational, and vocational activities.

3. If a variety of teaching methods are used, it is always possible to find one which will meet the needs of a particular individual, thereby permitting him to develop in areas previously believed inconceivable.

4. Regardless of mental or physical development, individuals are different and no two will achieve optimum success with precisely the same training, care, and treatment. At School for Social Development the individual is first—all else, however important, is secondary.

As of August 1, 1960, School for Social Development is the only such project in the United States. This is a demonstration which will habilitate many young adults and can become a pattern for the establishment of similar schools throughout the country.

STATISTICS

There are 20,000 plus mentally retarded persons in Hennepin and Ramsey Counties (the Twin City area generally served by School for Social Development).

There are 6,045 in Minnesota State institutions for the retarded, as of July 1, 1960. About 2,300 of those institutionalized are from Hennepin and Ramsey Counties.

More than 10,000 mentally retarded are wards of the State; of this number 10 percent are awaiting institutional placement from the Twin City area.

A total of 4,353 mentally retarded were receiving special education in the public schools in Hennepin County as of January 1, 1959. County School Superintendent Nelson estimated this to be "one-sixth of the number who could use such special services."

Approximately 1,500 retarded persons of varying ages are served by private agencies in the Twin City area, including those enrolled in parochial schools, sheltered workshops, vocational workshops.

Each of the 6,045 residents in our State institutions cost $2,600 per person for care and treatment at Owatonna, and $1,400 per person at Faribault and Cambridge. This does not include the cost for providing each bed, which varies from $9,000 to $12,000.

PROFESSIONAL TEAM

Directress: Mrs. Doris Kuehnle McGregor; 18 years related experience; certificated special class teacher. B.A., Augsburg College & Seminary; M.A., Arizona State University; additional graduate work, Los Angeles State College, University of California at Los Angeles, University of Southern California, and University of Minnesota, major fields are educational psychology, vocational guidance.

Music therapist: Mrs. Mamie Brant, 50 years related experience; a certificated music teacher, she received her training at Augustana College, Rock Island, and Minnesota College, Minneapolis; experience includes superintendent, Lutheran Girls Home, Minneapolis, welfare worker, Minneapolis Lutheran Welfare; Mrs. Brant is administrative assistant at School for Social Development.

Speech therapist: Mrs. Ann Seymour, 3 years related experience; B.A., Stanford University; licensed speech therapist and audiologist; certificated teacher with additional training in reading and art.

Physician: David V. Sharp, M.D., University of Minnesota; served 7 years as medical consultant to Minnesota institutions for the retarded; is presently on the staff of Deaconess, Mt. Sinai, and Methodist Hospitals.

Clinical psychologist: Mr. Jerome S. Gray, B.A., M.A., University of Minnesota; consultant in clinical psychology, Cambridge State School and Hospital; also serves as consultant to Glenlake Sanatorium and the Department of Surgery, University of Minnesota.

Psychiatrist: Robert E. Meller, M.D., University of Minnesota; psychiatrist and neurologist on the staff of Glenwood Hills, Homewood, Fairview, and St. Mary's Hospitals; certified by the American board in both psychiatry and neurology; is a fellow of both the American Academy of Neurology and the American Association of Psychiatry.

THE 1961–62 BOARD OF DIRECTORS

Theodore Hidding, president (Twin City Tile & Marble Co.).

S. A. Dillon, vice president (president, Springfield Milling Corp.).

James N. Scott, secretary-treasurer (brokerage manager, Lincoln National Insurance Co.).

Sister Anna Marie (Christ Child School for Exceptional Children, St. Paul).

Harold J. Alford (University of Minnesota, head, general extension division, St. Paul).

St. Clair Beeman (International Union of Electrical Workers).

Dr. R. J. Capobianco (clinical psychologist).

Miss Dagny Johnson (School of Social Work, University of Minnesota).

Mrs. E. A. Kellerman (District No. 5, American Legion Auxiliary).

Donald J. McGlynn (Beamish-McGlynn Properties, Inc.).

Mrs. Doris K. McGregor (directress, School for Social Development).

Dr. John Schwarzwalder (general manager, KTCA, educational TV channel 2).

Dr. David V. Sharp (physician).

Robert S. Silvers (Frederick-Sherry Office Supply Co.).

Oren Steinfeldt (personnel director, Thermo-King Corp.).

Richard J. Yearneau (personnel director, Northwestern Hospital).

(It is anticipated that maximum board membership—23—will be accomplished during the present year.)

ELIGIBILITY FOR ENROLLMENT

Age limits: 17 through 35.

Qualifications: After screening, applicants who show promise, regardless of previous IQ rating, are accepted subject to limitations of the school itself.

Enrollment: Limited, during first year of operation, to 25 mentally underdeveloped young adults. (See Planned Program Expansion.)

A 3-month probationary period provides time for the professional team to evaluate each student's potential capabilities and to plan a program for maximum growth and development.

PRESENT FACILITIES

Total of 4,130 square feet of floor space, third floor, Lewis Building, 603 Second Avenue South, presently being donated by owner Stanford Clinton, Jr.

The area is divided into a large combination room, a recreation and music room (one end of which is used for classroom activities) and an office. One wall of the combination room has a modern kitchen, designed and equipped by the Minneapolis Gas Co.

PRESENT PROGRAM

Emphasizes socializing, educational, and developmental activities, to provide one of the following—according to individual potential—as evaluated by the professional team:

(a) Background for prevocational training and eventual job placement.

(b) Training toward more independent home living.

(c) Training toward assumption of personal responsibility.

Planned program expansion

	Maximum enrollment	*Annual cost*
1960	25	$31,437.50
1961	35	44,013.00
1962	45	56,588.00
1963	55	68,688.00
1964	65	81,738.00

YOU SHOULD KNOW

School for Social Development is not eligible to participate in United Fund Campaign, since two years of successful operation is one of the requirements (this project began April 4, 1960).

School for Social Development is a nonprofit corporation, falling within the category of tax deductible agencies.

Not one penny is being spent to solicit your contribution—even this brochure, including artwork, pictures and printing, have been donated. Your contributions will be spent, specifically, as detailed in our budget.

The staff of School for Social Development is supplemented by regular volunteers—many over age 65 (providing a new interest for the retired person).

School for Social Development needs furnishings and equipment to effectively carry on its many activities. Perhaps you have a much needed item—now taking up space in your garage, basement or attic—call FEderal 6-4204 and find out if it can be put to good use.

School for Social Development is open Monday through Friday, 9:00 a.m. to 3:30 p.m. Visitors are always welcome, and help to provide socializing experiences.

The professional team—composed of physician, psychiatrist, clinical psychologist, speech therapist, music therapist, teacher, sociologist and counselor—believe:

(1) The mentally underdeveloped individual is entitled to the dignity of adulthood;

(2) He can become a contributing member of society; and,

(3) In terms of human worth, merits every possible effort toward his habilitation.

The only vacancy on the professional team is you.

JOIN THE TEAM—LET YOUR CONTRIBUTION WIN—HELP DEVELOP USEFUL CITIZENS

As a teammate, you personally, will be responsible for helping a fellow citizen make maximum use of potential capabilities, to become a productive, acceptable member of your mutual society.

FREEDOMS FOUNDATION AT VALLEY FORGE

Mr. THURMOND. Mr. President, I am pleased to call to the attention of the Members of this body a very eloquent and interesting column which was published in the Sunday Star of June 9, 1963. The column, a regular feature in the Sunday Star and a number of other newspapers around the country, was written by Dr. Frederick Brown Harris, the distinguished and beloved Chaplain of the U.S. Senate. Entitled "Spires of the Spirit: D-Day Then—And Now," Dr. Harris' outstanding column contains a moving appeal to Americans to recapture the spirit of patriotism which motivated our troops on D-day, June 6, 1944, and this same spirit of love of God and country which has made America the greatest nation the world has ever known.

In the column, Dr. Harris makes reference to a recent meeting of the board of directors of Freedoms Foundation at Valley Forge, which meeting was presided over by former President Dwight D. Eisenhower, honorary president of this great American institution. Mr. President, I was privileged to be present at this meeting in my capacity as a member of the board of directors on which I have the honor of serving with several other Members of the Senate—the distinguished senior Senator from Colorado [Mr. ALLOTT], the distinguished senior Senator from Virginia [Mr. BYRD], the distinguished senior Senator from Kansas [Mr. CARLSON], the distinguished senior Senator from Connecticut [Mr. DODD], and the distinguished senior Senator from Arkansas [Mr. MCCLELLAN].

While attending this meeting, I was again impressed with the great work which this organization is doing to promote the principles of Americanism and freedom. Freedoms Foundation at Valley Forge, Pa., under the dynamic able leadership of its president, Dr. Kenneth Wells, is the most effective organization in this country dedicated to providing Americans with much needed information on patriotism, freedom, and the other basic principles which have enabled our Nation to reach such heights of greatness in the world by providing both freedom and a broad distribution of prosperity for our people through our vibrant free enterprise system.

Mr. President, Freedoms Foundation was founded in 1949 to undergird our constitutional Republic and combat the increasing threat of socialistic communism to the American way of life.

Nonprofit, nonsectarian, nonpartisan, and nonpolitical, the foundation's sole purpose is to encourage all Americans to understand and defend the rights, freedoms, and responsibilities they enjoy as Americans under our constitutional democratic form of government.

Using the free enterprise principle of incentive and reward, Freedoms Foundation conducts an annual national awards program based on the American credo which reaches into Main Street, U.S.A., encouraging and stimulating citizens of every age level to think, write, speak, and act in behalf of the American way of life.

Since the inception of the national awards program in 1949, over 1 million entries have been received from students, teachers, businessmen, ministers, members of the Armed Forces, writers, broadcasters, actors, civic leaders, communities, schools, colleges, companies—from Americans in all walks of life. During this period over 12,000 individuals, companies, organizations, and communities have received Freedoms Foundation awards which are in the form of cash awards of $50 to $5,000, George Washington Honor Medals, plaques, teachers medals, freedom libraries, and student-teacher pilgrimages to Valley Forge and other historic sites.

During the past 14 years, Freedoms Foundation has proven itself to be one of the most effective means of rededicating our youth to pride and understanding of the American heritage and in stimulating adults to reaffirm and perpetuate their beliefs in the American way of life.

More and more educators, editorial writers, clergymen, movie and TV producers, cartoonists, lecturers, and other opinion-molders are asking the foundation for material, research work, and assistance to help them retell the freedom story.

To help meet these requests, the foundation has increased its facilities by erecting new buildings and adding libraries and research and study facilities. It is offering new printed material and plans to expand its national award program, recognizing and encouraging outstanding accomplishments by proponents of freedom.

Mr. President, I have never read a better description of the American way of life than that enunciated by Freedoms Foundation in the emblem by which it has become so well known. This is the way that Freedoms Foundation describes the American way of life: Political and economic rights which protect the dignity and freedom of the individual, these being—right to worship God in one's own way; right to free speech and press; right to assemble; right to petition for grievances; right to privacy in our homes; right of habeas corpus—no excessive bail; right to trial by jury—innocent till proved guilty; right to move about freely at home and abroad; right to own private property; right to free elections and personal secret ballot; right to work in callings and localities of our choice; right to bargain with our employers and employees; right to go into business, compete, make a profit; right to bargain for goods and services in a free market; right to contract about our affairs; right to the service of government as a protector and

referee; and right to freedom from arbitrary government regulation and control. All this, Mr. President, is pictured as being based on constitutional government designed to serve the people and a fundamental belief in God.

I am proud, Mr. President, to display a copy of this emblematic chart on my office wall, and commend it to my colleagues, in the hope that they may do likewise.

I am glad, Mr. President, that our respected Chaplain, who is also the national chaplain of Freedoms Foundation, at Valley Forge, has given appropriate recognition to Freedoms Foundation in his column, which points up in such great literary style the importance of promoting and preserving the vital principles of the American way of life.

Mr. President, I ask unanimous consent that the article be printed in the RECORD at the conclusion of these remarks.

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

SPIRES OF THE SPIRIT: D-DAY THEN—AND NOW

(By Dr. Frederick Brown Harris)

Forever, in American history, June 6 is recorded as D-day. On that day in 1944 our boys and their English colleagues in valor were storming the shores of Normandy as gallantly they went into the jaws of dire danger and lurking death. They were joined by battalions of airborne fighting men dropped from the skies to liberate the enslaved land which had come to America's help in the Revolution of 1776. Any nation that would forget that June invasion would deserve the worst that history might bring. Because of all that hinged on that heroic D-day the designation might well stand for "Destiny."

With vivid remembrances do I recall the alarm in the night announcing that by boat and plane our boys were at last invading the shore bristling with all the deadly traps and murderous fire the entrenched enemy could muster. With the news that the attack was on there came from the Capital press the inquiry—"When morning comes will the churches be open for prayer for the stalwart knights of this flaming crusade?" Of course when dark turned to dawn intercession was lifted from church altars, from home altars, and from millions of individual hearts. At noon that stressful day came a memorable scene in the U.S. Senate when the chaplain, knowing that his own son-in-law was that day parachuting to the soil of France, ended the opening prayer with the ancient prophecy: "Your covenant with death shall be annulled, your agreement with hell shall not stand, your refuge of lies shall be swept away." What a moment it was in that historic Chamber when the Senators solemnly repeated the 23d Psalm, "Though I walk through the valley of the shadow of death," as somehow the familiar words shone with a new incandescence. All that is a moving memory of D-day then.

As the 19th anniversary approached of that day which will live in history, I found myself gazing at a picture of the allied leader, Gen. Dwight D. Eisenhower, upon whose mind and heart was the awful decision when and where to attack. It is one of the most striking photographs of World War II. In the picture General Ike is surrounded by paratroopers with blackened features and camouflaged helmets.

As in 1963 the anniversary of that D-day drew near, it was mine to join a company of dedicated citizens of the Republic as they surrounded that same great American, now a former President of the United States. It was a council of campaign composed of outstanding Americans who from sea to shining sea had come to that hallowed spot, Valley Forge. They represented the leadership from all phases of our national life. As General Eisenhower presided at the head of the table, his intense concern for the present state of the Union, and of the troubled world, brought vividly to mind the photograph of almost a score of years ago, just before he turned on the green light—go—on that epochal day.

The men and women surrounding General Eisenhower in 1963 composed the general staff of Freedoms Foundation planning for D-day now. For everything that was won on D-day in 1944 is threatened as the Nation then defended prepared to meet the challenge of D-day now and in the days ahead.

Freedoms Foundation is mobilizing all America with a new realization of the heinous things it is against, and of the precious things it is for. From its headquarters in Valley Forge, facing a new D-day, it is registering a vow made in heaven that the American dream must be preserved whatever the cost. Conscious of democracy's faults and failings, praying daily for the dear land of our hope and care—"God mend thine every flaw"—the credo of Freedoms Foundation is that America has come to the Kingdom for such a time as this. It declares proudly that of every fallen defender of the faith, from Lexington to Vietnam, it can be said, "He gave his life for a grand country."

The exultant patriotism of Astronauts Glenn and Cooper, and the others, is justly warranted. The faith we are sworn to defend—"Freedom under God"—was conceived at Plymouth Rock, born at Philadelphia, nurtured at Valley Forge, baptized at Gettysburg, consecrated in the First and Second World Wars, challenged in Korea, and is now standing valiantly against unnumbered foes in Vietnam. That faith is saying to those who would bury us, as they crucify our freedoms, "You shall not pass."

Peace-loving America is willing to go the limit in jubilantly banning the bomb when the tyrants, who so lately planted their rockets on our doorstep, are coerced into ceasing their awful threat to enslave the whole world. Those who keep America strong for the new D-day now upon us are the real peacemakers of whom a rescued world will one day say, "Blessed are they." Those who cry "peace, peace" when there is no peace would have us lower our shield even when poisoned arrows of subversive tyranny are being aimed at the heart of freedom. How strange that those who would insure by essential armament the improbability of war, are so often dubbed by the blind, "warmongers," and that those whose deadly sophistries would lead directly either to war, or surrender, are called "peacemakers." What a prostitution of words and of the truth.

And so, Freedoms Foundation's defenders of our birthright at Valley Forge in 1963, surrounding General Eisenhower who on D-day in 1944 gave the fateful word to the waiting crusaders, is reminding the Nation that it is a time to put into operation Washington's order in that other Revolutionary D-day—"Put no one but Americans on guard this day."

APPOINTMENT OF DIRECTOR AND ASSOCIATE DIRECTOR, FEDERAL BUREAU OF INVESTIGATION

Mr. HUMPHREY. Mr. President, I move that the Senate proceed to the consideration of Calendar No. 193, Senate bill 603.

The motion was agreed to; and the Senate proceeded to consider the bill (S. 603) relating to the appointment of the Director and Associate Director of the Federal Bureau of Investigation, which had been reported from the Committee on the Judiciary, with an amendment, to strike out all after the enacting clause and insert:

That, effective as of the day following the date on which the present incumbent in the office of Director ceases to serve as such, the Director of the Federal Bureau of Investigation shall be appointed by the President, by and with the advice and consent of the Senate, and shall receive compensation at the rate of $22,000 per annum.

Mr. DIRKSEN. Mr. President, this is a very short and simple bill. It provides that following the service of the incumbent in the office of Director of the FBI, the rate of compensation shall be $22,000 per annum.

There is no particular need for me to recite the achievements of the FBI, because they are well set forth in the report which accompanies the bill. So, Mr. President, in lieu of any statement which I might make, I ask unanimous consent to have printed at this point in the RECORD, as a part of my remarks, all the material included on pages 1, 2, 3, 4, and 5 of the report and also the observations of the distinguished Senator from Nebraska [Mr. HRUSKA], who is a member of the Judiciary Committee.

There being no objection, the excerpt from the report (No. 210) and the statement were ordered to be printed in the RECORD, as follows:

AMENDMENT

Strike out all after the enacting clause and insert in lieu thereof the following: "That effective as of the day following the date of which the present incumbent in the office of Director ceases to serve as such, the Director of the Federal Bureau of Investigation shall be appointed by the President, by and with the advice and consent of the Senate, and shall receive compensation at the rate of $22,000 per annum."

Amend the title so as to read: "A bill relating to the appointment of the Director of the Federal Bureau of Investigation."

PURPOSE

The purpose of this proposed legislation, as amended, is to provide that the Director of the Federal Bureau of Investigation be appointed by the President, by and with the advice and consent of the Senate, immediately following the time when the present incumbent in the office ceases to serve, and to fix the rate of his compensation.

STATEMENT

The Federal Bureau of Investigation is a Bureau within the Department of Justice and under the general control and supervision of the Attorney General of the United States. With 14,055 employees in 1962, and a budget appropriation of $130,700,000, its gross personnel and appropriated dollars amount to almost 50 percent of the entire personnel and appropriated funds for the Department of Justice as a whole. The work and services performed by this Bureau are vital to the welfare and security, not only of the people of the United States, but to the people of the entire free world.

J. Edgar Hoover, the Director of this Bureau, is a man whose name and accomplishments are as well known and universally applauded as are those of any Presidents and generals, heads of state, or leaders in industry, educators, scientists, or judges who have

been active in public life from the mid-1920's to the present time. The services he has rendered and the contribution he has made to this country, both in time of peace and that of war, are of value beyond human ingenuity to assess. This committee is proud and privileged at this time to pay its tribute to this great American. It commends him for a job well done and wishes for him many additional years of fruitful service.

The Federal Bureau of Investigation as it is presently constituted is a living monument to this man, who, on May 10, 1924, accepted the job of Acting Director of the then small and obscure Bureau of Investigation within the Department of Justice on the condition that the Bureau must be divorced from politics and not be a catchall for political hacks—that appointment must be based on merit—and that promotions would be made on proved ability and that the Bureau would be responsible only to the Attorney General. These conditions, first accepted by Harlan Fiske Stone, have been scrupulously observed by every subsequent Attorney General, regardless of political affiliation.

Present statutes do not provide that the Director of the Federal Bureau of Investigation be appointed by the President and confirmed by the Senate. While it is earnestly desired and hoped that J. Edgar Hoover continue as long as he desires in his position, this committee feels that on this 39th anniversary of his tenure in office, it is appropriate now to provide that his successor be subject to Presidential nomination and Senate confirmation. This act of Congress will in itself be an accolade to the monumental achievements of this great American. It is, therefore, recommended that S. 603, as amended, be favorably considered.

Attached hereto and made a part hereof is a release of the FBI, dated December 27, 1962, covering the year 1962, which graphically illustrates the present scope of activities and the achievements of the Bureau.

U.S. DEPARTMENT OF JUSTICE,
FEDERAL BUREAU OF INVESTIGATION,
December 27, 1962.

In a year end report to Attorney General Robert F. Kennedy concerning the operations of the FBI during 1962, Director J. Edgar Hoover has disclosed that marked increases were recorded in all major categories of FBI accomplishment in the past year.

According to Mr. Hoover, final tabulations for 1962 will show:

More than 12,700 convictions in FBI cases, compared with 12,418 in 1961;

The apprehension of some 11,400 FBI fugitives, compared with 10,688 last year; and

Fines, savings, and recoveries totaling well over $200 million compared with $148,421,690 in 1961. This figure far exceeds the amount of funds spent to operate the FBI during 1962, he stated.

Among other achievements noted by the FBI Director were the location of some 19,000 stolen automobiles in investigations under the interstate transportation of stolen motor vehicles, statute, and the apprehension of nearly 2,500 offenders who were being sought at the request of State and local authorities for fleeing across State lines in violation of the Fugitive Felon Act.

In citing individual crime problems confronting his Bureau, Mr. Hoover called attention to a sharp increase in violations of the Federal bank robbery and incidental crimes statute. "An average of 100 robberies, burglaries, and larcenies of banks and other financial institutions covered by this statute have been reported to the FBI each month this year," he stated. "This represents an increase of approximately 25 percent over the number committed in 1961."

The FBI Director also commented upon his Bureau's extensive activities in the field of civil rights, calling particular attention to investigations of a series of church burnings in Georgia last August and September. "Based upon indications that the purpose of these acts was to discourage Negroes from voting, the FBI instituted intensive investigation which led to the prompt solution of the September 17 burning of a church in Terrell County, Ga., and to the arrests of two persons for a church burning near Leesburg, Ga., on August 15," he stated.

Highlights of FBI accomplishments in combating organized crime and racketeering included the solution of the murder last year of Chicago union official John Kilpatrick by two Detroit hoodlums. The evidence gathered by the FBI was turned over to Illinois authorities for trial of the two men in local court. One pleaded guilty; the other stood trial and, upon conviction, was sentenced to serve up to 150 years imprisonment.

Other information gathered and disseminated by the FBI led to the smashing of an international narcotics ring during 1962 and the seizure of illicit drugs valued at well over $20 million.

"Data regarding matters such as these were among the more than 100,000 items of criminal intelligence information which we furnished to other law enforcement agencies during the past year," Mr. Hoover reported. Included were items received from FBI confidential informants which, when passed along to the authorities concerned, resulted in the arrests of more than 2,400 persons and the recovery of stolen and contraband valuables totaling nearly $32,500,000 by other agencies.

In his report to the Attorney General, Mr. Hoover emphasized the continuing threat posed by the Communist Party, U.S.A., and other subversive organizations within the United States. "During even the most critical moments of the Cuban crisis, the party openly proved its loyalty to the International Communist cause. Its members stood unwaveringly opposed to our country's efforts to stop the Soviet Union's buildup of offensive military equipment in Cuba and to assure the removal of such weapons already there," he said.

Highlighting the FBI's accomplishments in the domestic intelligence field were the seizure of a cache of explosives equipment and the arrests of three pro-Castro Cubans on sabotage conspiracy charges last month. One of the arrested men was a newly arrived attaché of the Cuban mission to the United Nations. Two other members of the Cuban mission to the United Nations, both protected by diplomatic immunity, were also named as members of this plot.

Other domestic intelligence accomplishments during 1962 cited by the FBI Director include the arrest of Nelson C. Drummond, a Navy enlisted man, in the act of passing classified military information to the Russians; the conviction of Mark Zborowski on perjury charges arising from his denial before a Federal grand jury that he knew self-admitted Soviet spy Jack Soble; and the dissemination of intelligence information which resulted in persona non grata declarations and related action against several official representatives of Communist-bloc nations.

Mr. Hoover also called attention to the prosecution action instituted by the Justice Department against the Communist Party and individual party leaders. "Based upon witnesses and information located by the FBI, the Communist Party, as an organization, was convicted on December 17 and fined $120,000 for failure to register with the Attorney General under the Internal Security Act of 1950. Two of the party's top officials, Gus Hall and Benjamin J. Davis, Jr., have also been indicted and are awaiting trial for violating this Federal statute.

"In addition, Artie Brown, San Francisco area member of the International Longshoremen's and Warehousemen's Union, was convicted under the provision of the Labor-Management Reporting and Disclosure Act which prohibits Communists or persons who have been party members within a period of 5 years from holding union office," he reported.

Expressing appreciation for the assistance which the FBI receives from other law enforcement agencies, Mr. Hoover said that 1962 witnessed a further strengthening of the bonds of mutual cooperation throughout the entire law enforcement profession. "Our Bureau has come to rely heavily upon the help which it receives from other authorities. We deem it a privilege to reciprocate whenever possible," he stated.

Among the cooperative services which the FBI renders other agencies are cost-free examinations of evidence, comparisons and identification of fingerprints, and assistance in police training schools.

During 1962, the FBI laboratory conducted nearly 236,000 scientific examinations of evidence at the request of authorities in all 50 States. As in the past, many of these examinations assisted local police in identifying wrongdoers. Others helped to establish the innocence of falsely accused persons.

The Identification Division, which serves as the national repository for fingerprint identifying data, received an average of more than 23,000 fingerprint cards for processing every working day throughout this 12-month period. As the year ended, its files contained nearly 165,600,000 sets of fingerprints representing an estimated 77 million persons.

During 1962, the FBI Disaster Squad, a group of fingerprint experts who are available to assist in identifying bodies of disaster victims, was dispatched to the scenes of several major tragedies, including air crashes in Montana, New York, Missouri, Ohio, and Maryland, as well as in France.

The FBI also assisted, upon request, in more than 3,600 local and regional police schools. Additionally, two sessions of the FBI National Academy were held. Including the 165 men who attended these two sessions, 4,258 officers have completed the National Academy's 12-week course of advanced training since its founding in 1935.

CHANGES IN EXISTING LAW

In compliance with subsection (4) of rule XXIX of the Standing Rules of the Senate, changes in existing law made by the bill, as reported, are shown as follows (existing law proposed to be omitted is enclosed in black brackets, new matter is printed in italic, existing law in which no change is proposed is shown in roman):

That effective as of the day following the date on which the present incumbent in the office of Director ceases to serve as such, the Director of the Federal Bureau of Investigation shall be appointed by the President, by and with the advice and consent of the Senate, and shall receive compensation at the rate of $22,000.

STATEMENT BY SENATOR HRUSKA

I count it a privilege to support S. 603, which as the report of the Judiciary Committee so appropriately notes, is an accolade to the monumental achievements of J. Edgar Hoover as Director of the Federal Bureau of Investigation.

I commend the sponsors of the bill, the distinguished minority leader and the Senator from Wyoming. I am pleased to have been a member of the Judiciary Committee which considered the bill and reported it to the Senate.

All of us share the hope that Mr. Hoover will continue to serve his country for as many more years as possible in the same magnificent way he has for the past 39 years as the Director of the FBI.

And yet we all know that the time will come when he must relinquish the leadership of the splendid organization he heads.

Because of his performance in his job, he has made it one of the most important in this or any government. It is so important, going to the very security of our Nation, that there can be little doubt that Mr. Hoover's successor should be appointed subject to the advice and consent of the Senate, as are other major officials in the Government.

The Federal Bureau of Investigation, as the committee report observes, makes up nearly half of the Department of Justice both in terms of its 14,055 employees and its annual appropriation of $130,700,000. It is a major agency of Government and the people, through the Senate, should have a voice in the selection of its Director.

I must observe, parenthetically, that the FBI differs sharply from other major agencies in one important regard: For every dollar appropriated for its operation, it returns $1.37.

It is well that we act on this measure now while Mr. Hoover is still in good health and looking forward to many more years of service. I am told by one of his senior assistants that the Director still walks a brisk mile for exercise each day and that many of the younger men on his staff are hard put to keep up with the rapid pace he sets in his work day.

I know we all rejoice that this is so; and, as we act on this bill today, we sincerely hope that it will be many, many years before it is called into use.

Mr. DIRKSEN. Mr. President, I may say that this bill came from the Judiciary Committee by a unanimous vote; and I think it is high time that we provide for Senate confirmation of the head of an agency which spends $130 million a year. The FBI has a most distinguished record, as everyone knows.

So I shall be content to let the material in the report speak for itself.

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

The amendment was agreed to.

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

The title was amended, so as to read: "A bill relating to the appointment of the Director of the Federal Bureau of Investigation."

Mr. DIRKSEN. Mr. President, I move that the vote by which the bill was passed be reconsidered.

Mr. HUMPHREY. Mr. President, I move to lay on the table the motion to reconsider.

The motion to lay on the table was agreed to.

AMENDMENT OF ARMS CONTROL AND DISARMAMENT ACT

Mr. HUMPHREY. Mr. President, I move that the Senate proceed to the consideration of Calendar No. 189, Senate bill 777.

The motion was agreed to; and the Senate proceeded to consider the bill (S. 777) to amend the Arms Control and Disarmament Act in order to increase the authorization for appropriations and to modify the personnel security procedures for contractor employees, which had been reported from the Committee on Foreign Relations, with amendments, on page 1, line 5, after the word "by", to strike out "striking out 'not to exceed $10,000,000' and inserting in lieu thereof 'such sums as may be necessary and appropriate,'." and insert "adding at the end thereof the following new sentence: 'In addition, there is hereby authorized to be appropriated for the fiscal years 1964 and 1965, the sum of $20,000,000, to remain available until expended, to carry out the purposes of this Act.' "; on page 2, at the beginning of line 20, to strike out "that" and insert "than"; after line 24, to insert a new section, as follows:

SEC. 3. (a) Section 33 of the Arms Control and Disarmament Act is amended by striking out the words "this or any other law" and inserting in lieu thereof the words "this Act".

(b) Such section is further amended by adding at the end thereof the following new sentence: "Nothing contained in this Act shall be construed to authorize any policy or action by any Government agency which would interfere with, restrict, or prohibit the acquisition, possession, or use of firearms by an individual for the lawful purpose of personal defense, sport, recreation, education, or training."

And, on page 3, after line 10, to insert a new section, as follows:

SEC. 4. Section 49 of the Arms Control and Disarmament Act is amended by adding at the end thereof the following new subsections:

"(c) Not more than 20 per centum of any appropriation made pursuant to this Act shall be obligated and/or reserved during the last month of a fiscal year.

"(d) None of the funds herein authorized to be appropriated shall be used to pay for the dissemination within the United States of general propaganda in support of any pending legislation concerning the work of the United States Arms Control and Disarmament Agency."

So as to make the bill read:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 49(a) of the Act entitled "Arms Control and Disarmament Act", approved September 26, 1961 (75 Stat. 639), is amended by adding at the end thereof the following new sentence: "In addition, there is hereby authorized to be appropriated for the fiscal years 1964 and 1965, the sum of $20,000,000, to remain available until expended, to carry out the purposes of this Act."

SEC. 2. Section 45 of the Act entitled "Arms Control and Disarmament Act", approved September 26, 1961 (75 Stat. 637), is amended by redesignating subsection 45(b) as subsection 45(c) and by inserting after subsection 45(a) the following new subsection:

"(b) In the case of contractors or subcontractors and their officers or employees, actual or prospective, the Director may accept, in lieu of the investigation prescribed in subsection (a) hereof, a report of an investigation conducted by a Government agency, other than the Civil Service Commission or the Federal Bureau of Investigation, when it is determined by the Director that the completed investigation meets the standards established in subsection (a) hereof: *Provided,* That security clearance had been granted to the individual concerned by another Government agency based upon such investigation and report. The Director may also grant access for information classified no higher than 'confidential' to contractors or subcontractors and their officers and employees, actual or prospective, on the basis of reports on less than full-field investigations: *Provided,* That such investigations shall each include a current national agency check."

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Mr. HUMPHREY. Mr. President, the Foreign Relations Committee was unanimous in ordering the bill reported. It authorizes, for a 2-year period, an additional appropriation of $20 million.

I ask unanimous consent to have printed at this point in the RECORD an excerpt from the committee report on the bill, including the amendments to the Arms Control and Disarmament Act. Let me say that the bill has been cleared by the Democratic steering committee and by the distinguished Republican leader, the Senator from Illinois [Mr. DIRKSEN].

There being no objection, the excerpt from the report (No. 215) was ordered to be printed in the RECORD, as follows:

MAIN PURPOSE

As reported, S. 777 authorizes the appropriation of $20 million for fiscal years 1964 and 1965, to remain available until expended. In addition it permits the Arms Control and Disarmament Agency (ACDA) to grant a security clearance to contractors, subcontractors, and their employees on the basis of an investigation made by a Government agency other than the Civil Service Commission and the Federal Bureau of Investigation. Several other changes in existing law are also made by S. 777. All of these are discussed in detail in other sections of this report.

BACKGROUND

The Arms Control and Disarmament Act became law on September 26, 1961. As recommended by the President, it established the Arms Control and Disarmament Agency to deal broadly with the whole range of disarmament matters, including research, policies, and programs.

The act charges the Agency with these primary functions:

(a) The conduct, support, and coordination of research for arms control and disarmament policy formulation;

(b) The preparation for and management of U.S. participation in international negotiations in the arms control and disarmament field;

(c) The dissemination and coordination of public information concerning arms control and disarmament; and

(d) The preparation for, operation of, or as appropriate, the direction of U.S. participation in such control systems as may be-

come part of U.S. arms control and disarmament activities.

The first research contract was awarded by the Agency on February 26, 1962. A full list of contracts let to date, together with those contemplated in fiscal year 1964, follows:

U.S. Arms Control and Disarmament Agency

STATUS OF RESEARCH CONTRACTS AND GRANTS, FISCAL YEAR 1963

A. Contracts, amendments, and grants signed:	
1. Techniques for monitoring production of strategic delivery vehicles, contract ACDA–1 (Bendix) (fiscal year 1962)	----------
Same. Amendment No. 3 to describe U.S. strategic missile technology	$19,000
2. Design and evaluation of inspection systems for a ban on weapons of mass destruction in space and for restrictions on missile flight tests, contract ACDA/ST–12 (Sylvania)	354,000
Same. Amendment No. 1 provided for special report on techniques of verification for a Latin American nuclear-free zone	5,726
Amendment No. 2 to provide for special report on arms reduction and the use of potsdam-type military liaison missions	2,632
3. Implications and inspection of restrictions on missile and military space system research development test and evaluation (R.D.T. & E.) activity, contract ACDA/ST–13 (Aerospace)	217,700
Amendment No. 1 to analyze the technical problems involved in converting sounding rockets to surface-to surface missiles	4,418
4. Progressive zonal disarmament, contract ACDA/WEC–2 (Raytheon) (fiscal year 1962)	----------
Same. Amendment No. 1 provided for extension of work to "develop planning principles for field tests of inspection techniques"	78,120
5. Evaluation of combined techniques for monitoring levels and production of strategic vehicles, contract ACDA/ST–16 (Bendix)	218,500
6. Problems of subversion and peaceful change, ACDA/GC–11 (Richard A. Falk) (fiscal year 1962)	----------
Same. Amendment No. 1 to provide for historical and documentary appendixes	1,000
7. European view of European security and the present general and complete disarmament proposals, grant ACDA/WEC–14 (Institute for Strategic Studies)	21,064
8. Responses to violations of arms control and disarmament agreements, contract ACDA/GC–17 (Historical Evaluation and Research Organization)	$162,000
9. Peacekeeping Panel study, contract ACDA/GC–19 (Johns Hopkins University; Washington Center of Foreign Policy Research)	87,308
10. Development of a field test plan regarding production of strategic delivery vehicles, ACDA/WEC–18 (Bendix Corp.)	158,500
11. Verification for retained levels of ground forces, armaments and tactical nuclear delivery vehicles, ACDA/WEC–22 (Sylvania)	202,000
12. Studies on arms control and international communism, ACDA/IR–15 (MIT)	65,000
13. Regional arms control arrangements for developing areas, ACDA/IR–24 (MIT)	145,000
14. Arms control and disarmament concepts and the military environment in the European area, ACDA/WEC–23 (Stanford Research Institute)	267,688
15. Interaction of arms control and disarmament measures with capabilities of ground forces, ACDA/WEC–21 (Research Analysis Corp.)	177,300
16. Reciprocal influences of weapons and political systems, grant ACDA/IR–20 (Eagleton Institute-Rutgers University)	40,000
17. The nonmilitary aspects of CENTO, grant ACDA/IR–26 (Dr. Richard H. Pfaff)	1,500
18. Psychological factors in Soviet disarmament positions (Institute for the Study of National Behavior, Inc., Princeton, N.J.)	10,704
Subtotal	2,239,160
B. Contracts, amendments, and grants under negotiation	740,300
1. Interaction of arms control and disarmament measures with capabilities of strategic nuclear forces (RAND).	
2. Summer study on Soviet attitudes (Columbia University).	
3. Ground inspectable features of Soviet armament production technology (Arthur D. Little).	
4. Analysis of requirements for automation of data processing for inspection field tests (RFP No. 16).	
5. Survey of sensors and techniques applicable to arms control inspection and verification (RFP No. 17).	
C. Requests for proposals	$295,000
In selection board process:	
(a) Computation laboratory (RFP No. 18).	
(b) Arms control concepts and the European political environment (RFP No. 19).	
(c) Future character and role of peace. Observation arrangements under the United Nations (RFP No. 20).	
D. Reimbursement agreements with other agencies:	
1. Soviet fiscal system—allocated to Department of Commerce	10,000
2. CW–BW study (DOD)	75,000
3. Technical analysis and planning for field tests (DOD)	425,000
4. Preparation of new digest of international law (Department of State) (contribution for arms control and disarmament section)	14,500
Subtotal	524,500
E. Action documents in process (approved by Research Council)	16,000
1. Soviet military expenditures.	
2. Responding to apparent disarmament violations.	
Total committed to contracts, grants, and agreements	3,814,960

FISCAL YEAR 1964 CONTRACT AND GRANT RESEARCH PROGRAM

I. CONCEPT STUDIES

A. Regional security and arms control and disarmament	$480,000
1. Analysis of specified A.C. & D. proposals for the European area.	
2. Political aspects and impact of arms control in developing areas.	
B. Preliminary measures for general arms control and disarmament	610,000
1. Technical aspects of command and control as arms control measures.	
2. Studies of steps to improve the international environment for A.C. & D. (grants).	
3. Economic impact of specific arms control and disarmament measures in the U.S.S.R.	
4. Political potentialities and barriers to limited arms control arrangements.	
C. Substantial measures for general arms control and disarmament	800,000
1. Interaction of specified A.C. & D. measures with strategic military capabilities, including analysis of verification requirements.	
2. Interaction of specified A.C. & D. measures with capabilities of naval forces.	

U.S. Arms Control and Disarmament Agency—Continued

C. Substantial measures for general arms control and disarmament—Continued
3. Interaction of specified A.C. & D. measures with capabilities of ground forces.
4. Exploratory studies of new A.C. & D. concepts (grants).
D. International security arrangements for disarmament and the preconditions for disarmament--- $350,000

1. Role of alliance systems in a disarming and disarmed world.
2. The legal structure and financial support of an international disarmament organization and its relationships to the United Nations.
Subtotal---------- 2,240,000

II. SUPPORTING STUDIES

1. Inspection system studies---- 750,000
(a) Development and evaluation of alternative graduated access inspection concepts.
(b) Inspection theory and concept studies (grants).
(c) Operational organization of an international inspection organization and the role of intelligence.
2. Studies of elements in an inspection system------- 1,000,000
(a) The role of electromagnetic and mechanical sensors in inspection.
(b) The use of economic data as a part of the verification process.
(c) Analysis of nonphysical inspection techniques (grants).
(d) Preliminary design and feasibility studies for special-purpose inspection equipment.
3. Verification of specific armament and activities------ 1,300,000
(a) Inspection for clandestine military activities.
(b) CW/BW verification and control problems.
(c) Study of methods of limiting military manpower compatible with inspection.
(d) Verification and control of nuclear weapons production and stockpile.
(e) The structure of Soviet industry with reference to the production of specified weapons.
(f) Feasibility of control of R.D.T. & D.
(g) Fiscal systems of the Soviet bloc with reference to military expenditures.
4. Legal and political aspects of inspection, violations, and response---------- 450,000
(a) Studies of the legal and political implications of the inspection of industry.
(b) Response to indirect aggression and subversion.
(c) Gaming of violations and responses.
(d) The development of rules of international law.
5. Research for inspection field test program---------- 2,400,000
(a) Field test design study.
(b) Field test data processing.
(c) Field test research.

U.S. Arms Control and Disarmament Agency—Continued

6. Strategy of negotiations----- $200,000
(a) Political factors bearing on abrogating, renegotiating, or arms control agreements.
(b) Tactics and techniques of negotiating arms control and disarmament agreements.
7. The relationship between national political environments and arms control---------- 250,000
(a) Soviet political environment in relation to arms control and disarmament.
(b) Arms control and disarmament arrangements and national expectations.
(c) Soviet atitudes toward A.C. & D.
8. Historical studies of arms control and disarmament experiences---------- 410,000
(a) Analyses of international disputes.
(b) Interaction of the post-World War II arms race with political tensions.
(c) Historical analysis of issues in disarmament negotiations under the League of Nations.
(d) Analysis of past A.C. & D. agreements (organizations, control, compliance, violations, and response).
(e) Origin and operations of the armistice organization in Korea.
9. Technical and economic dislocations resulting from arms control and disarmament---------- 350,000
(a) Effect of arms control and disarmament in the electronics industry (United States).
(b) Methods for analyzing defense employment (a feasibility study).
(c) Regional case study (economic impact).
10. Analyses of nongovernmental arms control and disarmament efforts------- 100,000
(a) Study and full description of nongovernmental organizations in the United States concerned with problems of arms control and disarmament.
11. Arms control implication of technical development-- 400,000
(a) Arms control implications of technical developments in the U.S.S.R.
(b) Arms control implications of AICBM and other technical developments in the United States.
12. Computer services and methodological studies------- 1,000,000
(a) Computation laboratory.
(b) Development of a general purpose military-political arms control and disarmament game to test arms control concepts.
(c) Basic research on methodology for analysis of arms control problems (grants).

U.S. Arms Control and Disarmament Agency—Continued

13. Bibliographic studies------- $150,000
(a) Maintenance of bibliographic and abstracting services on unclassified literature and research relating to arms control and disarmament.
Subtotal---------- 8,760,000

Grand total, contract research program--------- 11,000,000

As this table shows, the Agency planned an expanded research program in fiscal year 1964 and contemplated requesting an appropriation of $15 million of which $11 million was to be spent for research and $4 million for Agency operations.

The Agency has also had the responsibility for U.S. representation at lengthy disarmament and test ban negotiations at Geneva. The Agency estimates that since its establishment American negotiators have participated in formal meetings on arms control and disarmament matters in Geneva on more than 205 days. These included meetings of the Conference on the Discontinuance of Nuclear Weapons Tests, the Eighteen-Nation Disarmament Conference (ENDC) plenary sessions, meetings of ENDC Test Ban Subcommittee and meetings of the ENDC Committee of the Whole.

Although no substantial progress has been made at either conference, preparation for them and participating in them has consumed a great deal of the Agency's energies. Reviewing these negotiations is outside the scope of this report. They have been subject of separate hearings by this committee from time to time and the Committee on Foreign Relations will continue to follow the development in this area closely.

To carry out its function of disseminating and coordinating public information concerning arms control and disarmament, the Agency reported that Agency officials did participate in over 100 meetings, panel discussions, and study groups in 1962. In addition, such informational materials as articles for commercial journals, scripts for educational television programs, network and local TV and radio programs were prepared, and briefings and interviews were arranged with Agency officials for correspondents of public information media.

This and related activities are further discussed in another portion of this report.

COMMITTEE ACTION

The legislation contained in S. 777 was requested by the Arms Control and Disarmament Agency on January 31 and introduced by Senator HUMPHREY (for himself and Senators CLARK, RANDOLPH, and JAVITS) on February 11, 1963. Two months later, on April 10, 1963, the committee held a public hearing at which all persons who asked to testify up to that time were heard. The record was held open for over another month for such additional statements as individuals and organizations wished to submit.

On May 28, after some further testimony in executive session, the committee voted to report S. 777 favorably to the Senate with amendments. Inasmuch as some question arose as to the committee's intent regarding one of the amendments, the committee met on June 4 to modify this amendment and voted without objection to report the bill, as amended, to the Senate.

FINANCIAL PROVISIONS (SECS. 1 AND 4)

Authorization of appropriations: Public Law 87-297 authorized the appropriation of not to exceed $10 million to remain available until expended for the work of the Agency. Having virtually exhausted this authorization over the period of 2 years, the ACDA requested the authorization of "such sums as may be necessary and appropriate." The committee carefully considered this re-

quest and agreed to recommend to the Senate that there be authorized to be appropriated for the fiscal years 1964 and 1965 the sum of $20 million, to remain available until expended, to carry out the purposes of this act. It should be clear that this sum is to be available for appropriations over a 2-year span. The language of the bill is not to be construed as meaning $20 million is to be available each year. The following table shows past and recommended authorizations and appropriations:

Authorization, executive branch request, and appropriations

Fiscal year	Authorization	Executive branch appropriation request	Appropriation
1962	[1] $10,000,000	$2,900,000	[2] $831,000
			1,000,000
1963	([3])	6,500,000	[4] 6,500,000
Total			8,331,000
Authorized and not appropriated			1,669,000
1964	20,000,000	15,000,000	
1965			

[1] No year specified.
[2] Pursuant to sec. 47(a) of the Arms Control and Disarmament Act, the State Department, on Oct. 30, 1961, authorized this transfer of funds. The actual amount indicated on the transfer authorization was $840,500, but the figure was rounded out to $840,000 for budget purposes. As a result of later adjustments by the State Department in funds it had obligated but not deducted for disarmament administration activities, the Department, on Apr. 20, 1962, authorized $9,400 of the above amount to be transferred back, leaving a net transfer balance of $831,100, which was rounded out to $831,000 for budget purposes. This is the figure that the Bureau of the Budget directed be shown in the 1962 column of the Agency's budget for fiscal year 1964 instead of the $840,000 figure shown last year before the adjustment was made.
[3] No change.
[4] As of May 28, 1963, the Agency had obligated $4,962,340.90 of this amount.

In deciding on the amount, the committee weighed these facts: (1) The Agency received in appropriations $1,831,000 in fiscal year 1962, $6,500,000 in fiscal year 1963, and proposed to request $15 million for fiscal year 1964; (2) during the first 9 months of fiscal year 1963, the ACDA had obligated less than half of the funds available to it; and (3) the ACDA is still very new, as Government agencies go. The committee believes the amount proposed in S. 777 is reasonable and sufficient to finance the Agency's program for the next 2 years.

The committee proposed this authorization of appropriations as a means of assuring a continued review by the Congress over the growth and direction of the ACDA—a review which it believes the Agency should welcome.

In connection with the authorization the question of permanency of the Agency was raised in the committee. This committee points out that the enabling legislation does not anywhere provide that the Agency should cease to exist on any certain date. It is the view of the committee that the ACDA is as permanent as such statutory agencies as the Peace Corps and the Agency for International Development (AID) which have thus far been required to seek annual authorizations for appropriations. In fact, in arriving at the formula proposed in S. 777, the committee was influenced by the fact that in the case of the Peace Corps and the AID annual authorizations are required. In any event, the method selected by Congress for providing funds for the operations of an agency is totally unrelated to its permanency.

Before leaving the question of the authorization of appropriations, the committee notes that there remains an authorized but unappropriated balance of $1,669,000. (See table above.) Under the language approved by the committee, this authorization remains available for use without fiscal year limitation.

Rate of obligation: A second committee amendment concerns the rate of the obligation of funds. The ACDA furnished the committee a table showing the monthly obligation of funds for fiscal years 1962 and 1963, which is printed on pages 80 and 81 of the hearings. To the end of March 1963, out of the $6.5 million appropriated, the ACDA had obligated $2,964,862.79—less than one-half of the amount available. A little less than one-third of this amount alone was obligated in March 1963. According to ACDA figures, as of May 28, $4,962,340.90 has been obligated in fiscal year 1963, indicating that during April and May the rate of obligations has been in the neighborhood of $1 million a month. In contrast, during the first 3 months of this fiscal year, the average rate of obligations was less than $80,000.

The committee is fully aware that this change in the monthly rate of obligations during fiscal year 1963 reflects the fact that the beginning phase of the organization of the ACDA is over and that the Agency is now launching its research program in earnest. Before this curve in the monthly rate of obligations becomes an established pattern in ACDA operations, the committee decided to recommend to the Senate this amendment as guidance to the ACDA:

"Not more than 20 per centum of any appropriation made pursuant to the act shall be obligated and/or reserved during the last month of a fiscal year."

This language is adapted almost verbatim from that contained in the Foreign Aid and Related Agencies Appropriations Act, 1963, applying to foreign aid funds, except the contingency and development loan funds. The committee was so concerned lest the fiscal yearend rush to obligate funds might become a regular procedure of the ACDA that it considered language prohibiting the Agency from obligating more than 20 percent of its available funds during the last 2 months of their availability. Even though the committee agreed to the less restrictive language, it hopes that the Agency's rate of obligations during the next 2 years will show that far less than 20 percent of its funds were obligated in the last month of the fiscal year.

SECURITY PROVISIONS

One of the two amendments relating to the security provisions, set forth in S. 777, would change the requirements for security investigations for actual or prospective contractors and subcontractors and their personnel. Such persons may not now have access to any classified information until they have received full-field background loyalty and security investigations by the Civil Service Commission or the Federal Bureau of Investigation. The proposed amendment would authorize the Director to accept, in lieu of such an investigation, a report of an investigation conducted by another Government agency, such as the Defense Department, the Central Intelligence Agency, the Atomic Energy Commission, etc. In fact, the latter two agencies were consulted in the drafting of this amendment. In discussing the proposed amendment, Mr. Foster testified:

"The proposed procedure would be on a parity with practices followed by our most highly sensitive agencies. Indeed, the language of our amendment is based largely upon a similar amendment to the Atomic Energy Act which Congress passed in 1961."

Mr. Foster further assured the committee that "if the investigative report of the other agency did not, in our opinion, fulfill our normal requirement with respect to thoroughness and completeness, we would obtain additional information as required on matters not adequately covered."

Under the proposed change an investigation of a contractor made within the preceding 5 years would be accepted and brought up to date by the ACDA, the FBI, or the Civil Service Commission through a name check rather than a full-field examination, unless something derogatory were disclosed, in which case a full-field investigation would be conducted. If the previous clearance is older than 5 years, a new full-field examination would be carried out as if the previous clearance did not exist.

The Agency cited two persuasive reasons for requesting this change in the act: (1) The delay occasioned by having to conduct new full-field examinations of each contractor, which normally takes 60 days but can take as much as twice as long when the load is heavy; and (2) the cost involved in these examinations, which is estimated to run between $350 and $400 per person.

The other change of a minor nature provides that the Director may grant access for information classified no higher than "confidential" to contractors, subcontractors, their officers and employees, on the basis of a name check only, rather than a full-field investigation. The intent is to use this procedure mainly for persons invited by the Agency to bidders' conferences. According to the ACDA, this practice is commonly utilized by the Department of Defense, the Atomic Energy Commission, and other agencies.

Two years ago, when the Arms Control and Disarmament Act was considered by the committee, it devoted particular attention to the security requirements. In fact, the committee redrafted this provision so as to satisfy itself that "the standards and procedures * * * are among the most thorough that appear in any Federal legislation." The committee believes that the changes recommended in S. 777 will not result in any dilution of the standards established in 1961.

AMENDMENTS TO THE POLICY FORMULATION PROVISION (SEC. 3 (a) AND (b))

The committee recommends two amendments to section 33, which pertains to policy formulation. The first relates to the proviso which states "that no action shall be taken under this or any other law that will obligate the United States to disarm or to reduce or to limit the Armed Forces or armaments of the United States, except pursuant to the treatymaking power of the President under the Constitution or unless authorized by further affirmative legislation by the Congress of the United States."

The committee voted to recommend deletion of the italicized words and the insertion in lieu thereof "this Act". The committee believes that limitations contained in the Arms Control and Disarmament Act should apply only to actions taken pursuant to that act and should not by inadvertence venture into constitutional questions beyond the subject matter scope of this act. It should be stressed that the substance of the proviso, which the committee regards as an essential safeguard, remains completely unchanged. Its applicability, however, is now being solely limited to actions taken

pursuant to the Arms Control and Disarmament Act.

The second amendment to section 33 consists of the addition of a new sentence reading as follows:

"Nothing contained in this Act shall be construed to authorize any policy or action by any Government agency which would interfere with, restrict, or prohibit the acquisition, possession, or use of firearms by an individual for the lawful purpose of personal defense, sport, recreation, education, or training."

The amendment is self-explanatory. It is the committee's view that nothing in the original act would have authorized the Agency to deal with the question of individual ownership and possession of firearms. Since some concern seems to exist, nevertheless, in the minds of sportsmen and others, the committee recommends this amendment to the Senate to make the congressional intent entirely clear.

LIMITATION ON THE USE OF FUNDS FOR DISSEMINATION OF PROPAGANDA

The last amendment recommended by the committee is the following limitation on the use of funds:

"None of the funds herein authorized to be appropriated shall be used to pay for the dissemination within the United States of general propaganda in support of any pending legislation concerning the work of the United States Arms Control and Disarmament Agency."

This language reflects the committee's concern over the organized pressures brought to bear during consideration of S. 777. The committee is fully aware of the constitutional right of citizens to petition their Government. It is concerned, however, that tax funds gathered from all the citizens not be used, directly or indirectly, to encourage expressions of particular groups of citizens simply because those groups support positions taken by the Government agency. Mr. Foster testified that he personally did not promote these exertions on behalf of the bill and that he did not know who did. The provision recommended by the committee would therefore merely insure that the Agency will not participate in a public campaign on behalf of its own legislation. The committee does not intend by this language to restrict Agency officials from addressing public affairs groups and others on the general subject of arms control and disarmament or to undertake similar activities.

CONCLUSION

The committee believes that S. 777 with the committee amendments deserves the approval of the Senate. The amendments are designed to assure that the ACDA's growth proceeds cautiously and under necessary safeguards. The authorization insures another thorough review by the Foreign Relations Committee of Agency operations in 2 years. In this connection, the committee bore in mind that the annual appropriation process also serves as a review. In fact, the committee did not request a detailed justification of the proposed fiscal year 1964 contracts, believing this to be a matter for thorough examination by the Appropriations Committees.

The committee hopes that the Senate will give its prompt endorsement to S. 777 together with the committee amendments.

CHANGES IN EXISTING LAW

In compliance with subsection 4 of rule XXIX of the Standing Rules of the Senate, changes in existing law made by the bill, as reported, are shown as follows (existing law proposed to be omitted is enclosed in black brackets, new matter is printed in italic, existing law in which no change is proposed is shown in roman):

SECTION 33 OF ARMS CONTROL AND DISARMAMENT ACT

"POLICY FORMULATION

"SEC. 33. The Director is authorized and directed to prepare for the President, the Secretary of State, and the heads of such other Government agencies, as the President may determine, recommendations concerning United States arms control and disarmament policy: *Provided, however,* That no action shall be taken under this [or any other law] *Act* that will obligate the United States to disarm or to reduce or to limit the Armed Forces or armaments of the United States, except pursuant to the treaty making power of the President under the Constitution or unless authorized by further affirmative legislation by the Congress of the United States. *Nothing contained in this Act shall be construed to authorize any policy or action by any Government agency which would interfere with, restrict, or prohibit the acquisition, possession, or use of firearms by an individual for the lawful purpose of personal defense, sport, recreation, education, or training."*

SECTION 45 OF ARMS CONTROL AND DISARMAMENT ACT

"SECURITY REQUIREMENTS

"SEC. 45. (a) The Director shall establish such security and loyalty requirements, restrictions, and safeguards as he deems necessary in the interest of the national security and to carry out the provisions of this Act. The Director shall arrange with the Civil Service Commission for the conduct of full-field background security and loyalty investigations of all the Agency's officers, employees, consultants, persons detailed from other Government agencies, members of its General Advisory Committee, advisory boards, contractors and subcontractors, and their officers and employees, actual or prospective. In the event the investigation discloses information indicating that the person investigated may be or may become a security risk, or may be of doubtful loyalty, the report of the investigation shall be turned over to the Federal Bureau of Investigation for a full-field investigation. The final results of all such investigations shall be turned over to the Director for final determination. No person shall be permitted to enter on duty as such an officer, employee, consultant, or member of advisory committee or board, or pursuant to any such detail, and no contractor or subcontractor, or officer or employee thereof shall be permitted to have access to any classified information, until he shall have been investigated in accordance with this subsection and the report of such investigations made to the Director, and the Director shall have determined that such person is not a security risk or of doubtful loyalty. Standards applicable with respect to the security clearance of persons within any category referred to in this subsection shall not be less stringent, and the investigation of such persons for such purposes shall not be less intensive or complete, than in the case of such clearance of persons in a corresponding category under the security procedures of the Government agency or agencies having the highest security restrictions with respect to persons in such category.

"(b) *In the case of contractors or subcontractors and their officers or employees, actual or prospective, the Director may accept, in lieu of the investigation prescribed in subsection (a) hereof, a report of investigation conducted by a Government agency, other than the Civil Service Commission or the Federal Bureau of Investigation, when it is determined by the Director that the completed investigation meets the standards established in subsection (a) hereof: Provided, That security clearance had been granted to the individual concerned by another Government agency based upon such investigation and report. The Director may also grant access for information classified no higher than "confidential" to contractors or subcontractors and their officers and employees, actual or prospective, on the basis of reports on less than full field investigations: Provided, That such investigations shall each include a current national agency check.*

"[(b)] (c) The Atomic Energy Commission may authorize any of its employees, or employees of any contractor, prospective contractor, licensee, or prospective licensee of the Atomic Energy Commission or any other person authorized to have access to Restricted Data by the Atomic Energy Commission under section 2165 of title 42, to permit the Director or any officer, employee, consultant, person detailed from other Government agencies, member of the General Advisory Committee or of an advisory board established pursuant to section 41(f), contractor, subcontractor, prospective contractor, or prospective subcontractor, or officer or employee of such contractor, subcontractor, prospective contractor, or prospective subcontractor, to have access to Restricted Data which is required in the performance of his duties and so certified by the Director, but only if (1) the Atomic Energy Commission has determined, in accordance with the established personnel security procedures and standards of the Commission, that permitting such individual to have access to such Restricted Data will not endanger the common defense and security, and (2) the Atomic Energy Commission finds that the established personnel and other security procedures and standards of the Agency are adequate and in reasonable conformity to the standards established by the Atomic Energy Commission under section 2165 of title 42, including those for interim clearance in subsection (b) thereof. Any individual granted access to such Restricted Data pursuant to this subsection may exchange such data with any individual who (A) is an officer or employee of the Department of Defense, or any department or agency thereof, or a member of the Armed Forces, or an officer or employee of the National Aeronautics and Space Administration, or a contractor or subcontractor of any such department, agency, or armed force, or an officer or employee of any such contractor or subcontractor, and (B) has been authorized to have access to Restricted Data under the provisions of sections 2163 or 2455 of title 42."

SECTION 49 OF ARMS CONTROL AND DISARMAMENT ACT

"APPROPRIATION

"SEC. 49. (a) There are hereby authorized to be appropriated not to exceed $10,000,000 to remain available until expended, to carry out the purposes of this Act. *In addition, there is hereby authorized to be appropriated for the fiscal years 1964 and 1965, the sum of $20,000,000, to remain available until expended, to carry out the purposes of this Act.*

"(b) Funds appropriated pursuant to this section may be allocated or transferred to any agency for carrying out the purposes of this Act. Such funds shall be available for obligation and expenditure in accordance with authority granted in this Act, or under authority governing the activities of the agencies to which such funds are allocated or transferred.

"(c) *Not more than 20 per centum of any appropriation made pursuant to this Act*

shall be obligated and/or reserved during the last month of a fiscal year.

"(d) None of the funds herein authorized to be appropriated shall be used to pay for the dissemination within the United States of general propaganda in support of any pending legislation concerning the work of the United States Arms Control and Disarmament Agency."

Mr. THURMOND. Mr. President, I wish for the RECORD to show my opposition to the passage of S. 777, a bill to amend the Arms Control and Disarmament Act in order to increase the authorization for appropriations and to modify the personnel security procedures for contractor employees. I am unalterably opposed to the operation of any Arms Control and Disarmament Agency so long as the Communists continue to demonstrate by words and acts that they have not changed their goal of dominating and enslaving the peoples of the world. To entertain such a foolish notion that the United States, the principal guardian of freedom in the world, can afford to lay down its arms in a disarmament arrangement with the forces of world communism which have proved over and over again that they cannot be trusted to keep their word, reflects the height of asininity and absurd reasoning. We should enter into no disarmament negotiations with the Communists until they have proved by words and acts of good faith that their goal to dominate the world has been abandoned.

Mr. President, I opposed the establishment of this Agency in 1961, and I cannot give my assent to this legislation which would provide increased spending for an agency which has not proved its worth and which could, through naive and foolish negotiations, render our Nation impotent in the cold-war struggle with communism.

There have come to my attention, Mr. President, several examples of study projects, or what have been referred to as "think factory" contracts, which have been entered into by the Arms Control and Disarmament Agency. The two studies which I will cite on the floor today cause me concern not only from the standpoint of the money expended but even more so because of the nature of the studies.

Mr. President, I call to the attention of my colleagues a contract entered into between the U.S. Arms Control and Disarmament Agency and the Institute of Defense Analyses in Washington, D.C. The author of the "think factory" contract is Mr. Lincoln P. Bloomfield, of the Massachusetts Institute of Technology, Cambridge, Mass. I have been unable to obtain the cost of this contract. The contract study is entitled "A World Effectively Controlled by the United Nations," and was completed on March 10, 1962.

Here, Mr. President, is a brief description of the content of this study:

This paper is an attempt to sketch out the possible contours of a world effectively controlled by the United Nations, followed by a discussion of the difficulties attending an enterprise of this nature. The question of feasibility seems so overwhelming in today's world, and the common answer on the part of politically sophisticated people so invariably negative, that it may be wondered why the exercise is undertaken at all. It has three justifications. On policy grounds, it would be well to spell out with greater precision that to which this country has committed itself. On heuristic grounds, it may be worthwhile to apply analytical methods to a problem commonly approached on the basis of hunch alone. Finally there is always the possibility that sophisticated people will turn out to have been wrong.

Mr. President, I also call to the attention of my colleagues a "think factory" contract entered into between the U.S. Arms Control and Disarmament Agency and Peace Research Institute in Washington, D.C., in the amount of $20,000. It is entitled "Study of Factors Pertinent to Political Control of an International Police Force," and was initiated on June 19, 1963. This is what the study showed:

The study will explore the political arrangements such as (1) the relative merits of and means for sustaining in personnel priority of allegiance to the International Police Force (IPF) compared to national allegiances, (2) what should be the characteristics of the institution which has the power over decisions regarding the use of the IPF, (3) type and extent of command structure for decisionmaking in the field compared to decisionmaking at political-institutional headquarters, during a mission and between missions, (4) the organization and operation of IPF when not on active missions, and (5) the style of and processes for introducing IPF into practice and into the world areas. Special attention will be given in all cases to political procedures for minimizing the possibility that the IPF could be used for partisan purposes disadvantageous to other nations.

Mr. President, these are just a few of the reasons why I desire to be recorded against passage of S. 777, despite the fact that the Senate Foreign Relations Committee did make some needed improvements in this bill during its consideration in committee.

The PRESIDING OFFICER. Without objection, the committee amendments will be considered en bloc.

The question is on agreeing to the committee amendments.

The amendments were agreed to.

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

Mr. HUMPHREY. Mr. President, I move that the vote by which the bill was passed be reconsidered.

Mr. CHURCH. Mr. President, I move that the motion to reconsider be laid on the table.

The motion to lay on the table was agreed to.

ADDRESS BY ASSISTANT SECRETARY OF STATE CLEVELAND AT DINNER IN HONOR OF 20TH ANNIVERSARY OF FOUNDING OF FOOD AND AGRICULTURAL ORGANIZATION

Mr. CHURCH. Mr. President, I wish to quote briefly, for the information of the Senate, from an article written by Arthur Krock and published in the New York Times:

This administration has been more assiduous in attempts to suppress unwelcome news than any other this correspondent has observed in action.

The President's notion of a free press is quite different from our own. We talk of freedom of information, really, whereas he talks of how to get his point across. His interest is in how a free press can best be used.

This opinion was expressed by Mr. Krock in the Times of April 4, 1943. It was quoted, as an example of "timeless opinions" from the "ancient history of 20 years ago" by Harlan Cleveland, Assistant Secretary of State for International Organization Affairs, in a delightful speech commemorating the 20th anniversary of the founding of the Food and Agriculture Organization.

The speech abounds, Mr. President, with witty and refreshing allusions to the events and personalities of these 20 years, which serve to season wise and compassionate comments on the problems of feeding a hungry world, and on the related problem of building an enduring peace. Its author is one of the ablest public officials now serving his country in Washington. I ask that the full text of the speech to which I have referred be printed at this point in the RECORD.

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

THE TOASTED BREADCRUMBS OF THE FUTURE

(Address by the Honorable Harlan Cleveland, Assistant Secretary of State for International Organization Affairs)

I

Tonight each of us consumed at these tables as much nourishment as is eaten in a day-and-a-half by more than 50 percent of the people of the world. If we were suddenly to join that less-fortunate half of the human race, our next meal would be a late lunch on Wednesday. And our menu on that occasion would be one small bowl of cooked rice and perhaps a piece of fish about 1-inch square.

You and I wouldn't stand for such treatment. Neither will the world's hungry people—at least not for long. And that is why, 20 years ago today, men and women from 44 countries, exhausted but exhilarated, met in their final plenary session at a mineral water spa in Hot Springs, Va., to approve the final act of an historic meeting.

President Franklin D. Roosevelt had set the tone for their labors in his message to the Conference:

"We know * * * that each freedom is dependent upon the others; that freedom from fear, for example, cannot be secured without freedom from want.

"[The nations] must see to it that no hindrances * * * be allowed to prevent any nation or group of citizens within a nation from obtaining the food necessary for health.

"In this and other U.N. conferences we shall be extending our collaboration. Only by working together can we learn to work together, and work together we must and will."

The short history of how we started to work together, in the midst of a great war, is worth this moment of commemoration. Each nation represented at Hot Springs has its own story of how it got

there. Let me tell you the story as it looked from Washington at the time.

II

Franklin Roosevelt was mindful of the strictures of John Maynard Keynes that the failure of Versailles and the League of Nations was due to the lack of concrete "ideas * * * for clothing with the flesh of life the commandments which [Woodrow Wilson] had thundered from the White House." So a group of planners under Leo Pasvolsky, a special adviser to the Secretary of State, actually began postwar planning as early as the autumn of 1939.

But President Roosevelt early developed the principle—which he practiced but never preached—that an ultimate pattern of peace must be put together over a period of time out of its major fragments. It was too much, he seemed to feel, to build a peace all at once, in a single stroke of diplomacy, from such a ruin as the Second World War might make of the world.

So in the early months of postwar planning the planning was in bits and pieces, reaching into every specialized corner of the Government. The dynamics of specialist enthusiasm would be used to provide motive power for building the peace—out of building blocks which would take the form of international organizations for special as well as general purposes—for technical as well as political functions.

Thus, over in the Treasury Department, the first planning papers that were to lead to the Bretton Woods Conference, and later the World Bank and Monetary Fund, were drafted early in the war.

Across town in the Public Health Service, doctors dreamed of a world health organization.

Elsewhere, university people began talking about a world education agency; the labor movement worked hard to preserve the International Labor Organization, temporarily exiled from Geneva to Montreal; and the forecasters of weather, already organized for almost 70 years in an international organization began the rethinking that found expression in the World Meteorological Organization.

And, as a neophyte in Government, employed in the Department of Agriculture, I remember working on postwar food planning in 1941, several months before the United States was actually engaged in fighting the war we assumed from the first would be won.

But the idea that food would have to play a central part in the building of the peace, and that in a peaceful world every citizen should have enough of it was not confined to Washington.

In wartime London was Stanley Bruce, a former Prime Minister of Australia and Australia's representative in the War Cabinet. With him was F. L. McDougall, son of a one-time Lord Mayor of London, who had gone to Australia, experienced a hard time as a farmer, joined Bruce in the League of Nations, and developed a crusading zeal for a global attack on hunger.

In the midthirties, when the League of Nations as a political organization was already on its last legs, Bruce and McDougall were hobnobbing with John Boyd Orr of Scotland and others, promoting an international marriage between health and agriculture—and borrowing words from the 16th century heretic Hugh Latimer to describe their efforts. After one eloquent outburst in the League Assembly, Bruce wrote to Orr that "we have this day lighted such a candle by God's grace, in Geneva as we trust shall never be put out."

John Winant was in wartime London also as American Ambassador, his shy manner and curiously formal handshake obscuring a passion for people—and a hatred of poverty.

Shuttling back and forth across the ocean was Paul Appleby, newspaper editor and Under Secretary of Agriculture, later to become a philosopher of public administration—and our guest tonight.

Earlier talks in London about an international wheat agreement led to further talk of a broader food organization; and in the cold of wartime London the Hot Springs Conference was conceived.

The scene shifts now to Washington where Winant, according to one story, had sold the idea to President Roosevelt. Another version, that of Gove Hambidge in "The Story of FAO," is that McDougall sold it to Mrs. Roosevelt who in turn sold it to Mr. Roosevelt. (That there should be conflicting claims to the parentage of a successful idea is not surprising. I personally know 5 people who invented the Marshall plan and 17 people who first thought of point 4.) In any event, if Mrs. Roosevelt was the effective courier, it was not the first—or the last—time that she put a bee in the President's bonnet.

But whoever sold him the idea of a World Food Conference, the President bought it as the first fragment of a still obscure pattern of peace. And on March 20, 1943, the President announced in a press conference that the United States would host a meeting to "deal with long-range problems of the nutritional standards of all countries."

III

It is worth remembering that in 1943 it was a much more exotic idea to have a world conference than it is today. During the 19th century our own Nation participated in an average of hardly more than one international conference per year. Our career as a nation of conference-goers started in 1826 when a youthful United States, preoccupied with its own internal development, took a wary look at its first invitation—from Simon Bolivar—to attend the Panama Congress of American States. This meeting is generally counted as the beginning of our international conference program—but in fact the U.S. delegates were not confirmed by a suspicious Senate in time to take part in the session.

Nowadays, Congress and the rest of us take international conferences as part of a familiar landscape. We are attending about 450 of them this year on almost every imaginable subject from atomic energy to zinc. In the last 26 months, the U.S. Government has participated in as many international conferences as we attended in our entire history from the founding of the Republic in 1789 to the Hot Springs Conference in 1943. Few had been more important than that one and I am confident that few will be more important than the World Food Congress that starts here tomorrow morning.

In any case, when President Roosevelt announced at a press conference on March 19th that we would host a World Food Conference, it was big news. It was especially newsworthy that day in the State Department, which had not previously known that it was planning a World Food Conference.

Certainly the 1943 Food Conference was regarded as news by the newsmen gathered round the President that day, and the resulting questions and answers produced one of those hilarious occasions which President Roosevelt always seemed to enjoy so much. Asked if the Conference would be in Washington, the President said he hoped not because it would be dreadful to subject the delegates to Washington. He thought it should be held in some small town, to encourage the delegates to get to know each other.

Asked if newsmen would be permitted to cover the Food Conference, the President said he hoped not, and laughed. We are seeking efficiency in the food discussions, he said. Then, of course, he was asked whether reporters were not efficient. Sometimes, said the President, they were too efficient and this slowed down the discussions.

If all this sounds rather up-to-date, so does the furor which developed from the President's announcement that he would not permit reporting at the Hot Springs Conference. Under Roosevelt's guidance, said Arthur Krock in the New York Times of April 4, 1943, "this administration has been more assiduous in attempts to suppress unwelcome news than any other this correspondent has observed in action." Quoting a colleague, he went on: "The President's notion of a free press is quite different from our own. We talk of freedom of information, really, whereas he talks of how to get his point across. His interest is in how a free press can best be used." I remind you that these timeless opinions are from the ancient history of 20 years ago.

But the most eloquent protest came from an army wife who complained to the President in a letter to the Kansas City Star that, "You don't seem to want us housewives, via the newspapers, peeking over your shoulders while you measure in the baking powder and the toasted bread crumbs of the future. We've got to eat the stuff."

IV

Whether by design or by accident, the fact that the Hot Springs Conference was surrounded with soldiers resulted in far more publicity than the organizers of a conference generally manage to procure for it by the more normal means of piquing the curiosity of journalists.

Newspaper readers and radio listeners were privileged in those weeks to learn something about the postwar food problem because the press corps, outraged at its exclusion from the proceedings, descended on Hot Springs, determined to report every scrap of information it could get.

Once the Conference got going, the American delegation persuaded the White House to loosen up on security arrangements and let reporters mingle with the delegates in the hotel grounds—though not to attend the Conference sessions. But no one ever found out—because no one ever asked—whether President Roosevelt's press conference remarks about excluding reporters were made to keep them out or to excite their interest. My own guess is that the purpose was to get more coverage rather than less.

The State Department may or may not have learned about the Hot Springs Conference first in the newspapers, but it certainly lost no time in getting on with the job. Nowadays, we plan a gathering like tomorrow's World Food Congress more than a year in advance. But President Roosevelt's first announcement was in March and the Conference was in full swing 2 months later, in May. Judge Marvin Jones, soon to be U.S. War Food Administrator, lent his distinction and his political experience to the exacting task of chairing the Conference. And buried deep among the technicians in the Canadian delegation was a bright young career diplomat named Lester Pearson.

In the midst of the uproar about news reporting, the Hot Springs Conference got down to business in framing proposals that were news indeed. An Interim Commission, chaired by Lester Pearson, was set up to produce a specific plan for a permanent organization in the field of food and agriculture. Three months after the war was over, the labors of Mr. Pearson and his colleagues had produced, at a meeting in Quebec, the Food and Agriculture Organization of the United Nations. The story of the infancy and the adaptation and maturation of the FAO; the gradual shift from emphasis collection and exchange of information to emphasis on executive direction of operational programs over the

past 18 years—is too well known to this audience to bear repetition here.

V

I think we can agree it is a good thing that the pattern of peace was allowed to develop in a fragmented way. In the first place, it is much easier to reach international agreement in the relatively safe, relatively nonpolitical subjects with which the specialized agencies deal. In the second place, the world of the 1940's and 1950's was far from ready for an enforceable peace system; and progress in one field of endeavor could not be made to depend on simultaneous progress in all the others.

In the third place, the excuse for creating another international organization—adding another fragment to a world pattern for peace—is the very progress of science and technology. Each scientific breakthrough produces international cramp and tension until it is matched by an institutional breakthrough in the same field.

Thus, nobody thought of starting a malaria eradication program until, less than 20 years ago, the scientists demonstrated in Sardinia and Egypt and elsewhere that malaria could in fact be stamped out. Then it suddenly seemed ridiculous not to eliminate it from our planet altogether.

Before the invention of the radio there was no need for an international body to divide up the spectrum of radio frequencies. Now, so many new uses are elbowing each other in that narrow spectrum that we are to have a big conference in Geneva this autumn, to reserve a bloc of frequencies for experimentation in outer space.

Until very recently, all the weather bureaus could do in the way of international cooperation was to exchange the information each collected with its own national facilities. But now we can take big strides in combining three new kinds of technology—picture-taking meteorological satellites, communications satellites, and high-speed computers to collect weather information from all over the world, to interpret it, and draw a world weather map fast enough to stay ahead of the quick changes in the weather itself. For the first time a world weather watch becomes a feasible proposition. And thus does new technology set new tasks for international organization.

Civilization does progress by stages. It is good that within the frontiers of specialties like agriculture, health, and the physical sciences, we are beginning to demonstrate that men can get along with each other without an intolerable amount of friction and confusion—just as we are beginning to demonstrate within the frontiers of nations that men can get along with each other without an intolerable amount of bloodshed.

It is good that scientists can "speak the same language" even through an interpreter; that physicians can cooperate with each other in a global war on disease; that farmers can teach each other how to get higher yields without politics getting too much in the way.

So we salute the growth of the FAO and its sister agencies, and we shall continue to press for steady improvement in their operations.

VI

All this is good but it is not enough. The spawning of new technologies is not all beneficent. The technology of atomic fission and fusion can provide electric power for national development; it can also incinerate all life in the Northern Hemisphere.

The parochialism of each major field of knowledge is not necessarily an improvement on the more familiar parochialism of nation-states, unless the demonstration that experts working with each other on food and health leads in fact to nations working with each other to keep the general peace.

A civilization which guarantees people enough to eat and longer life—and then exposes them to lethal radioactivity—is not moving onward and upward. It is moving sidewise toward a precipice. So the ultimate worth of every specialized or functional body must be measured partly by whether it helps develop the general or political bodies charged with peaceful solution of international conflicts. Every step to strengthen the Specialized Agencies of the United Nations must in conscience be matched with steps to control arms and develop the peacekeeping machinery of the United Nations organization itself. For if a workable pattern of peace must be constructed patiently by building first its component parts, the parts in the end must fit a pattern that makes enough sense to keep us not only healthy but also alive.

VII

All this was foreseen by the wise men at Hot Springs 20 years ago when they provided that the international food organization aborning there should become a part of the yet-unborn United Nations family of agencies.

And it was foreseen explicitly by the founders of the United Nations when they wrote in the preamble to the charter that "to save succeeding generations from the scourge of war" we must "promote social progress and better standards of life in larger freedom." Enough food for all, available in fact to all, is the first elemental breadcrumb of a future in larger freedom.

Indeed, the role of the FAO as part of a pattern for peace, including the political agencies, was forecast by the story that Judge Jones told when he came back to his former colleagues of the House Committee on Agriculture to report on the Hot Springs Conference—and it applies just as well to rivalries among the international agencies as it does to quarrels among the nations.

"In one of McGuffey's Readers," said Judge Jones, "was the story of a man with six sons who were always quarreling. One day he called them together, showed them a bundle of sticks bound together and offered a prize to any one of them who would break the bundle. They all tried and reported that it could not be done. 'That is easy,' said the old man, who then unbound the sticks and broke them one by one. 'Anyone could do it that way,' the boys replied. 'So it is with you, my sons,' declared the father, 'if you stick together no one can hurt you, but if you continually quarrel and fight among yourselves you can be broken separately.' "

In a fundamental sense, then, the FAO is more than a food and agriculture organization: it is part of a pattern for peace which is far from completed. Yet we know that when we improve the political machinery for keeping the peace we strengthen the functional agencies—and when we improve the functional agencies we strengthen the prospects for peace. And that brings us back to the business at hand: the FAO's goal of a world free from hunger.

Can we do it? Can we feed 6 billion people by the year 2000? Can we double total farm production and triple the output of milk, meat, eggs, and fish? On the record—the record of miraculous technology—we surely can.

If Ceylonese motorboats can multiply by 10 the fish brought in by boats propelled by oar; if a general use of hybrid corn would double the world's supply of corn; if a dairy cow in one part of Asia can produce 25 times the milk of her counterpart in other parts of Asia; if the Japanese can produce more rice per square inch than anybody else; if only 1 acre of land is now cultivated for each person in the world and another 2½ acres is probably tillable; if the world's most densely populated nation can earn foreign exchange as a net exporter of food; if in this country 1 farmer can feed his own family and 26 others; then surely our work is cut out for us, surely there is still plenty of room for the human race on this compacted globe; and surely the vision of a world free from hunger is a realistic goal and not a pipedream.

After 20 years of working at it, the members and staff of the Food and Agriculture Organization and the U.N. system have only just begun on what Lester Pearson, in his report of the first FAO Conference, called "so bold an aim as that of helping nations to achieve freedom from want." Watching the World Food Congress over the next 2 weeks some observers may say, as one historian of the U.N. Charter said of Hot Springs: "Its immediate results consist largely of fairly obvious generalizations and recommendations."

Obvious? Yes, it long has been an obvious generalization that too many people are hungry. But 20 years ago it was not so obvious to many that much could be done about it. Now it is. And I predict that it soon will be just as obvious that we who have inherited the vision and the work begun at Hot Springs are going to do more and more about it—and with such will that another generation will know a world for the first time free from hunger.

DR. ALGA MARIE FERRER

Mr. HUMPHREY. Mr. President, I ask that the Chair lay before the Senate a message from the House of Representatives with amendments to Senate bill 74.

The PRESIDING OFFICER (Mr. BAYH in the chair) laid before the Senate the amendments of the House of Representatives to the bill (S. 74) for the relief of Dr. Olga Marie Ferrer, which were, after line 8, insert:

SEC. 2. Section 2 of Private Law 87-673 is hereby amended by adding at the end thereof the following: "For the purposes of section 316 of the Immigration and Nationality Act, Doctor Mehmet Vecihi Kalaycioglu shall be held and considered to have complied with the residential and physical presence requirements of that section of the said Act."

And to amend the title so as to read: "An act for the relief of certain aliens."

Mr. HUMPHREY. Mr. President, on April 4, 1963, the Senate passed S. 74, to grant the beneficiary permanent residence in the United States as of the date of her first admission to this country as a visitor.

On May 7, 1963, the House of Representatives passed S. 74, with an amendment to add the beneficiary of a House bill. Under the provisions of S. 74, as amended, both beneficiaries would be placed in a position to file petitions for naturalization.

An additional case, that has now been approved by the Judiciary Committees of both the Senate and the House of Representatives, has been considered. The beneficiary, the subject of S. 574, would be granted the status of permanent residence in the United States.

I move, therefore, that the Senate concur in the House amendments to S. 74, with a further amendment to add the additional case; and I send to the desk the further amendment, as follows:

After section 2, add the following new section 3:

"SEC. 3. For the purposes of the immigration and Nationality Act, Antonio Gutierrez Fernandez shall be held and considered

to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this Act, upon payment of the required visa fee. Upon the granting of permanent residence to such alien as provided for in this section of this Act, the Secretary of State shall instruct the proper quota-control officer to deduct one number from the appropriate quota for the first year that such quota is available."

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Minnesota.

The motion was agreed to.

WAIVER OF INDEBTEDNESS IN CERTAIN CASES GUARANTEED BY VETERANS' ADMINISTRATION

Mr. HUMPHREY. Mr. President, in order that there will be a clear understanding of this matter, let me state that before the Senate adjourns today it is my intention to notify Senators that on Monday the pending business will be Calendar No. 174, Senate bill 412.

Mr. President, I now move that the Senate resume the consideration of that bill.

The motion was agreed to; and the Senate resumed the consideration of the bill (S. 412) to amend title 38 of the United States Code to provide for waiver of indebtedness to the United States in certain cases arising out of default on loans guaranteed or made by the Veterans' Administration.

Mr. HUMPHREY. Mr. President, this bill will be the pending business when the Senate resumes its work next week.

YOUTH UNEMPLOYMENT CONTINUES TO RISE

Mr. HUMPHREY. Mr. President, once again I regret the necessity of calling to the attention of the Senate another alarming rise in youth unemployment. This has become somewhat of a monthly ritual for me. I do not enjoy it. I wish the statistics proved otherwise. But it is also essential that Members of Congress face up to the critical situation regarding unemployment among the youth of this Nation.

The harsh facts are these: In May the Department of Labor disclosed the highest rate of unemployment among young people that has existed since the Department began keeping separate figures for teenagers in 1949. Unemployment in this age group rose from 16 percent in April to 18 percent in May.

There are currently 1,200,000 unemployed young people actively seeking work, 25 percent of the total jobless force.

I think that figure reveals why there are certain problems in delinquency and certain problems among our young people of social unrest. We cannot have 1,200,000 young people between the ages of 16 and 22 unemployed and not have troubles.

Secretary Wirtz has already commented that this situation could develop into "one of the most explosive social problems in the Nation's history."

I commend the Secretary of Labor for this assessment of the situation but, if anything, it is far too restrained. This Senator is one who believes that the danger level was passed many months, perhaps years, ago. But today the issue is beyond question. If 1,200,000 young people—out of work, out of school, out of hope—do not constitute an explosive situation, then I cannot imagine what would be considered explosive.

Mr. President, the urgency of the situation is apparent. Anyone who takes only a moment to consider the magnitude of the problem—1,200,000 unemployed young people—will see that procrastination and delay is no longer an acceptable substitute for action.

It is for that reason, among others, that I deeply regret what took place in the other body yesterday when the area redevelopment proposal was defeated. However inadequate the proposed legislation might be—and it surely has some inadequacies—it provided some employment, and it provided opportunities in the distressed areas for jobs for young people.

Moreover, I fear that the employment figures for June will disclose an even greater percentage of unemployment among young people as thousands of graduates enter the labor market. Surely the time for prompt action on the Youth Employment Act has arrived.

I recently commented that support for the youth bill continues at a high level throughout the Nation. I have never seen a public opinion poll where a large majority of persons questioned did not enthusiastically endorse the Youth Conservation Corps and the Hometown Youth Corps. I have never alleged that this bill will provide the total answer to this gigantic social and economic problem. But it does provide a beginning, a first step, toward meeting this extremely critical problem. It is a beginning that has received the support of the professional organizations concerned with social welfare, youth employment, education, and conservation. It is a beginning that will enable thousands of our young people to become responsible and self-sustaining members of society.

Ultimately, the solution to youth unemployment must be found in a combination of factors: First, a more rapidly expanding economy that provides more jobs for all. That in itself tells of the urgent need for the proposed tax legislation that is before the Congress, and as we now consider and are worried about what we call civil rights, I suggest that one right which would make civil rights truly meaningful is the right of a job and the opportunity to have a job. We need to have the kind of tax legislation proposed which would give greater impetus to our economy, so that in the months ahead we could see an expanding economy which would provide opportunities for youth as well as for others.

We also need a more adequate educational system that discourages school dropouts, a more enlightened program of social welfare that keeps families together rather than separates children from parents, a vastly expanded program of vocational and technical education, and an enlarged and broadened program of manpower training. But no realistic American expects all these solutions to be reached during this session of Congress.

Of all the great needs today, in the light of the great number of people who have left our rural areas and have come to the large cities, the vocational and technical education program is at the top of the list of priorities. I believe that program is needed, together with the so-called civil rights package which will be coming to us very shortly from the administration. I have so expressed myself to the President and to the leaders of the Congress. It is my view that there are hundreds of thousands—perhaps millions of people—who have left the farms through no fault of their own. Some of them are sharecroppers, white and colored alike, who have little or no experience with urban living, and absolutely no experience in modern industry, manufacturing, or even in the service industries.

What those people need is a vocational education. They need work experience that only technical and vocational training and on-the-job experience in a technical and vocational school can give them. As a Congress we have an obligation, in cooperation with local institutions of government, to see that that opportunity is provided.

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

Mr. HUMPHREY. I yield.

Mr. AIKEN. Is the Senator predicting that the President will submit to Congress a civil rights bill which will contain material not directly concerned with the immediate civil rights problem?

Mr. HUMPHREY. I did not say that. I said that I hoped he would.

Mr. AIKEN. The Senator did not say that the President will do that.

Mr. HUMPHREY. I did not say that he would.

Mr. AIKEN. I hope he will not, because if he should submit a bill containing extraneous matter and requests for authority not directly related to the civil rights problem, I am fearful that we might not get any civil rights legislation at all.

Mr. HUMPHREY. I am sure that the Senator's wish will be fulfilled. At least I feel so. But I say most respectfully that I have a high regard for the Senator from Vermont; but I can think of no right that is more important today than the right of an education and, I might add, among the young people who are suffering because of unemployment—and the figures are manifestly clear—the rate of unemployment of Negro young people is four times what it is among whites. That rate of unemployment is related directly to the level of vocational education.

Mr. AIKEN. The Senator knows that I have the greatest respect for him. I consider him one of the best hearted men in the Senate. But I hope that the civil rights problem will be kept separate from the other questions in which he is interested and in which I am interested, because I feel the civil rights bill would be almost the worst bill we could select upon which to attach riders.

Mr. HUMPHREY. I respectfully suggest that I am not proposing that it be a

rider. I am asking that this kind of measure come to us as a part of the backup, the fortification of what I call job opportunities which need to be made available and cannot be made available without work experience and educational experience. The Senator and I would not disagree about the fact that a comprehensive civil rights bill ought to be left to itself. But I would hope that, along with that proposal, Congress would introduce upon its own initiative, or the executive branch would present us with, some recommendations which would vastly expand our job training program—our vocational and technical education program—which, by the way, has been recommended not only by the Senator from Minnesota, but by many Senators on the other side of the aisle.

Mr. AIKEN. I also share the Senator's desire for more opportunities for employment, not only for young people but for older people. But I hope that, in our efforts to provide greater employment, we do not indulge in any programs which will put a stamp of relief or possibly second-rate citizenship on any of our people.

I learned in the early 1930's to dislike exceedingly the great signs which were put up at the end of WPA projects which, in effect, said, "The people employed on these projects are failures. They are being taken care of by the Government."

I hope we can avoid anything of that nature, because there is enough legitimate work to be done to warrant the payment of full-scale wages so that we should not have to revert to that relief-type program in this day. At least, I do not think we have to revert to that WPA-type of work.

Although I think that work in the forests is good for boys from the city, it is not a permanent solution to the problem. When boys work in the forests they should work as full-scale wage laborers, and not as $50-a-month "reliefers."

So I will go along with the Senator from Minnesota in trying to plan something along that line, but I cannot go along with anything which smacks of the old WPA relief days, unless it turns out to be absolutely necessary, which I do not think it is at this time.

Mr. HUMPHREY. I could not agree more with the Senator from Vermont. It is my view that we have suffered from a lack of educational opportunities. My interest is in seeing that the group of people who had to experience such misfortune will have an opportunity to catch up, not on the basis of relief, but on the basis of utilization of technical and vocational skills, in the fine public and private school systems, with a broadened program of technical and vocational education.

Mr. AIKEN. The Senator is speaking correctly on that subject. One reason why there is such a high degree of unemployment as exists today is that technology is getting ahead of us. We suffer from unemployment because the nature of jobs changes so rapidly that one must necessarily spend considerable time training to take on a new type of job.

Mr. HUMPHREY. The Senator is quite correct.

Mr. AIKEN. In other words, technology compounds itself. It goes ahead faster than our means of riding with it.

The Senator from Minnesota is correct when he says that we must pay more attention to education, particularly to vocational training and preparing people to shift from one type of job to another faster than they have ever done before.

There was a time, if a man learned a job as he finished school—and many finished school at very young ages in those days—the training he got at that time would last through his life, or at least perhaps through a generation. That is not the case anymore.

Mr. HUMPHREY. The Senator is correct.

Mr. AIKEN. A man may be trained for a job, only to find, 5 years later, that the training needs to be at least refurbished or done over in order that he may take on the next type of work.

I know I do not differ with the Senator from Minnesota as to objectives.

Mr. HUMPHREY. Not at all. The Senator is being most helpful.

Mr. AIKEN. I do not wish to have our young people put to work which makes them appear to be "reliefers."

Mr. HUMPHREY. The Senator is correct.

What the Senator from Minnesota was hoping to say—and perhaps it was stated inadequately—was that our educational programs need to be kept abreast of the technological changes which are occurring.

Mr. AIKEN. The Senator is correct.

Mr. HUMPHREY. The migration from the farm has been no fault of the farmer himself. Many people in many parts of the country—not only in the South—have had little opportunity to find work in industry, and, therefore, have found themselves less able to take on jobs when there is not an ample supply of labor.

Mr. AIKEN. This very necessity for retraining is the reason why we must expect a slightly higher percentage of unemployment than we would otherwise expect if the retraining were not necessary.

Mr. HUMPHREY. The Senator is correct.

Mr. President, we can, however, pass the Youth Employment Act now. We can take the first steps down this long road. We can assist thousands upon thousands of disadvantaged young people to know the security and self-satisfaction of steady and productive employment. This is the opportunity before the 1st session of the 88th Congress. Let us seize this opportunity without further delay.

It is vital, in the area of which we speak, that Negroes and depressed whites be given hope.

For the Negroes, civil rights legislation is necessary for human dignity, without which there can be no hope.

But for the Negro and white, either together or alone, education and job opportunities are equally crucial for hope.

What we speak of is a crisis at least as severe as that demonstrated by sputnik, which we well remember, in 1957. We responded then with the National Defense Education Act. It is my view that we now ought to respond, in terms of what we have had as an experience in education and training, with a massive education and training program, with a tax cut for new investment, along with other measures, to produce jobs and to equip people to fill those jobs.

Mr. President, I ask unanimous consent that an article by John D. Pomfret that appeared in the New York Times of June 9, 1963, be printed at this point in the RECORD.

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

JOBLESS YOUTH MAJOR PROBLEM—DECLINE OF WORK FOR THE UNSKILLED INCREASES TEEN UNEMPLOYMENT

(By John D. Pomfret)

WASHINGTON, June 8.—The evidence is mounting that the United States is faced with a long-range unemployment situation of serious dimensions.

The underlying difficulty is that the economy is not growing fast enough to create the new jobs that would provide work for those who want it.

This strikes hardest at the young people who are looking for their first permanent jobs and the burden of unemployment is falling on them with ever greater severity.

The employment figures for May, issued last week by the Labor Department, gave striking evidence of this and prompted Labor Secretary W. Willard Wirtz to say that teenage unemployment could develop into "one of the most explosive social problems in the Nation's history."

The figures showed that the unemployment rate among teenagers was nearly 18 percent—the highest since the Department began keeping a separate figure for teenagers in 1949.

CRITICAL SITUATION

Mr. Wirtz thinks the situation is critical and called for broad action to improve the educational system, eliminate racial discrimination, train jobless youths and reduce the number of students who drop out of high school.

President Kennedy recently emphasized the gravity of the general manpower situation in a message to Congress that was accompanied by a Labor Department analysis that is the most thorough to date.

Between 1947 and 1962 the number of jobs rose by 17 percent, but the labor force went up by 21 percent. The obvious result of this discrepancy was that unemployment rose from an average of below 4 percent of the labor force in the immediate postwar period to more than 5 percent in more recent years.

As unsatisfactory as this situation is, it may very well get worse.

FLOOD OF JOBSEEKERS

An unusual flood of new jobseekers is about to hit the economy. The experts' estimates are that the country's labor force will grow by 13 million during the sixties and by another 7 million between 1970 and 1975, reaching 93 million.

But these are net changes. Within the figures will be even larger shifts.

Thus, 26 million young persons under the age of 25 are expected to enter the labor force in the sixties—a far greater number than the country ever has had to train and absorb before in a 10-year period.

Success would mean a new level of prosperity as the young people get jobs, marry

and begin to rear families and contribute to the economy's output and demand.

But the experts do not believe that success will come easily or automatically.

Further, two statistics in the manpower report indicate that the economy will have to run faster and faster just to stay even.

Research and development expenditures rose from slightly over $5 billion in 1953–54 to $14,750 million in 1961–62. The impact of this so far has not been reflected by a rise in the rate at which output per man-hour is increasing, but it is inconceivable to the experts that it will not be soon.

Secondly, even without any rise in the rate at which productivity is increasing, the real output of the private economy in this country grew 59 percent between 1947 and 1961 with an increase in total man-hours of just 3 percent. The fact that private employment increased by 10 percent in this period was due to the very large rise in the number of part-time workers.

In the first place, the economy's performance at creating jobs has been lackluster in recent years. The slowdown has been centered in the private sector. This, between 1947 and 1957, grew at a rate of 700,000 jobs a year. But between 1957 and 1962 the gain was 175,000 annually.

Growth in the public sector—mostly State and local government—has absorbed some on this slack. Total civilian Government employment has been rising in the post-war period at a rate more than two and a half times that of total nonfarm employment. State and local governments have been creating 285,000 jobs a year on the average since 1957, compared with 185,000 before then.

MORE IDLENESS FEARED

But the experts estimate that if the economy does not begin to grow faster, unemployment which now is about 4,500,000 will grow by 1967 to beyond 5,500,000, or more than 7 percent of the labor force.

If the challenge is large in the aggregate, it gets even bigger when looked at up close.

Technological change is demanding an ever higher level of skill. An underlying shift in employment from goods-producing to service-producing industries is leaving many stranded. Drastic shifts in demand, depletion of natural resources or relocation of industries have left large groups of persons and sizable areas in the backwash of the general prosperity.

Thus, unemployment last year among unskilled nonfarm laborers was 12 percent—higher than any other occupational group. Semiskilled workers had a jobless rate of 8 percent; the skilled, 5 percent, and professional people, 2 percent.

The jobless rate among construction workers ran 12 percent and among manufacturing employees, 5.8 percent. In the service industries, it was 4.3 percent and in public administration, just under 2 percent.

Negroes, often deprived of training as well as job opportunities by discrimination, have an unemployment rate of twice the national average.

SKILLS NEEDED

Unemployment among teenage boys, many of whom had not finished high school, was more than twice as high as the average rate last year. And although older workers are not as often out of work as their juniors, they have a much harder time finding a job when they are.

West Virginia, hard hit by the decline of coal mining, had a jobless rate of 10.9 percent last year. Pennsylvania, with the mining and steel industries both contributing to joblessness, had a rate of 7.9 percent.

To meet the unemployment challenge, the administration has proposed a $10,300,000,000 tax cut to stimulate the economy and create jobs.

ADJOURNMENT UNTIL MONDAY

Mr. HUMPHREY. Mr. President, if there is no further business to come before the Senate, I move that the Senate stand in adjournment until Monday next at 12 o'clock noon.

The motion was agreed to; and (at 5 o'clock and 26 minutes p.m.) the Senate adjourned until Monday, June 17, 1963, at 12 o'clock meridian.

NOMINATIONS

Executive nominations received by the Senate, June 13, 1963:

The following-named cadet, graduating class of 1963, U.S. Military Academy, for appointment in the Regular Army of the United States in the grade of second lieutenant, under the provisions of title 10, United States Code, sections 3284 and 4353.

Pope, Derwin B.

HOUSE OF REPRESENTATIVES

THURSDAY, JUNE 13, 1963

The House met at 12 o'clock noon.

The Very Reverend Charles E. Diviney, V.F., St. Charles Borromeo, Brooklyn, N.Y., offered the following prayer:

Bless, O Lord, these distinguished Representatives of our people. Today they are faced with awesome problems and burdened by heavy responsibilities. Their concerns—local, international, and interplanetary—include the threat of war abroad, seething unrest at home, and the mysteries of space exploration and control.

Grant them the wisdom to recognize the need for divine guidance in a world whose dimensions seem to be outstripping the range of human reason.

Make them great souled enough to rise above appeals to self-interest; courageous enough to resist the pressures of frantic emotion and uncontrolled passion; prudent enough to direct all their thoughts and actions toward the common good.

Finally, give them the insight to understand that in our human condition and with the urgency of our times, God needs men. Therefore, if they continue to be devoted to duty, dedicated to their ideals—with Your help they cannot fail. Amen.

THE JOURNAL

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

SUNDRY MESSAGES FROM THE PRESIDENT

Sundry messages in writing from the President of the United States were communicated to the House by Mr. Ratchford, one of his secretaries, who also informed the House that on the following dates the President approved and signed bills of the House of the following titles:

On May 15, 1963:

H.R. 199. An act to amend title 38 of the United States Code to provide additional compensation for veterans having the service-connected disability of deafness of both ears;

H.R. 211. An act to amend title 38, United States Code, to provide increases in rates of dependency and indemnity compensation payable to children and parents of deceased veterans; and

H.R. 214. An act to amend title 38 of the United States Code to provide additional compensation for veterans suffering the loss or loss of use of both vocal cords, with resulting complete aphonia.

On May 17, 1963:

H.R. 5517. An act making supplemental appropriations for the fiscal year ending June 30, 1963, and for other purposes.

On May 20, 1963:

H.R. 4997. An act to extend the feed grain program.

On May 23, 1963:

H.R. 2440. An act to authorize appropriations during fiscal year 1964 for procurement, research, development, test, and evaluation of aircraft, missiles, and naval vessels for the Armed Forces, and for other purposes; and

H.R. 2842. An act to amend section 3238 of title 18, United States Code.

On May 29, 1963:

H.R. 6009. An act to provide, for the periods ending June 30, 1963, and August 31, 1963, temporary increases in the public debt limit set forth in section 21 of the Second Liberty Bond Act;

H.R. 2053. An act to provide for the temporary suspension of the duty on corkboard insulation; and

H.R. 4655. An act to amend title IX of the Social Security Act with respect to the amount authorized to be made available to the States out of the employment security administration account for certain administrative expenses, to reduce the rate of the Federal unemployment tax for the calendar year 1963, and for other purposes.

On June 4, 1963:

H.R. 5389. An act to repeal certain legislation relating to the purchase of silver, and for other purposes.

SUBCOMMITTEE ON MINES AND MINING

Mr. ASPINALL. Mr. Speaker, I ask unanimous consent that the Subcommittee on Mines and Mining of the Committee on Interior and Insular Affairs be permitted to sit during general debate this afternoon.

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

There was no objection.

SUBCOMMITTEE NO. 4 OF HOUSE SMALL BUSINESS COMMITTEE

Mr. ROOSEVELT. Mr. Speaker, I ask unanimous consent that Subcommittee No. 4 of the House Small Business Committee be permitted to sit this afternoon during general debate.

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

There was no objection.

LIMITATIONS ON MEMBERS OF CONGRESS

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

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

There was no objection.

Mr. JONES of Missouri. Mr. Speaker, there seems to have been some misunderstanding about some of the objections that I have made to unanimous-consent requests. I want to call attention to the various limitations that are placed upon Members of Congress; in their salaries, in their trips home, in travel expense, in the number of clerks that may be employed, in the clerks' salaries, in the amount allowed for telegraph and telephone expenses, stationery allowance, stamp allowance, number of free envelopes, and the limitation on space in the RECORD, which may not be exceeded except by unanimous consent.

We are limited in almost every activity except in the amount that we may incur in the printing of the RECORD.

It might be news to some—even the Member involved—to know that one Member of this House in the period between January 9 and June 12, 1963, made 192 insertions in the Appendix of the daily RECORD, and 23 extensions of extraneous matter in the body of the RECORD, which measured 4,130 inches or the equivalent of 153 pages. The Public Printer estimates the cost of printing the RECORD at $90 a page. The cost of the extensions of one Member therefore cost the taxpayers $13,770 in a little more than 5 months. I leave it up to my colleagues whether or not this is an abuse which would warrant some kind of limitation. This particular Member does not top the crop in his expenditures, for last session he was not at the head of his class, and there were several close contenders whose extensions cost the taxpayers far more than their salaries.

I have been going over this and analyzing it for some time, and some of the Members I have talked to have been rather surprised when I said that the extension of extraneous remarks by some Members in the last session exceeded their total salary. At $90 a page, I think if we were to try to curtail some of this we would bring about a saving which would be in the neighborhood of $1 million a year. I am hopeful we can arrive at some limitation on the insertions both in the body and Appendix of the daily RECORD.

CIVIL RIGHTS

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

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

There was no objection.

Mr. SIKES. Mr. Speaker, the President's speech on civil rights is a bitter pill for the South and for much of the Nation to swallow. While his proposal has not been spelled out in bill form, it is certain that any civil rights bill of far-reaching nature will have rough sledding in the Congress. There is a growing feeling that the whole picture of civil rights is being overplayed and that undue emphasis is being placed on it. Unfortunately, a wave of hysteria fanned by sensational news stories is sweeping the Nation. Much harm has been done to the cause of race relations and it is regrettable that the President has taken his present action without calm and deliberate discussion and evaluation with leaders at all levels.

American morale at home and prestige abroad and, in fact, the whole cause for democracy, has suffered. Voluntary cooperation between the races will accomplish much more than legislation or force. This is clear from what has happened in Birmingham and elsewhere.

MEDICAL EXPENSES SHOULD BE EXCLUDED FROM OUTSIDE EARNINGS OF SOCIAL SECURITY RECIPIENTS

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

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

There was no objection.

Mr. RYAN of New York. Mr. Speaker, today I have introduced a bill to provide that the amount of an individual's medical, dental, and related expenses shall be subtracted from his outside earnings before determining the reduction of any social security benefits because of such outside earnings.

Under existing law, if a social security recipient earns over $1,200 of annual earnings, his benefits are decreased. There is no allowance for medical expenses in computing outside earnings.

We all know that medical expenses constitute a very large part of the budget of our senior citizens. Medical expenses in many instances wipe out both outside earnings and benefits for persons on social security. Heavy medical expenses result in depriving many senior citizens of the support originally intended by the passage of social security.

Since medical expenses are involuntary, it is unlikely that anyone would be able to take unfair advantage of this proposal.

Mr. Speaker, this bill is no solution to the tremendous problem of medical care for the elderly, who have one-half the income and more than twice the medical bills of the rest of the population. I am a strong supporter of medical care for the elderly through the social security system, and I have signed the discharge petition to bring the King-Anderson bill to the floor of the House for a vote.

However, this bill would encourage our senior citizens, who constitute an invaluable national asset, to continue to contribute to our society. Passage of the amendment would help the elderly meet medical expenses which now may wipe out income from social security.

I urge early consideration of the bill.

ACCELERATED PUBLIC WORKS PROGRAM

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

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

There was no objection.

Mr. HECHLER. Mr. Speaker, on February 4, 1963, I introduced H.R. 3311, to authorize an additional $900 million to finance the accelerated public works program through the fiscal year 1964.

Yesterday the House in its wisdom, or lack of it, voted against certain strengthening amendments and increased authorizations for the Area Redevelopment Administration. The effect of yesterday's vote is to place a critical burden on those communities with a high percentage of unemployment. To stimulate employment in these areas, we cannot depend on military and space expenditures. I have pointed out in recent weeks the way in which certain States like West Virginia have been shortchanged in military installations and space contracts.

Therefore, I believe it is even more vital that the accelerated public works program be extended. This program has already brought vast benefits to areas with high unemployment, and the investment in permanent public improvements will pay rich dividends.

Mr. Speaker, in view of yesterday's action by the House, unless we take this action to extend the accelerated public works authorization, the entire economy might be dragged down by the critical unemployment situation in certain areas.

REQUEST FOR EXTENSION OF REMARKS

Mrs. SULLIVAN. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD in two instances; one on water pollution and one on equal pay.

The SPEAKER. Is there objection to the request of the gentlewoman from Missouri?

Mr. JONES of Missouri. Mr. Speaker, I am constrained to object, except for one instance.

Mrs. SULLIVAN. Mr. Speaker, I modify my request and ask unanimous consent to extend my remarks in the Appendix of the daily RECORD today and also on Monday next.

Mr. JONES of Missouri. Mr. Speaker, I am constrained to object to that. I have made it clear that I think such requests should be made on the day the extension is to be made.

The SPEAKER. Objection is heard.

Does the gentlewoman from Missouri seek further recognition?

Mrs. SULLIVAN. Mr. Speaker, I ask unanimous consent to extend my remarks in the Appendix of the daily RECORD and include a very short item on equal pay.

The SPEAKER. Is there objection to the request of the gentlewoman from Missouri?

There was no objection.

NASA AND THE MOON

Mr. CHARLES H. WILSON. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

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

There was no objection.

Mr. CHARLES H. WILSON. Mr. Speaker, I am distressed by the arguments that have been generated over the National Aeronautics and Space Administration program to land an American on the moon.

Surely the critics of this program do not wish our country to be left behind in the space race?

For military reasons alone it is imperative that the Soviet Union not be permitted to gain this valuable advantage over us. A base for military purposes on the surface of the moon would, if it were controlled by an unfriendly power, hold a veto power over our Nation's strike force capability.

Rockets and other missiles could be launched from the moon to strike any part of the territory of the United States. It would be tremendously difficult for us to combat such a threat and for these reasons alone the NASA program should be pushed forward with all possible speed.

A moon base under our control, on the other hand, would give us this vital military and psychological advantage and, with our other defense capabilities, it would strengthen the hand of the free world forces in the struggle for peace.

I am bewildered by General Eisenhower's remarks recently on the subject. It is plain that General Eisenhower has never really understood the concepts of the nuclear-rocket age. The blow to our prestige by the launching of the first Soviet sputnik has still not been fully repaired, despite the great strides we have made in recent years.

In the battle for men's minds that we find ourselves engaged in it is vitally important that we show the world we have the skill and know-how to justify our leadership position.

When Columbus left the Old World in 1492 in search of new lands it was fashionable in certain quarters to criticize the expense and purpose of his voyage into the unknown. I think we can safely say that his journey was well justified and that the expense has been repaid many times over.

In our own day and age, brave men are still exploring unchartered oceans. I have no doubt that these journeys, too, will be well justified and that once again in time the expense will be repaid many times over.

I suggest we study history a little more fully to prepare ourselves for the future. I regret that General Eisenhower will be pictured to our great grandchildren in future textbooks as being shortsighted and narrowminded.

We can be thankful that our space program in recent years has been under the control of President Kennedy and the able administrators of NASA. They have been doing well and our Nation can be assured America will take first place in the space race.

REQUEST TO ADDRESS THE HOUSE

Mr. REID of New York. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks and to include extraneous matter.

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

Mr. JONES of Missouri. Mr. Speaker, reserving the right to object, will the gentleman indicate what the extraneous matter is and the extent of it, please?

Mr. REID of New York. It consists of two brief newspaper articles in this morning's New York Herald Tribune.

Mr. JONES of Missouri. Mr. Speaker, I would object to that because I feel these newspaper articles should be inserted in the Appendix of the daily RECORD and not clutter up the body of the RECORD.

Mr. Speaker, I object.

THE LATE MEDGAR W. EVERS

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

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

There was no objection.

Mr. REID of New York. Mr. Speaker, I believe the entire Nation is deeply concerned and shocked over the dastardly shot in the back that occurred in Jackson, Miss., with the murder of Medgar W. Evers, the NAACP field secretary.

Mr. Speaker, Rev. Dr. Martin Luther King in New York yesterday referred to a conversation that he had with Mr. Evers late Tuesday. Dr. King quoted Mr. Evers' last words to him: "We're going on. We're determined to carry on until the problem is solved."

Mr. Speaker, I would only like to say to the family of Mr. Evers that there are many of us in the Congress who will do all in our power to carry on—to see that the Congress make a moral commitment and enacts necessary bipartisan legislation to insure that Mr. Evers did not die in vain; to insure that we will indeed have equality of opportunity for all Americans now.

THE LATE HONORABLE FRANCIS E. WALTER

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

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

There was no objection.

Mr. AUCHINCLOSS. Mr. Speaker, knowing of the real heartfelt appreciation of my colleagues and the sincere affection which they held for "Tad" Walter, I was very much moved by a letter written by a friend of mine, Marcus Daly, to a newspaper in Monmouth County, N.J., the Red Bank Register, which reads as follows:

LINCROFT, N.J.

To the EDITOR:

On May 31, U.S. Representative Francis E. Walter, of Pennsylvania, died after a long illness. Many persons know his name from his chairmanship of the Committee on Un-American Activities. Here he did outstanding work in vigorously opposing all those forces determined to undermine the American way of life. For this work alone he did deserve the thanks of all of us.

However, there was an area that he worked in that was little known about. Here he showed a true stature of being a great humanitarian. This was in the field of international refugee relief. For over 3 years, I saw the deep interest he had in this truly charitable work of helping the refugees. Many thousands of refugees now in Australia, Latin America, Israel, Canada, and the United States owe their present peace of life to this man. He did everything legally possible in the interpretation of laws and regulations so that these unfortunate victims of communism could once again live with their heads held high as free men.

To enumerate the untold instances of his interest would cover many pages of newsprint. Suffice it to say he looked to all men as his brothers' keeper.

I know that, in many thousands of hearts, prayers have been and are being said for this man—"Tad" Walter—their unknown benefactor.

His ways may have irritated many and pleased others, but he saw what he thought was right for the refugee and did it.

Sincerely yours,

MARCUS DALY,
Former Director of the Intergovernmental Committee for European Migration.

ANNUAL REPORT OF THE ST. LAWRENCE SEAWAY DEVELOPMENT CORPORATION—MESSAGE FROM THE PRESIDENT OF THE UNITED STATES—(H. DOC. NO. 122)

The SPEAKER laid before the House the following message from the President of the United States; which was read and, together with illustrations, referred to the Committee on Public Works and ordered to be printed:

To the Congress of the United States:

Pursuant to the provisions of section 10 of Public Law 358, 83d Congress, I transmit herewith for the information of the Congress the annual report of the St. Lawrence Seaway Development Corporation, covering its activities for the year ended December 31, 1962.

JOHN F. KENNEDY.

THE WHITE HOUSE, *June 13, 1963.*

SEVENTH ANNUAL REPORT OF THE SURGEON GENERAL OF THE PUBLIC HEALTH SERVICE—MESSAGE FROM THE PRESIDENT OF THE UNITED STATES—(H. DOC. NO. 121)

The SPEAKER laid before the House the following message from the President of the United States; which was read and, together with the accompanying papers, referred to the Committee on Interstate and Foreign Commerce and ordered to be printed:

To the Congress of the United States:

Under the provisions of title VII of the Public Health Service Act, as amended, I transmit herewith for the information of the Congress the Seventh Annual Report of the Surgeon General of the Public Health Service summariz-

ing the activities of the health research facilities program.

JOHN F. KENNEDY.

THE WHITE HOUSE, *June 13, 1963.*

SUBCOMMITTEES NOS. 3 AND 5 OF THE COMMITTEE ON THE JUDICIARY

Mr. ALBERT. Mr. Speaker, I ask unanimous consent that Subcommittees Nos. 3 and 5 of the Committee on the Judiciary may be permitted to sit during general debate today.

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

There was no objection.

COMMITTEE ON BANKING AND CURRENCY

Mr. ALBERT. Mr. Speaker, I ask unanimous consent that the Committee on Banking and Currency may have until midnight tonight to file certain reports.

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

There was no objection.

SUBCOMMITTEE ON CENSUS AND GOVERNMENT STATISTICS

Mr. OLSEN of Montana. Mr. Speaker, I ask unanimous consent that the Subcommittee on Census and Government Statistics be permitted to sit during general debate this afternoon.

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

There was no objection.

CALL OF THE HOUSE

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

The SPEAKER. Evidently a quorum is not present.

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

A call of the House was ordered.

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

[Roll No. 80]

Abernethy	Forrester	Norblad
Alger	Fulton, Pa.	Pepper
Ayres	Gavin	Philbin
Baring	Gibbons	Pilcher
Boland	Green, Oreg.	Powell
Bolling	Hanna	Rains
Bolton, Oliver P.	Harsha	Reuss
	Healey	Riehlman
Brown, Ohio	Hébert	Rivers, S.C.
Buckley	Holifield	Ryan, Mich.
Cederberg	Jones, Ala.	Schwengel
Celler	Karth	Scott
Chenoweth	King, Calif.	Shelley
Clark	Kirwan	Sheppard
Collier	MacGregor	Trimble
Conte	Martin, Calif.	Vanik
Cunningham	Martin, Mass.	Van Pelt
Daddario	Miller, Calif.	Whitener
Davis, Tenn.	Minshall	Wilson, Charles H.
Derwinski	Mosher	
Diggs	Murphy, N.Y.	

The SPEAKER. On this rollcall, 374 Members have answered to their names, a quorum.

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

COAST GUARD

Mr. BONNER. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H.R. 79) to require authorization for certain appropriations for the Coast Guard, and for other purposes, with Senate amendments thereto, and concur in the Senate amendments.

The Clerk read the title of the bill.

The Clerk read the Senate amendments as follows:

Page 1, line 3, strike out "December 31, 1963," and insert "after fiscal year 1964,".

Page 1, lines 7 and 8, strike out "after that date" and insert "after December 31, 1963".

Page 2, line 17, strike out "project." and insert "project'."

Page 2, strike out lines 18 to 21, inclusive.

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

There was no objection.

The Senate amendments were concurred in.

A motion to reconsider was laid on the table.

DISABILITY BENEFITS UNDER SOCIAL SECURITY

Mr. RHODES of Pennsylvania. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

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

There was no objection.

Mr. RHODES of Pennsylvania. Mr. Speaker, I am today introducing legislation to reduce to 1 year the amount of covered working time required to be eligible for social security disability insurance benefits. My proposal will enable young, disabled workers to receive disability insurance benefits if they are disabled early in their working life.

This bill liberalizes present social security requirements. Disabled workers now receive disability benefits only after 5 years of covered work during the 10-year period immediately preceding the onset of disability.

Mr. Speaker, there is a decided need for this legislation. Under present law, a young disabled worker who has had social security for less than 5 years is denied disability benefits. My bill corrects an inequity to younger workers, many of whom have inadequate means to provide for their growing families in the event of an unexpected and tragic disability.

I am pleased to join with the gentleman from Texas [Mr. BECKWORTH] in introducing this needed legislation.

This is the fourth major amendment to the Social Security Act that I have proposed so far this session of Congress. The other social security bills I introduced would increase minimum social security benefits from $40 to $50 per month, lower age requirements for full social security benefits to 60 years for both men and women, and increase to $1,800 the annual amount of earned income a person may receive without having his social security benefits reduced.

These bills, if enacted, would strengthen our economy at the base. They would put needed purchasing power into the hands of those who need it most. They would bring a measure of social justice to individuals and families and those 35 million of our fellow citizens—including many in the Sixth Congressional District of Pennsylvania, which I represent—who are denied the opportunity of a decent livelihood in the midst of great national surpluses and prosperity.

OBSERVANCE OF VICIOUS TAKEOVER BY SOVIETS OF LITHUANIA, LATVIA, AND ESTONIA

Mr. HORTON. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

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

There was no objection.

Mr. HORTON. Mr. Speaker, this Sunday, June 16, the Baltic States Freedom Committee of New York is commemorating the vicious takeover by the Soviet Union of Lithuania, Latvia, and Estonia in 1940, and the mass deportations which occurred in 1941. While my schedule of official duties prevents my personal attendance to this commemoration, I have sent the following message to be read at this observance. Because it expresses my firm convictions on the responsibilities I feel we in the United States have to those trapped behind the Iron Curtain, I would like to share this message with my colleagues:

JUNE 16, 1963.

I deeply regret not being able to participate personally in the observance being conducted by the Baltic States Freedom Committee of New York. However, my absence in no respect lessens my strong sympathy for the cause of your commemoration.

The forcible occupation of Lithuania, Latvia, and Estonia by the Soviet tyrants and their subsequent deportations are a tragic blot on world history. These evil events must not be forgotten. They are an ignoble example of Communist oppression.

We who legislate in behalf of freemen are summoned to speak clearly and act forthrightly to banish forever the bondage of communism. Our mission must be to eradicate this awful scourge from Lithuania, Latvia, and Estonia, and wherever else it enslaves freedom-loving people.

Please extend my best wishes to all who will join in this important commemoration. Their activities are living proof of the strong desire in America to restore human dignity to the brave people of the Baltic States.

FRANK HORTON,
House of Representatives.

PROCLAIMING DECEMBER 7, 1966, AS "PEARL HARBOR DAY"

Mr. MARTIN of Nebraska. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

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

There was no objection.

Mr. MARTIN of Nebraska. Mr. Speaker, today, I introduced a joint resolution to authorize the President to proclaim December 7, 1966, as "Pearl Harbor Day" in commemoration of the 25th anniversary of the attack on Pearl Harbor.

This day should always be one to remember; not one of comfort, but one to keep before us so that it will never again happen.

December 7, 1941, was a black day in American history. On that day, many men serving their country gave their all for a common cause. Since that time there have been various tributes, memorials, and other efforts to sustain the history so that this shall not be repeated.

Because the heroism of American forces before the unforeseen onslaught was an inspiration throughout the grim and terrible struggle that followed and because the bright beacon of courage then ignited will burn forever in the hearts of free men, I believe that it is only proper that the 25th anniversary of this occasion be proclaimed as a special date of remembrance and be observed with appropriate ceremonies and activities.

WITHHOLDING FEDERAL FUNDS FROM EDUCATIONAL INSTITUTIONS PRACTICING RACIAL DISCRIMINATION

Mr. FINDLEY. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

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

There was no objection.

Mr. FINDLEY. Mr. Speaker, on Tuesday, I introduced a bill, H.R. 6971, to withhold Federal funds from any educational institutions which practice racial discrimination.

The bill applies to funds under acts for national defense education, vocational education, federally impacted areas, library services, and land-grant colleges.

It would amend each to limit funds to schools which are on a racially nondiscriminatory basis or are carrying out plans which will achieve a nondiscriminatory basis by June 30, 1964.

The explosive racial situation calls for effective but moderate Federal leadership. My bill would involve most public and private educational institutions, and would provide a strong financial incentive for these institutions to end any racial discrimination. It would be a peaceful noncompulsory way to promote equal opportunity for Negroes.

The President has said he cannot withhold Federal funds because of racial segregation unless Congress includes such authority in the law. I am doing my best to give him that authority.

The spending of Federal money for education is unwise; but if the forces of spending cannot be stopped, the least we should require is that the money be spent fairly. Everyone pays taxes, and no citizen should be deliberately deprived of some benefit from his own taxes—small as it might be.

TAX RATE EXTENSION ACT OF 1963

Mr. MADDEN. Mr. Speaker, on behalf of the Committee on Rules, I call up the resolution (H. Res. 396) providing for the consideration of (H.R. 6755) a bill to provide a 1-year extension of the existing corporate normal-tax rate and of certain excise-tax rates, and ask for its present consideration.

The Clerk read the resolution, as follows:

Resolved, That upon the adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 6755) to provide a one-year extension of the existing corporate normal-tax rate and of certain excise-tax rates, and all points of order against said bill are hereby waived. That after general debate, which shall be confined to the bill and continue not to exceed three hours, to be equally divided and controlled by the chairman and ranking minority member of the Committee on Ways and Means, the bill shall be considered as having been read for amendment. No amendment shall be in order to said bill except amendments offered by direction of the Committee on Ways and Means, and said amendments shall be in order, any rule to the contrary notwithstanding. Amendments offered by direction of the Committee on Ways and Means may be offered to any section of the bill at the conclusion of the general debate, but said amendments shall not be subject to amendment. At the conclusion of the consideration of the bill for amendment, the Committee shall rise and report the bill to the House with such amendments as may have been adopted, and the previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion, except one motion to recommit.

Mr. MADDEN. Mr. Speaker, I yield 30 minutes to the gentlewoman from New York [Mrs. ST. GEORGE] and, pending that, I yield myself such time as I may consume.

Mr. Speaker, House Resolution 396 provides for consideration of H.R. 6755, a bill to provide a 1-year extension of the existing corporate normal tax rate and of certain excise tax rates. The resolution provides a closed rule, waiving points of order, with 3 hours of general debate.

The purpose of H.R. 6755 is to continue the present corporate tax rate and certain existing excise tax rates for 1 year.

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

If this bill were not enacted, it is estimated that there would be a revenue loss of $4.1 to $4.2 billion in a full year of operation and a loss of revenue in the fiscal year 1964 of $2.8 to $2.9 billion.

The rate extensions contained in the bill conform with the recommendations made to the Ways and Means Committee by the Secretary of the Treasury.

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

Mrs. ST. GEORGE. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, House Resolution 396 makes in order the consideration of H.R. 6755 to provide a 1-year extension of existing corporate normal-tax rate and of certain excise tax rates, and all points of order against the bill shall hereby be waived. The general debate will last 3 hours, and there will be only one motion besides those amendments offered by the Committee on Ways and Means—there will be only one motion to recommit.

Mr. Speaker, of course we are told that it is a perfectly normal thing that this money is needed. Well, we need a great deal more money than this because we are running on borrowed money right straight along. This bill actually would provide a very small amount compared to what we need. It will also provide a very small amount compared to the deficit we are prepared to face at the end of the fiscal year which has been minimized at $10 billion.

Mr. Speaker, the only quarrel I have with the bill is the fact that we do not seem to be willing, in this House, any more in this bill than we did on the debt limit, to face facts. Why not admit that these taxes are going to continue on? There is nothing temporary about them, nothing temporary at all. They are just about as temporary as eternity. So why come in here year after year, which we will do, and go through the same operation? Why do we not just admit that the taxes have gone up, that they will go up some more, that we will have deficits, and that we will have to live with deficits?

That is my one great quarrel with this bill.

Apart from that, Mr. Speaker, there is no objection I know of to the rule, although I do not see how we can consume 3 hours of debate on this matter.

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

Mr. Speaker, I yield 5 minutes to the gentlewoman from Ohio [Mrs. BOLTON].

Mrs. FRANCES P. BOLTON. Mr. Speaker, at the beginning of this session of Congress I introduced H.R. 45, to repeal the excise tax on telephone service. In their consideration of H.R. 6755, the bill before us today, I regret the Committee on Ways and Means did not give this matter consideration. This tax on telephone service has been collected for some 20 years now, though it was imposed during World War II as a "temporary" measure, as the gentlewoman from New York, Mrs. ST. GEORGE, has stated.

The telephone is the only household utility subject to Federal excise tax. It should not be included with the excise tax on luxury items because the telephone is a very essential service. More than 80 percent of our Nation's homes have telephones and it is quite impossible for business to operate without it.

Without the tax, it is reasonable to expect that there would be a still greater use of the telephone which would contribute to the stimulation of the economy. More telephone use would require more construction of telephone equipment, lines, and so forth. This would contribute to the creation of more jobs both in the telephone industry and in the economy at large.

For several years now there has been general agreement in the Congress that the tax on general telephone service should be repealed. But when? Each time we have said—next year, perhaps. It seems to me that we should delay no longer.

Mr. BAKER. Mr. Speaker, will the gentlewoman yield?

Mrs. FRANCES P. BOLTON. I yield to the gentleman from Tennessee.

Mr. BAKER. I want to compliment the gentlewoman from Ohio upon the introduction of the bill to which she refers and to inform her that when this matter was heard in the Committee on Ways and Means the gentleman from New York [Mr. DEROUNIAN] offered an amendment to repeal the telephone tax over a period of years. That was defeated by a vote of 16 to 9. I favor the gentlewoman's bill.

Mrs. FRANCES P. BOLTON. I thank the gentleman.

Mrs. ST. GEORGE. Mr. Speaker, I yield 5 minutes to the gentleman from New York [Mr. FINO].

Mr. FINO. Mr. Speaker, I am opposed to this bill, more particularly that portion which extends the Federal excise tax of 10 percent on general telephone service.

Originally, the Federal excise tax of 10 percent on telephone calls was imposed not only to raise revenue but to discourage use of the telephone at a time when metals and war materials were scarce. It was intended as an emergency, temporary wartime levy.

Today, 18 years after the war, it still remains in our statute books. Although, in 1959, we voted to end the tax effective the following year, the 86th Congress in 1960 restored it.

Mr. Speaker, to continue this tax would be to place telephone service in a luxury class comparable to the tax on jewelry, perfumes, and furs. Telephone service is a business and household necessity—it is an essential utility service like gas, water, and electricity.

This is an unfair, burdensome, and discriminatory tax and it should be repealed.

I regret the action taken by the Ways and Means Committee in further extending this tax.

The people are fed up with the high taxes they have to pay, not only to our Federal Government, but to our State and local governments.

Mr. Speaker, when taxes are high and still going higher and we are faced with a desperate need for expenditures of unparalleled proportions, we must consider other means of raising revenue which in ordinary times might not be considered suitable.

Neither this Congress, nor the Ways and Means Committee, has the right to ignore or be careless of possible tax and revenue advantages offered by a Government-run lottery which could easily pump into our Treasury over $10 billion a year in additional revenue.

Mr. Speaker, a national lottery which would be a painless and voluntary form of taxation, would certainly be a more palatable way of raising revenue for this Government.

If the Ways and Means Committee and if this Congress is really sincere and concerned with the plight of the American taxpayers and wishes to alleviate the heavy burdens of taxation, then it should have the courage to seriously consider a Government-run lottery as the only sensible, realistic, and logical alternative to this type of legislation.

Mrs. ST. GEORGE. Mr. Speaker, I yield 3 minutes to the gentleman from Illinois [Mr. DERWINSKI].

Mr. DERWINSKI. Mr. Speaker, I would, in principle, object to the rule except that understanding the procedures we normally follow, I realize with a sense of frustration that it is not the intention of the House at this time to depart from recent practices, but I would hope that some day we will under a rule on a bill from the Committee on Ways and Means have the opportunity to present amendments, so that not just the overburdened members of the committee itself but the entire House could work its will in these deliberations. Incidentally, as I look at the members of the Committee on Ways and Means, I see the distinguished chairman [Mr. MILLS] and the ranking minority member [Mr. BYRNES], both much grayer now than they were 6 months ago when they started their deliberations on the President's tax proposal. And, I look at this proposal to extend the excise taxes for a year with some apprehension. I say the simplest painless procedure possible would be to abolish these temporary taxes. It would save the wear and tear on the members of the Committee on Ways and Means, and remove the entire subject of tax revision from the political arena, and I believe it would probably be the most welcome changes that the House could take. But, realizing that we seem to thrive on confusion, realizing that we thrive on temporary means I bow to the inevitable.

I realize the rule will be granted and realize that the temporary taxes become permanent. But, I do hope that some day we will get a rule on the tax bill, an open rule, so that we can work our way on amendments and that we can eliminate the temporary wartime-imposed taxes.

Since Federal revenues from these sources now reach $7 billion, we would, in effect, be giving consumers of products and telephone users across the country a tax reduction effective July 1, which would immediately reach an overwhelming proportion of our population. The sum involved could effectively be balanced by economy moves now clearly apparent in the Congress. We will then have presented the public with a tax reduction based on corresponding reduction in expenditures. The arguments for a tax reduction could be validly applied here; to stimulate the economy, reduce the burden on individual citizens, businesses, and so forth, to eliminate record keeping, redtape, and paperwork, that are impediments to American businesses and, last but not least, the restoration of faith in Government promises that were made regarding the temporary nature of these excise taxes.

Perhaps this proposal does not have the political magic of an across-the-board slash in income tax rates, but it would reach as many people and have an immediate sound effect. Furthermore, the principle of eliminating the wartime imposed excise taxes is a valid one, and this action would not create a great inflationary spiral and an increase in our national debt that are inherent in the complex and controversial proposals presented to this committee by administration spokesmen.

Mrs. ST. GEORGE. Mr. Speaker, I have no further requests for time.

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

The previous question was ordered.

The SPEAKER. The question is on the resolution.

The resolution was agreed to.

Mr. MILLS. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 6755) to provide a 1-year extension of the existing corporate normal-tax rate and of certain excise-tax rates.

The motion was agreed to.

Accordingly, the House resolved itself into the Committee of the Whole House on the State of the Union for the consideration of the bill H.R. 6755, with Mr. DELANEY in the chair.

The Clerk read the title of the bill.

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

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

Mr. Chairman, each year, beginning in 1954, the Congress has been requested by the person then President of the United States to provide a 1-year extension in certain tax rates that would otherwise revert to lower rates generally on June 30 of that year. This started, Mr. Chairman, during the administration of President Eisenhower in 1954. It was repeated by President Eisenhower through a request to the Congress in each of the years that he served in that high office and into President Kennedy's administration.

Once again we have the President of the United States requesting the Congress to enact legislation to continue for one additional year certain rates of taxation that would otherwise expire or drop to a lower rate without this action on June 30 of this year.

Mr. Chairman, let me here summarize the specific taxes involved, and the Treasury revenue estimates of the full year effect.

H.R. 6755 continues for 1 year—until July 1, 1964—the present combined 52-percent corporate income tax rate which would otherwise revert to 47 percent—the 5-percentage point reduction would occur in the 30-percent normal tax. The Treasury revenue estimate for a full year is $2.5 billion. The bill also continues

the following excise tax rates until July 1, 1964:

First. Distilled spirits, which would be continued at $10.50 rather than $9 per proof gallon—$193 million.

Second. Beer, which would be continued at $9 rather than $8 per barrel—$84 million.

Third. Wines, which are continued at various tax rates rather than being reduced by approximately 11 percent—$9 million.

Fourth. Cigarettes, which would be continued at 8 cents rather than 7 cents a pack—$246 million.

Fifth. Passenger cars, which would be continued at 10 percent rather than 7 percent of the manufacturers' price—$460 million.

Sixth. Auto parts and accessories, which would be continued at 8 percent rather than 5 percent of the manufacturers' price—$82 million.

Seventh. General telephone service, which would be continued at 10 percent of the amount paid rather than reduced to zero—$570 million.

Eighth. Transportation of persons by air, which would be continued at 5 percent of the amount paid rather than reduced to zero—$105 million.

If this bill were not enacted, it is estimated that there would be a total revenue loss of $4.1 to $4.2 billion in a full year of operation and a loss of revenue in the fiscal year 1964 of $2.8 to $2.9 billion—taking into account floor stock refunds.

During the course of the time that we have been extending certain of these higher rates of taxation there have been added to this list, by action of the Congress, two taxes that were not initially levied in the period of the Korean war. One of those—the telephone tax—has been discussed already under the rule today, Mr. Chairman. I think it is interesting in this connection to look back a little bit to see how long this tax on telephone service has been in existence. In the year 1914 Congress levied an excise tax on long distance telephone service. In 1916 the Congress saw fit to repeal that excise tax. In 1917, the Congress reenacted an excise tax on long distance telephone service, which was again repealed in 1924. It was again reenacted in 1932 and has remained in existence in some degree ever since, either upward or downward. In 1941, it is true that for the first time Congress levied an excise tax on local telephone service.

So you see, Mr. Chairman, this matter that is included in this bill dealing with the taxation of telephone service is not something that was started basically as a temporary matter during the Korean war. It became a temporary matter in 1960, as I remember, as the result of the adoption of an amendment by the other body that came to us in conference. Rather than permit the tax to lapse at that time the conferees decided that it should be extended for 1 year, and we have been extending it since that time, and you are asked to extend it again this year.

Mr. Chairman, with respect to this particular tax, one suggestion has been made to the committee that the committee reduce the rate of the tax—not repeal it, but reduce the rate of the tax—over a period of years, for the reason that under the telephone tax the revenue is rapidly approaching $1 billion, and there is fear on the part of the industry that if the amount of the revenue to be developed from any particular tax ever reaches the level of a billion dollars it may be much more difficult to get the Congress to repeal that tax. We are assured, in conversation with the industry, that if we drop this tax from 10 to 9 percent, let us say, and then subsequently down to 8 percent, and subsequently to 7 percent, and on down to 6 percent, and then leave it at 5 percent, that the use of telephone service is increasing at such a rate that by the time we would reach a 5-percent rate sometime in the future we would in all probability be developing as much revenue then from that rate of tax as we are developing today from a 10-percent rate.

I have reviewed this for the information of the Members. However, I should here point out that I have not been able to reach the conclusion that this excise tax serves to depress the industry that is collecting the tax. It is, of course, a tax upon the consuming public—those who use the telephone service. Naturally they would like to have this tax, as I am sure they would like to have many other taxes that they pay, repealed, so that they would no longer have to pay them. For example, there are other excise taxes in this bill they would like to have repealed or reduced. But I am sure the information I have given the House indicates that the committee has not yet been able to conclude that the reason for a repeal of this tax is the onerous load placed upon the industry itself, or that it serves to defeat growth within the industry itself. I can understand the industry's point of view. I hope that sometime in the future it may be possible for the committee to give attention to the proposal of the industry of graduating the rate of this tax downward over a period of time.

If one would vote against this bill because of his dislike of the telephone tax, for example, one would have to bear in mind also that he would be voting to reduce certain other rates of taxation; that he would be voting against revenue amounting in a full year to more than $4 billion presently coming into the Treasury of the United States.

But again, Mr. Chairman, let us look at what is involved here in the bill in addition to the tax on local telephone service. As I indicated earlier there is a 5-percentage point normal tax paid by corporations involved here. The tax would revert from the 30-percent normal tax rate to the tax we had before the Korean war, which was a 25-percent normal tax. There was at that time and still is a 22-percent surtax on corporate income above $25,000. As I also indicated, in addition to this particular 5 percentage points, which amounts to about $500 million per point—a little bit more than $2½ billion of revenue—there is involved a reduction, if this were not passed, in the tax on distilled spirits from $10.50 per proof gallon to $9; on beer, a drop in the tax from $9 to $8 per barrel; on wines an average of about 11-percent reduction in the varying rates applicable to various kinds of wine; on cigarettes a drop in the tax from 8 cents per package to 7 cents per package. On passenger cars a manufacturer's excise tax of 10 percent is being levied at the present time. If this legislation is not passed that manufacturer's excise tax would revert to 7 percentage points on June 30 of this year. The automobile industry itself has asked, of course, that we not make this 10 percentage points permanent, because they look forward to the day when this tax may be brought down not to just 7 percent but down, perhaps, to as little as 5 percentage points. But at the moment, at this time and in this particular year the automobile industry is enjoying a high level of sales, just as it did last year.

Mr. Chairman, we could not feel that this particular situation justified separate and distinct treatment that we were not according other industries that are also involved in these excise taxes, that are not Korean taxes, that were levied long before the Korean war.

We did not feel justified, therefore, in picking this particular tax out for special treatment.

Automobile parts and accessories are also involved. The tax under existing law is 8 percent. Without this legislation that tax would drop to 5 percent.

In addition, there is involved in this bill the question of a 5 percent excise tax on the amount paid by those using airline services. It will be recalled, Mr. Chairman, that last year we worked out some changes with respect to the tax on travel by passengers. In that year we dropped this tax altogether for travel over railroads, water, and on buses and reduced it from 10 percentage points to 5 percentage points with respect to travel on airlines. At the time we did that we selected this method of continuing a type of user tax on airline service in lieu of then considering all the recommendations which had been handed to the Congress by the President for a tax on jet fuel and perhaps even other things that would be used by the airlines that would serve as a use tax to partly compensate the Government for some of the expenditures incurred in connection with airline transportation safety and matters of that sort. The airline people themselves would much prefer that we continue this 5 percentage points on the amount paid by passengers of airlines than to impose upon them some other or additional type of user tax. There is no question in the minds of the industry about that particular point.

Mr. Chairman, I repeat that here we have without the passage of this legislation a revenue loss for the fiscal year 1964 of approximately $2,900 million and a revenue loss for a full year of about $4,200 million.

I think it is quite evident to all that we consider this proposition at this time in a somewhat different atmosphere and under different circumstances altogether than was the case in some of the years

in the past. We have before the committee this year, contrary to the situation last year or in the year before, a request from the President of the United States that we make certain adjustments with respect to the rates of taxation affecting individuals as well as corporations. No decisions have been made other than with respect to some substantive parts of the President's proposals other than rates, on a tentative basis, by the Committee on Ways and Means. No definite, final, decisions have been made even with respect to those matters that have been announced by the committee as tentative decisions. But certainly the committee has made no decision with respect to what it will recommend in the way of rate reductions either for corporations or for individuals.

I would think that the more appropriate procedure for the House to follow would be to go along with the recommendation of the committee in this instance. Let us continue these expiring rates for such period of time as we suggest here, to give the House and the other body the opportunity of working their will with respect to the recommendations that the President has placed before the Congress.

Let us leave some leeway so that we can say that the Congress does desire to do something about the corporate rate of taxation, that the Congress thinks that the time has come to get the Government out of the position of being a majority stockholder in the profits of corporations.

Let us say that the Congress has decided the time has come to do something about these very high individual rates of taxation, ranging from 20 percent to 91 percent. If the Congress wants to do that, certainly, the Congress should have that opportunity but if we do not continue these rates of taxation involved here, certainly, the Congress will not have the same opportunity of looking at the overall picture because we are talking here about almost $3 billion of revenues that were anticipated actually in the development of revenues for the purposes of the budget of 1964. If these revenues are not to be continued, in my opinion, we do not have the opportunity, certainly the same opportunity, to pass judgment even on what the Congress will want to do in the overall situation facing the American taxpayer.

I believe it is much better for us to proceed in this manner, to look at the situation with respect to the overall picture and a little later on in this session reach conclusions about reductions of rates in that connection, rather than here today prevent, or tend to prevent, a proper application of such action as we might want to take in reducing rates.

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

Mr. MILLS. I yield to the gentleman.

Mr. BOW. Of course, I must preface my question by saying I am one who would like to see a reduction in taxes, and particularly in these taxes. But may I ask the gentleman this question: With the budget we have now and the expenditures that we are having, am I correct in the assumption that if we should vote against this bill and take these taxes off, that with the expenditures we are facing, it would require the Government to borrow this money and pay interest on it.

Mr. MILLS. The gentleman is correct. Let me say further in reference to that, because it has its application elsewhere, any time we do not collect within the course of a particular fiscal year through taxation the amount of money that we spend, then we have to borrow it and we have to pay interest on the amount that we borrowed, in order to pay the expenses of Government.

Mr. BOW. Do I understand if we had to borrow this money that that might again occasion the necessity for an increase in the debt limitation?

Mr. MILLS. Oh, there is no doubt about that. If we were to increase the prospective deficit, whatever it is, by such a reduction as this contemplates in this fiscal year, it would add to the size of the debt limit.

Mr. BOW. Then am I correct in assuming that if we are intent upon cuts of this kind in taxation, then to be responsible about it, we have to find some way also to cut budgets and to cut the spending of the Government.

Mr. MILLS. The gentleman from Ohio is a very distinguished member of the Committee on Appropriations and I know he diligently applies himself daily to the proposition of trying to find ways and means—if I may use that term—of bringing about reductions in the rate of spending by the Federal Government. To the extent that the gentleman and his committee are successful in that accomplishment, they make it possible in my opinion for the Congress, beginning with the Committee on Ways and Means, to have more room within which to accomplish objectives that have been submitted to the Congress for tax reduction. Certainly, I would feel better about any tax rate reduction being accompanied by a tighter rein on Federal spending.

Mr. BOW. I thank the gentleman.

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

Mr. MILLS. I am glad to yield to the gentleman.

Mr. GROSS. Had the area redevelopment bill which was considered by the House yesterday been passed, that would have called for nearly a half billion dollars of additional spending; would it not?

Mr. MILLS. May I say to my colleague, I find my time has been so taken up with consideration of methods and ways to try to figure out how to relieve the taxpayers of some of these rates of taxation, I am going to have to rely upon my friend's opinion as to the total amount involved. Yes it is around $450 million.

Mr. GROSS. Yes; I say close to a half billion dollars.

Mr. MILLS. All right.

Mr. GROSS. If the gentleman will yield further, we will not quarrel in this case over $5 million or so, or $50 million or so.

Mr. MILLS. My friend and I never quarrel over anything; never.

Mr. GROSS. I thank the gentleman.

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

Mr. MILLS. I shall be glad to yield to the gentleman from Illinois.

Mr. FINDLEY. The Chairman of the Committee on Ways and Means indicated a little earlier that the 5 percent tax on telephone service was not desirable from the standpoint of the telephone industry.

Mr. MILLS. Yes, I indicated the industry would prefer that it be reduced.

Mr. FINDLEY. And has now proved to be an onerous burden upon the industry.

Mr. MILLS. No; I used—pardon me, but I used the suggestion and recommendation that that had come about from certain people within the industry for a gradual reduction in the rate. Their statement to me about the amount of revenue we would get under these lower rates, at least to me, has indicated that the industry was growing and extending more telephone service daily and that we could not point to this particular industry as one that was depressed necessarily as a result of this tax.

Mr. FINDLEY. If the gentleman will yield further, in view of that and in view of the further need for additional revenue did the committee in its consideration of this bill give any serious thought to increasing the rate on telephone services?

Mr. MILLS. No; the committee did not. The committee gave consideration to the possibility of gradually reducing this rate, as the gentleman from Tennessee observed during consideration of the rule, but we did not give any consideration in connection with this bill to any further increase in any of these taxes. We did not do that.

Mr. Chairman, I trust the House will agree with the Committee on Ways and Means and approve H.R. 6755.

Mr. BYRNES of Wisconsin. Mr. Chairman, I yield 20 minutes to the gentleman from Missouri [Mr. CURTIS].

Mr. CURTIS. Mr. Chairman, I supported the rule. I am opposed to the bill.

Mr. Chairman, this matter is ready for the consideration of the House. However, I would like to point out what I feel to be the function of a member of a committee and, indeed, the function of a committee of the House of Representatives, and that is to try to elucidate, to try to bring out the factors and the views that pertain to an issue so that the House can make its decision.

Mr. Chairman, I feel it is important to dwell a little bit upon that function, because I find that many committees are going along the road of feeling that their purpose is to make the decisions for the House and, therefore, to try to gather together the various viewpoints within the committee so that they can come onto the floor of the House with a unanimous approach. Then, the technique of debate on the floor becomes one really of concealing information rather

than bringing it out, and concealing honest differences of opinion rather than bringing them out.

Mr. Chairman, I am satisfied that the Committee on Ways and Means has done an adequate job of studying this matter and bringing the issue to the House in the majority report. I might say also that our chairman, the gentleman from Arkansas [Mr. MILLS], in his usual excellent fashion, has presented the situation. However, I want to call attention to the minority views which are signed by six Members, the object of which not being one of trying to necessarily defeat this bill, although it is our recommendation that it should be. We try to spell out the reasons and to bring out some of the basic points that are involved.

Mr. Chairman, it is my opinion that we have a practical matter to consider. The executive department has already decided that we should have a tax cut. The Committee on Ways and Means is already in the process of considering this tax cut. If we are practical men and women—and I know we are—with the majority of the committee being 15 to 10 Democrats against Republicans, and the Democrats naturally wanting to support their administration—in this climate where the executive is the one which does the suggesting rather than legislation being initiated here in the Congress, the decision has been largely made for us that there is going to be a tax cut bill.

All of this talk about having to have expenditure reform before you have a tax cut is out of the window, so far as the administration is concerned. I adhere to that position as strong as I know how. I think it is a dangerous thing to pursue a course of having tax cuts anywhere without some knowledge of expenditure reform coming about. It certainly does not behoove the majority of the Committee on Ways and Means or this administration to advance any argument along the line of not cutting taxes before expenditures are cut.

I refer to the minority viewpoint that speaks about the morality involved in this matter. There is a moral obligation at issue here. When a decision has been made to cut taxes, obviously the taxes that must be cut first or eliminated are those that were imposed on a temporary basis to meet a specific need. These taxes we have before us today we imposed on a 2-year basis to meet the needs of the Korean war. They have been continued on an annual basis 10 times by this Congress on the theory that we needed the revenue. I might say I have supported that proposition each time, because indeed we did need the revenue if we were not going to exercise expenditure reform.

I think I have always been a member of the so-called economy bloc doing my best with my votes and with my voice to persuade the Congress that we need to exercise expenditure reform, and yet I have gone ahead and said, yes, we must raise these taxes, and as the chairman of the committee pointed out, if we do not raise the money in the form of taxes, then we have to borrow the money.

Does morality mean anything to us in the Congress these days? I wonder. Here we are talking about cutting taxes and the administration says we must do so for the benefit of our economy although we do not have expenditure reform. They come in and say, cut the permanent taxes and extend the temporary cuts. How can the people of the country believe us if we in the future say we are only going to impose a tax on a temporary basis?

I happen to think morals are important. That is one thing, if anything, that bothers me about the future of our country. I refer to the seeming lack of understanding of this point. We in politics know what a pledge means or is supposed to mean. Has it reached the point where we openly and avowedly renege on our pledges? Mind you, this is in the terms of a tax cut. The administration says we must cut taxes.

Let me point out another inconsistency of the administration's position on this bill. As set out in the minority views, there is the testimony of Secretary of the Treasury Douglas Dillon when he testified before the Committee on Ways and Means on behalf of this extension of the Korean excise and the corporate tax increase.

This becomes perhaps a little bit complicated, but it is a very important thing because the President's tax message on tax cuts emphasizes the need for a balance between the investment dollar and the consumer dollar. Indeed, the President's Council of Economic Advisers has emphasized heavily the importance of releasing money into the consumer purchasing power area by releasing consumer taxation, taxation on the consumer dollar, and has gone to a very refined and, I might say, questionable economic theory of the multiplier effect on the economy that the release of a tax on the consumer presumably will have on our economy. Now, whatever balance we work out in a tax cut bill which may come out of the Committee on Ways and Means, there is going to be some balance. There is going to be a cut on the investment dollar and there is going to be a cut on the consumer dollar, and there must be some balance. I know no one disagrees that there should be a balance. The argument is, where you balance up; how much to the consumer dollar; how much to the investment dollar.

Now, read Secretary Dillon's testimony when he said:

> The automatic excise tax reductions are particularly inconsistent with the decision of the President that tax revision to stimulate economic growth and increase taxpayer equity first requires removal of the strong check on initiative and investment inherent in present income tax rates.

These taxes that we have before us happen to be consumer taxes, and the Secretary of the Treasury is now telling the Congress—and I assume he speaks with authority for the administration—that any reduction in taxes on the consumer side is inconsistent with the decision that the President has made. Let me say that the excise taxes of $1.7 billion in here are consumer taxes and the impact falls on the low-income consumer in the same proportion that it hits any other income bracket consumer in our country. But, in theory, take any Federal income tax, it does not hit the lowest income bracket, because those people are not taxpayers. And, here we have the political party that has professed to be the party of the little man coming out and saying that a tax cut on the consumer level, that will really get to the lowest income group, is inconsistent with the theory that the President has decided to pursue.

One other point was made insofar as the initial imposition of transportation and communication taxes; part of the Korean war taxes. The point relates to the theory of allocating our resources; it was not entirely just to raise revenue. It was to deter the use of some of these economic facilities, communications and transportation in particular. Now, here is a tax reduction proposal that the President has given to the Congress seeking primarily to stimulate the economy, to stimulate economic activity. Well, by any logical sequence, the very first taxes we should remove would be those we set in to impede. So, not only do we have a moral problem of removing these taxes that went on for commitment reasons but also for good economic reasons.

Now I come to another point and the one that disturbs me most, and I think it disturbs the people on my side of the aisle and those on the Democratic side of the aisle who are concerned about expenditures. In our report we say:

> Congress can force a modicum of expenditure reform by not passing this tax increase bill.

Then I want to read what we say:

> Many people have argued that the only way to bring about expenditure reform is to first reduce the revenues—cut the taxes.

Now, I have not agreed with that point of view. The report goes on to say:

> There is merit to this statement but only when control is being exercised over the authority of the Federal Government to issue more Federal bonds in lieu of the lost tax revenues.

Now, is there this discipline over the executive department to sell the bonds, I say to my friend from Ohio [Mr. BOW]?

The answer is "Yes." Even though we did not follow the Republican recommendation in the House and in Congress to hold the debt ceiling to $305 billion, to exercise real discipline, the $307 billion and the $309 billion which it goes onto August 31, as the chairman of our committee, the gentleman from Arkansas [Mr. MILLS], of course, told the House, was not a loose ceiling. Indeed, it was tight, and there was no question about it. If this House saw fit to turn this bill down, this tax increase bill, here is what would happen. Expenditure reform would come. Mind you, this is another point. Oh, you can turn semantics around and say that this bill is simply extending taxes, but let us face it, this is a tax increase bill over our permanent tax base. Only by affirmative action do these taxes go up. This is a tax increase bill. If we fail to increase these taxes here today, the executive department is going to have to exercise expenditure reform because the executive department

under the debt ceiling cannot sell more bonds.

Secretary Dillon said this to me in answer to my interrogation in the Committee on Ways and Means on this particular matter. He said with a smile, "Oh, Congressman, if you do this we are not going to have to do anything about expenditure reform until late in August. This is not going to put the bite on us."

I said, "No, Mr. Secretary, you are right and I am very pleased you make the point because it does take planning to exercise good expenditure cutting." If we force it on overnight we would create some real economic damage, but if this House should take this action today and if the administration came before us, as it must anyway, whatever we do, in August, and told this House it has not exercised expenditure reform and had not set up planning so that expenditure cutbacks could be made, the President of the United States would be guilty of the grossest sort of fiscal irresponsibility.

So I say this is a technique—we do not have many and it is not the best, but it is a technique—for exercising expenditure reform.

Just as I tried to point out in the debt ceiling legislation that was before us, the President does have considerable leeway in his expenditure rate. He has requested $108 billion in new obligational authority for fiscal 1964, and he has a carryover amount from previous authorizations of $87 billion, giving him a total authority to spend $195 billion. He has told us his expenditure rate for fiscal year 1964 will be $99 billion roughly. In other words, he has some leeway, not as great as those gross figures sound, but nevertheless some leeway in cutting the expenditure rate back. All this cutback here today would mean would be an insistence on an expenditure rate for fiscal 1964 back to the 1963 expenditure level of $94 billion. This is entirely within reason.

Then the final point is this: Of course, the way to go about this expenditure reform is through our appropriation techniques, and as the Congress did yesterday on authorization bills. But we have found over a period of time in the Congress, and knowing the will of the majority party, which does not desire to exercise expenditure reform, we must do certain things. The President himself said he does not intend to exercise expenditure reform, and in good faith, because he believes according to his economic theory that the expenditures cannot be cut. This is a basic difference of economic philosophy which the administration and the majority party in the House are espousing, but I know there are many people on the Democratic side of the aisle who disagree.

And yet we find it difficult to cut back on these individual appropriation bills in an adequate fashion. We are always going to have this problem, that the programs are desirable, most of them are, and the big problem of expenditure reform is deciding priorities among desirable programs, and recognizing that you cannot do it or all of them at the same time. We have no machinery in the Congress—we should develop it, but we do not have it—for establishing program priorities, through the proper way, the best way, through the appropriation techniques, so that we can keep our authorization and expenditure levels to a certain figure.

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

Mr. CURTIS. I yield to the gentleman from New York.

Mr. BECKER. Mr. Chairman, I appreciate the gentleman's yielding. As the gentleman in the well knows, for the past 10 years, under the previous administration and this administration I have gone along and voted for this legislation on the ground that each administration has promised they will make an honest attempt to balance the budget. Our present President so indicated in many campaign speeches in 1960, that he would balance the budget. However, in view of the statements the gentleman has just made in the well of the House, and the fact that the administration has reversed itself and is directing itself toward planned deficit spending, I cannot see on the ground of morality, which the gentleman mentioned a minute ago, how I can vote to continue these taxes; that is, in the face of a planned deficit and with no attempt being made to balance the budget.

I think the will of the American people and the desire of the American people have been indicated that we do balance the budget.

Mr. CURTIS. Mr. Chairman, I thank the gentleman. I think his observations are exactly correct. This is a proper technique for those of us who believe that expenditure reform is necessary for us to bring about this kind of discipline. It is an opportunity for those of us who disagree with the theory of planned deficits, not just for the fiscal year 1964—the President of the United States, Mr. Kennedy, has made it clear that his theory of planned deficits will go on at least into the fiscal year 1967. So here is the time for the Congress, for this House, if they disagree with this economic theory, to express themselves by a negative vote.

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

Mr. CURTIS. I yield.

Mr. CLAUSEN. Mr. Chairman, I want to take this opportunity to commend both the gentleman from Missouri [Mr. CURTIS] and the gentleman from Arkansas [Mr. MILLS] for their articulate presentation of the contents of this bill. It is my observation that both of these gentlemen are after similar objectives. There appears to be a simple difference of opinion as to how, when, and where to cut taxes. I am certain that each has a logical reason for his position because each of them is among the most knowledgeable and respected Members of this House. Thank God for their presence.

In view of my previous experience at a lower level of government, I have listened intently to the presentations and conclude that both gentlemen recognize the need for a revision of our tax structure; both gentlemen agree on the prudence of a balanced budget; both gentlemen are concerned about the threat of bankruptcy with the continuing deficit spending concept; both gentlemen agree, as I do, that the way to continued growth and prosperity is to "pull the bit out of the mouth of private enterprise" by releasing tax sources back to poor old John Q. Taxpayer and in so doing give him a raise for his labors.

In conclusion, a paramount factor blossoms forth after hearing this presentation—it is simply a matter of timing. The distinguished gentleman from Missouri [Mr. CURTIS] wants to cut taxes now—when the opportunity is presented to the Members of the House, and the very able gentleman from Arkansas [Mr. MILLS], having the responsibility of defending the administration even though I am convinced he does not agree with the economic theory of the President's advisers, has asked for more time to prepare a broader tax reform. I somehow get the feeling that the time is also required to convince the administration's economic theorists that their philosophy has been in error, as stated in a recent editorial of Life magazine.

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

Mr. CURTIS. I yield to the gentleman from New York.

Mr. DEROUNIAN. Mr. Chairman, I see on the ticker that the President has stated that he is going to give the Congress another chance to act on the extension of the area redevelopment program. That is another reason why we should take the kind of action to which the gentleman refers.

Mr. CURTIS. Does the President have the right to move to reconsider the vote that we had yesterday?

Mr. DEROUNIAN. He says he is going to give the Congress another chance.

Mr. CURTIS. No Member has the right to move to reconsider. But I suppose the President, under his concept of Executive authority, believes he has that right.

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

Mr. CURTIS. I yield to the gentleman.

Mr. LANGEN. I thank the gentleman for yielding. I want to take this opportunity to compliment him for the very excellent statement that he has made to the House today.

Mr. CURTIS. I thank the gentleman.

Mr. LANGEN. The wisdom he has shown with reference to this problem, I am sure, warrants the consideration of his views by every Member of this House.

Mr. Chairman, the bill before us today reminds me of those "who-done-its" we see on television, with the little statement at the end of the program proclaiming that "this story is true, only the names have been changed to protect the innocent." But in this case, only the dates have been changed to protect the innocent Members of Congress who refuse to face the issues involved on a permanent basis.

The Tax Rate Extension Act before us is the same as we have seen before. In fact, every year for some time now we enact this so-called temporary extension of the existing corporate normal-tax rate

and of certain excise-tax rates. Always for 1 year. Always evading the decision we some day must make.

I am particularly concerned this year, because this is a year when we have heard much about the desirability of cutting taxes to give the American people increased spending power. It just does not make sense to even consider the problems of taxation while we continue to extend emergency wartime taxes that should have been allowed to expire long ago or made permanent features of our tax program. The tax levies in the bill today will expire July 1 of this year, unless we take action before that time. So what we are actually doing is voting on a bill to increase taxes, which is strange behavior at a time when the administration advocates tax reduction.

We are told that it would be desirable to lower corporate tax rates this year. But this bill increases the corporate tax rate from 47 percent to 52 percent. This hardly appears consistent.

Turning to the list of products or services in this bill that would have their excise tax rates increased, I am a bit at a loss to explain the relationship or similarity of the items. I find it difficult to consider passenger cars and essential telephone services along with liquor and cigarettes. It seems to me that we have lumped essential services and luxuries under one great heading, perhaps for the purpose of making the bill easier to pass, since it is difficult to get anyone, including myself, to vote against an excise tax on such things as liquor and cigarettes.

The minority report on this bill, however, makes a good point in this respect. The State and local governments have long depended on liquor and cigarettes as items to be taxed to raise revenues. The Federal Government, through such emergency and temporary tax programs as this, have usurped many of the areas normally held to be available for local use. Many States would benefit from this added source if the Federal Government released its grip. In my native Minnesota, for instance, the price of cigarettes was raised this year by an additional cent a pack, and would undoubtedly welcome Federal removal from the scene.

From the standpoint of stimulating business, the auto manufacturers certainly would benefit if we allowed the 10 percent tax to fall to its normal 7 percent.

Perhaps the greatest injustice is in the excise taxes on telephone, telegraph, and related communications services. This 10-percent tax was imposed in 1941 to discourage the use of these essential services in time of war and to produce revenue for the emergency effort. But the effect now is to place these companies at a disadvantage in competing for business and capital by discouraging the public from using their facilities. It should not be necessary to point out that telephone service is a necessity, not a luxury like some of the other items in this bill. In fact, it is the only household utility subject to a Federal excise tax. To lump it together with cigarettes and alcoholic beverages is a gross injustice.

The tax on a household telephone bill in 1 year amounts to more than a whole month's average bill. This money could be put into circulation to spur the economy, and would enable the communications companies to expand and create jobs by encouraging the public to use their services.

Mr. Chairman, I urge my colleagues to take another look at this bill before us today and not to pass it out of yearly habit, but to give it long and proper consideration. If every item in this bill is absolutely necessary, then it should be incorporated into permanent tax revision. It makes no sense to talk tax reduction on the one hand and tax increase on the other without an overall plan.

Mr. MILLS. Mr. Chairman, I ask unanimous consent that those Members desiring to do so may extend their remarks at this point in the RECORD on the pending legislation.

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

There was no objection.

Mr. McLOSKEY. Mr. Chairman, I listened with interest to the remarks of the distinguished gentleman from Missouri [Mr. CURTIS], and his most illuminating discourse on H.R. 6755.

In the hope that I am a responsible Member of this House and with a full understanding that if this Congress continues to vote increased appropriations then necessary revenues must be provided, it is most difficult to arrive at a proper decision as to how to cast a vote on this measure.

At the outset I wish to point out that from the very beginning of this session, I for one have consistently voted against excessive Government spending.

It is then with a clear conscience that I feel justified in voting against this bill. I agree with my colleague from Missouri that a yes vote for this bill in essence is voting for a tax increase.

The administration has been talking about a need for tax reductions; well, I feel this is an opportunity to assist the administration.

Furthermore, I agree with the gentleman from Missouri [Mr. CURTIS] there is a most critical moral obligation involved in this issue. These tax measures we are discussing today are tax rates which were sold to the American people as temporary measures.

I should like to ask when does a temporary measure become a permanent measure? How much longer are we going to continue to kid the American people?

If we are to reduce taxes then let us first reduce some of these so-called temporary taxes. Why vote to cut permanent taxes later in this session and at the same time vote today to extend temporary taxes.

This just does not make sense to me—it seems we are placing the cart before the horse. I agree the proposed budget for fiscal 1964 is already seriously out of balance and I suppose there will be those who will say if you vote against this bill you will throw the balance further out of balance.

In answer to this I should like to say if we cannot defeat appropriation bills then perhaps if we defeat this bill we can slow down spending by shutting off revenues.

Because, I believe the defeat of this measure will help the small taxpayer.

Because, I believe the defeat of this bill will help release money for the expansion of business and industry, and last but not least the moral issues involved in the matter I feel compelled to vote no.

Mr. PELLY. Mr. Chairman, last February 25, on the occasion of the 50th anniversary of the 16th amendment, I made some remarks which in retrospect have some bearing on H.R. 6755 which provides a 1-year extension of the existing corporate normal tax rate and also of certain excise tax rates.

I said this:

> When, Mr. Speaker, the 16th amendment to the Constitution was adopted, the deterrent to business and industrial expansion and growth by killing profit incentive began. I suggest that if the current movement to repeal the 16th amendment should prevail, the machinery of business in this country would start to hum and employment would increase as never before in the lifetime of any of us.

This statement which I have quoted along with some other similar remarks were interpreted, Mr. Chairman, by a possibly not too attentive representative of the press to mean I had announced myself for the repeal of the income tax. In fact, since then I frequently see myself listed as such. The trouble is no one has read the text of that speech carefully. But be that as it may, I did mean and I do clearly state that a substantial cut in the corporation tax would stimulate business.

President Kennedy has stressed the need for immediate tax reduction, yet he only proposes a cut in the corporate tax rate from 52 to 50 percent for the calendar year 1964 and a further cut to 47 percent for the calendar year 1965.

As to this latter proposal in my judgment it would take effect too late and would be far too little. But since the administration is unwilling to reduce Government expenditures so as to justify a tax cut I can see why it would follow a too little and too late policy.

Congress, I certainly hope, will take a different view and substantially reduce the President's budget of expenses. Already the House has made some major cuts and there seems to be a reasonable basis to hope that a net cut of several billions of dollars will result.

As I understand the full year effect of disallowing the extension of the tax rates in this bill is $4.1 billion of which $2.3 billion revenue loss would result from the corporate income tax. If this bill passes there would be little or no prospect of any immediate corporation tax cut. If the bill is defeated, on the other hand, any loss in Government revenue due to failure to extend present excise tax rates could be incorporated in a subsequent bill reported by the Ways and Means Committee, so what I am talking about and what I favor is a $2.3 billion corporate tax cut.

Mr. Chairman, when similar legislation to extend the Korean war temporary normal tax rate has been considered in the past I have raised the

point that when business is taxed in excess of 50 percent, business in effect is more than 50 percent socialized. I have strongly opposed the continuation of this temporary emergency rate and accordingly I shall vote against the bill. I hope the bill will be defeated.

The Committee on Ways and Means is making a study of the entire tax picture and considering tax reforms and other complicated tax problems. I favor allowing the Korean war corporation taxes to expire as they were supposed to expire years ago. Defeat of this bill will give business a big boost and then next let us consider all angles to the tax picture in one omnibus tax reduction and reform bill. The 52 percent rate for a corporation is too high. I hope, Mr. Chairman, H.R. 6755 does not pass.

Mr. RYAN of Michigan. Mr. Chairman, we are here once more to perform our annual function of extending the taxes which were imposed to raise funds to help liquidate expenses incurred by the Korean war. This matter has been brought up for the last 10 sessions of Congress.

I know a lot of people want taxes reduced; all of us do. I also would like to see taxes reduced.

President Kennedy in his special message on tax reduction and reform stated:

> Our economy is checkreined today by a war-born tax system at a time when it is far more in need of the spur than the bit.

In order that we may follow this line of reasoning I believe that the first step of Congress would be to remove the excise taxes which are due to expire on July 1, 1963. This is one means of placing additional money into hands of the ordinary taxpayer. The removal of these wartime excise taxes would enable the people of our country to purchase certain goods and services without the additional tax rates imposed on them by the present excise tax legislation.

It is my belief that tax reductions result in increased business profits which gives us more tax revenue. This is due to the fact that the elimination of taxes, no matter what they may be, gives the people of our country additional purchasing power and which in turn stimulates all phases of our economy.

Coming from the State of Michigan, particularly from an area which produces the largest number of automobiles, I am greatly concerned with the manufacturer's excise tax on the sales price of passenger cars, trucks, parts and accessories. If this Congress permits, and I hope it does, to have the automobile taxes revert to their previous levels, I am sure that the automotive industry will continue to have the high production which it presently enjoys.

I rise to record my protest against the extension of the 10-percent automobile manufacturer's excise tax. As you know, this discriminatory tax was increased from 7 to 10 percent in November 1951 and was added only as a temporary measure. On July 1, 1963, it will revert to 7 percent unless the House takes affirmative action to again extend it for the 10th time.

To be sure, the need for revenue still exists, but I believe that there are other ways which are more equitable to raise revenue than through penalizing the Nation's No. 1 industry. With its related industries, the automotive industry employs one out of every seven workers in the United States. One of every six businesses is in the automotive field and approximately 22 percent of all retail sales are automotive.

The automobile, in our present state of economy, is no longer a luxury but a necessity, and it is shown by statistics that in many cases, one-car families of yesteryear are now two- and three-car families. The only justification that I can see for the continuance of taxes on automobiles is the cry "that we need the money."

Many other luxury items which are not required as a daily necessity to life are not taxed at the maximum rates. However, we are asked to extend the 10-percent automotive excise tax for another year.

For that matter, it is a well-known fact that price plays a leading role in an individual's decision whether he should buy an automobile or any other item. A high price may discourage a man who wishes to buy a new car but a lower price may be an incentive to him to purchase one.

It has been shown, in recent reports, that the average annual income of a new car buyer was in the neighborhood of $7,500 to $8,000. These persons bear the extra burden of taxation because they find it necessary to use their cars going to and from work, and for other essential purposes in their daily life, which is reflected in the additional tax which they must pay through the purchase of additional gasoline.

I think it is high time that we, as Members of Congress, take a long and closer scrutiny at the continued extension of these nuisance taxes. These taxes are a source of irritation as well as a burden to our businessmen. Taxes of this nature affect the taxpayers in all income brackets. I know that the taxpaying public is willing to withstand almost anything; however, I feel that their patience has reached the limit.

It is my belief that the automobile excise tax is not in the national interest, and I urge its prompt repeal.

Mr. HERLONG. Mr. Chairman, of course, none of us really enjoys asking the Congress to reenact these excise taxes, but the fiscal state of the country at this time demands that we take this action. There are some of these taxes that the committee should take another look at, at the earliest practicable moment.

The excise tax on communications which was originally designed to discourage the use of an essential service during wartime as well as to help raise revenues for the war effort is one of the taxes that should command our attention. This is one tax which if it is taken off will redound directly to the benefit of the customer. There is no way that a regulated company can raise its rates and get the benefit of a tax reduction in this area.

In my judgment, the time has long passed when there should be any discouragement of the use of communications services, particularly now when the effort of Government and industry is to increase the overall economic growth of the country.

The committee has from time to time considered the repeal of these taxes, but in every instance has acceded to the request of the Treasury officials to continue the tax unchanged because of the unfavorable effect of reducing revenues upon the Federal budget. Obviously, there will never be a time when any reduction of revenues will be acceptable to everyone. I shall, therefore, propose in connection with next year's bill, and I believe and trust the proposal will meet the approval of the members of the committee and of the Treasury, that beginning next year we reduce the 10-percent tax on communications 1 percent and that proportionate reductions be made each year thereafter until the tax is entirely removed. By adopting this method, the impact on Federal revenues will be minimal, as our natural growth will increase the Government's take enough to offset a 1-percent reduction in the tax.

Mr. HEMPHILL. Mr. Chairman, I am opposed to H.R. 6755 for a number of reasons.

This legislation extends taxes that were originally passed during the Korean conflict and have been extended on a year by year basis since the termination of that conflict; in keeping with the promises made during the Congress which imposed these taxes we should abolish the taxes because they were excise taxes and not supposed to extend beyond the Korean war.

If we have to depend on this sort of tax for revenue, and apparently we would, we should face the issue and either make the tax permanent or abolish it. In any event, we should meet the issue head on.

For many years now I have tried to accomplish the abolition of the tax on telephone service. This is the only public service which we do tax and the American people are entitled to have this tax on service exempted.

This tax bill came in under closed rule. All tax bills have been coming in under closed rule and it is my opinion that the American people are denied the right of full discussion by the use of the closed rule.

For these reasons I intend to vote against the tax as proposed.

Mr. FLYNT. Mr. Chairman, I intend to vote against this bill for two reasons:

First. The legislative history of this legislation is that H.R. 6755 involves taxes which were increased at the time of the Korean war for the specific purpose of raising the money to prosecute that war. The Korean war has been over for a decade.

Page 1 of the committee report No. 370, which accompanies H.R. 6755, makes substantially this statement.

Second. If it is necessary to retain the present high rates of these taxes for the operation of the General Government, it then would seem preferable to present legislation to make such taxes permanent or to let such taxes revert to pre-Korean war rates.

Mr. BAKER. Mr. Chairman, I yield myself 5 minutes.

Mr. Chairman, I join in commending the distinguished gentleman from Missouri for his excellent economic remarks. He is a student of economics, and has been a valuable member of the committee for the past 10½ years. I have the highest regard for TOM CURTIS. However, I shall vote contrary to him today. I will vote for this bill, as much as I would like to vote against it.

I will tell you why I am going to vote for it and why I urge you to do likewise.

No. 1, we are facing an $11 billion deficit in fiscal 1964. If we do not pass this bill, you add $3 billion to that. That is the first reason. As far as I am concerned, that is sufficient reason.

Our committee is in the process of reporting to this House a tax bill. Regardless of what many people are saying, you are going to have a tax bill. We will report it to you. I can speak only for myself, but I think I know something about it. We will report a tax bill to you I would say in the next 3 weeks. If it goes on as it is now it will be a good tax bill and I shall support it. I reserve the right to oppose it if a lot of things are put into it I think should not be put into it. So far we are getting along well with the tax bill. So my No. 1 reason for voting for the bill and recommending that you vote for it is that we cannot afford another $4.2 billion deficit superimposed on that deficit.

The second reason is, if we do not pass this bill today, in my opinion you will not have any tax bill. There are two reasons. I say the second reason is that I do not believe the Committee on Ways and Means will report a bill to you or a general tax cut if this bill is defeated. I do not intend to, the way I feel about it. If I had my way, and we were not going to report to you a tax cut bill—which I am confident we will—and as I say, I am speaking only for myself, but I have been on the committee now 10½ years and I think I know a little something about it, what I would do in this bill; I would let the corporate rate drop from 52 to 47 percent. I would leave the distilled spirits at $10.50 a gallon. I would leave beer at $9 a barrel. I would leave the wines at the present rate of 11 percent. I would leave cigarettes at 8 cents a pack instead of reducing that, and I smoke them. I would reduce passenger cars from 10 to 5 percent. I would reduce automobile parts and accessories from 8 to 5 percent. I would cut out the telephone tax entirely, take the tax off entirely. And I would take off the tax on transportation of persons by air.

You may say I have certainly torn up the bill. Well, I have, but I am going to vote for the bill exactly as it is for the two reasons I gave.

As an individual member of the committee, may I say that we have worked for weeks and weeks and weeks on these tax matters. I think we started hearings the second week in January. We have heard two or three hundred witnesses in public hearings, the best economists and business people in America. We have been in executive session morning and afternoon for 8 or 10 weeks, something of the kind, and we have 3 more weeks of it. I say we are going to have a good tax bill. I am going to make this prediction, still speaking personally, that we may bring you a tax bill here that will not cost you a dime.

We may bring you a tax bill here that will not cost a bit of revenue. In fact, I rather think we will, if we adopt the right kind of rate schedule and the right kind of phasing and timing, and some additional revenue measures that you will hear about later. We can well bring you a tax bill in the nature of a substantial tax cut with a new rate schedule for individuals and corporations that will not entail any revenue loss. Then over a period of 2 or 3 years, in my opinion, it would result in a gain of revenue of billions and billions of dollars. That is the history of it. When Canada cut their individual and corporate rates, in the very first year they collected more money than they did under the old rates. That happened just a few years ago.

With that, my colleagues, I will conclude, stating again that I shall vote for this bill and I hope you will do likewise.

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

Mr. BAKER. I yield to the gentleman from Florida.

Mr. CRAMER. In order to make certain that the record is complete with reference to the observation made by the gentleman from New York [Mr. DEROUNIAN] with regard to the question of the President's statement and how he was going to have his way of getting another vote up on the Area Redevelopment Act, which was before the House yesterday, to me it is rather obvious how that can be done. Probably, what he is talking about are those bills that have already been introduced both in the House and in the other body which would increase the authorization for accelerated public works from $900 million, in some bills, to $1,400 million, a portion of which is Area Redevelopment Act and, therefore, would not require increased use of authorization. So I do not think there is any question about how it is going to be done.

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

Mr. BAKER. I yield to the gentleman.

Mr. CURTIS. I simply wanted to pick up the one point you made, that if this were defeated, this would be the end of another tax bill. It may be. But I do not think so because the bulk of the losses in this bill, is $2.4 billion, which is a 5-percent corporate tax cut, which, of course, would be part of the other bill. So I think we would be talking about the $1.7 billion of excise losses which would be an alternate bill, I think. But I think there would be other reasons, if I might make that observation to the gentleman.

Mr. BAKER. I will agree with the gentleman except that we will unquestionably cut corporate rates if we cut individual rates.

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

Mr. BAKER. I yield to my colleague, the distinguished chairman.

Mr. MILLS. I want to ask the gentleman from Tennessee if he would not agree with me, with those who see the possibility of some degree of expenditure control, or greater control through the vehicle of reducing revenues, that probably the better place to exercise that doctrine is with respect to a proposal that might come from the Committee on Ways and Means, making adjustments not only in the corporate rates but adjustments in individual rates as well rather than to do it here where we have a few selected excise taxes plus the 5 percentage points of corporate tax.

Mr. BAKER. I certainly do. With reference to the excise tax on cosmetics, for example—and I will get a plug in for the ladies here—that is a necessity of life and I would not want to repeal the tax on liquor and let the ladies still have to pay the tax on cosmetics. That would be unfair, discriminatory and highly unpopular.

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

Mr. BAKER. I yield to the gentleman from Missouri.

Mr. CURTIS. I know that my colleague does not want to put me in the position of being against the ladies, but let me say to my chairman, that the difference is that these corporate taxes that we are talking about now were imposed temporarily. We have this moral issue and, certainly, from the economic standpoint we should cut off all excises. I agree. But these were considered together because they were put on temporarily for specific purposes.

Mr. BAKER. I think the cosmetics tax involves a moral issue too.

Mr. MILLS. Will the gentleman from Tennessee yield again to me?

Mr. BAKER. I yield to the distinguished chairman.

Mr. MILLS. I would like the attention of my friend, the gentleman from Missouri [Mr. CURTIS]. I am sure my friend from Missouri would agree with me that if we are reducing taxes for economic reasons there might be some that are not in this package.

Mr. CURTIS. Very much so.

Mr. MILLS. Some which would attract us more than those that are presently here; not all of them, but some.

Mr. CURTIS. I agree, but we have got the moral issue involved in this particular package.

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

Mr. CHAMBERLAIN. Mr. Chairman, once again I rise to protest against that portion of this bill which extends for yet another year the automotive excise taxes on passenger cars, parts, and accessories and to voice my deep concern about our tax policies that are perpetuating inequity and, in my judgment, hold back economic growth and greater employment.

The extension of the temporary Korean war taxes has become an annual exercise to which we devote a day and then forget for another year. Our action reminds me of the hole in the roof: it cannot be patched while it is raining, and when the sun is shining there is no need to fix it. We cannot let go of

the money when we need it so badly to finance the Federal Government and when business and production are good, it is said there is no need to reduce taxes.

As usual, as part of this annual routine, we have another closed rule prohibiting any amendment which would permit the House to work its will with respect to the application of the individual taxes that this bill is extending on a take-it-or-leave-it basis. And also, as in past years, we find tobacco, corporations, automobiles, travel, liquor, beer, and wine all in the same tax barrel.

But if, over the years, extending these temporary taxes has become a routine matter, the climate in which we are considering the Tax Rate Extension Act of 1963 is a bit different from what it was when we passed the Tax Rate Extension Act of 1962. This year, the legislative environment is even more clouded with inconsistencies than before. There is more concern today about stimulating the economy, about tax reduction; yes, and about tax reform. You will recall that in his state of the Union message the President said:

It is increasingly clear that our obsolete tax system exerts too heavy a drag on private purchasing power, profits, and employment [and] now checks growth.

You will also remember that in his message he called for tax cuts of $13½ billion to stimulate economic growth. But just 3 days later, in sending the budget to Congress, the administration asked that the discriminatory 10-percent temporary wartime excise tax on automobiles be extended for another year. Thus the administration is asking for tax cuts to spur the economy and simultaneously requesting the extension of a tax specifically designed to curtail production. This reasoning is beyond my comprehension. It is inconsistent for us to talk on one hand of our support of economic growth while on the other hand we continue repressive taxation through the annual extension of the automobile excise tax. To translate such an inconsistency into our jargon today I would say that we are in the middle of the countdown in a concerted effort to send our economy soaring—and now just before blast off—we are giving the signal to fire the retrorockets while we are still on the pad. How can we go forward and backward at the same time? If we are asked to cut taxes to perk up economic growth, how can we in reason, respond by extending and increasing selective taxes on our most important manufacturing community?

As you perhaps know, this tax was increased to 10 percent in November 1951 as a temporary measure and has been extended annually since 1954. If we do not extend it again today, it will, under present law, revert to 7 percent on June 30. As the minority views so logically point out on page 15 of the report:

Expiration of tax rate increases imposed temporarily for 2 years to meet a specific crisis cannot be properly referred to as tax reduction. Quite the contrary, any bill to continue these temporary rate increases can only be regarded as bills to increase taxes. If Congress does nothing the temporary increases expire as they were planned and promised, and the regular tax rates go into effect again. Any action the Congress takes is action to increase the normal tax rates. So the bill before the House is a tax increase bill, make no mistake about it, just as the 10 bills which preceded it to continue the Korean wartime rates for just another year were tax increase bills.

May I remind those who are looking for congressional action to stimulate our economy, that the original purpose in increasing the automotive tax from 7 to 10 percent in 1951 was to divert our industrial capacity from the production of passenger automobiles to the needs of our war effort. It was the express intent to discourage demand and depress sales by increasing excise taxes.

I would like to outline briefly for the record the history of the Federal tax rates on new passenger automobiles from 1917 to date:

Excise tax rate on manufacturer's selling price

Effective date:	Percent
Oct. 4, 1917	3
Feb. 25, 1919	5
Mar. 28, 1926	3
May 29, 1928	--
June 21, 1932	3
July 1, 1940	3½
Oct. 1, 1941	7
Nov. 1, 1951, to date	10

But while the 10 percent auto excise tax has remained unchanged since the Korean war, Congress has since that time reduced or repealed numerous other so-called temporary taxes. In 1954, we reduced excise taxes on refrigerators, electric gas and oil appliances, jewelry, cameras, sporting goods, local telephone service, and many other items including general admission taxes. In 1958, we repealed the excise taxes on transportation of freight and the movement of oil by pipeline.

Last year, we repealed the 10-percent tax on rail and bus fares and reduced the 10-percent tax on air travel to 5 percent. The automobile is the principal consumer durable which is still subject to tax at its wartime rates. Twelve years will soon have elapsed since the current 10-percent rate was first imposed and 22 years have elapsed since the rate was increased from 3½ to 7 percent to meet the needs of World War II. The time is long overdue for a reduction in the wartime automotive excise taxes and rather than extending these rates for yet another year, today we should be reducing them. As the minority views of the report point out:

There is a moral obligation to remove tax rates which were sold to the people and to the Congress as temporary tax rates before the Congress can justifiably consider reducing rates which are part of our permanent tax laws.

Let me turn briefly to one of the most frequent arguments I hear against the reduction or repeal of this tax and that is what I call the good year argument. After all, some say, aren't automobile sales breaking records this year? I would like to meet this head on. Yes, it is true, and we should all be glad it is, automobiles are having a splendid year. In fact, this year is better than last and that was the best year since the alltime record of 1955. But let us look just a little beyond gross sales and see what this has meant to our economy, for the Congress is deeply concerned with unemployment and its economic and social consequences. Yes, automobiles have had a good year, and you should know what this has done to eliminate unemployment. I asked the Secretary of Labor to designate the largest automobile producing centers in the Nation and compare unemployment today with unemployment 2 years ago. Here are the statistical facts the Secretary furnished.

Total unemployment rate for major automobile manufacturing areas, March 1961 and March 1963

	Unemployment rate		Percent drop
	March 1961	March 1963	
Trenton, N.J.	8.2	6.5	1.7
Chicago, Ill.	6.8	5.0	1.8
Allentown-Bethlehem-Easton, Pa.	8.6	6.8	1.8
Indianapolis, Ind.	6.3	4.3	2.0
Pittsburgh, Pa.	12.7	9.4	3.3
Birmingham, Ala.	8.7	5.4	3.3
Canton, Ohio	11.6	7.8	3.8
Toledo, Ohio	9.9	6.0	3.9
Akron, Ohio	9.3	5.3	4.0
Youngstown, Ohio	11.8	7.8	4.0
Cleveland, Ohio	9.6	5.5	4.1
Huntington-Ashland, W. Va.-Ky.	15.0	10.8	4.2
Kenosha, Wis.	8.7	3.5	5.2
Lorain-Elyria, Ohio	12.0	6.0	6.0
Detroit, Mich.	15.2	6.0	9.2
Lansing, Mich.	14.8	3.7	11.1
Flint, Mich.	23.3	2.9	20.4
U.S. average	7.7	6.3	1.4

Here we have a definite example of how automobile sales and production have spurred activity for the Nation's greatest economic community. Where I come from everyone is happy to have smoke coming from our factory chimneys. Our people want to work. They are glad to work. Last year was a good year. This is a good year. But what about next year? Can next year always be better than last? Will production fall off? And if it does, what will it mean to our national economy? The question is whether we are willing to surrender a relatively small amount of tax revenue in an effort to insure a high sales level and permit our economy to operate more freely or whether we are going to insist on keeping this emergency brake on, and then appropriate more funds to help mitigate the misery caused by our insistence to continue a depressive discriminatory tax. And when I speak of this tax as an emergency brake that is exactly what this tax is, a brake that Congress applied for a specific emergency. Sure it might mean the loss of some revenue; the committee report estimates the loss to be about $450 million if we refuse to extend this tax. But think of the hundreds of millions we have authorized for unemployment compensation, job retraining, pump priming public work projects, for area redevelopment projects, and now we are talking about another CCC program, to help relieve unemployment? What is wrong with encouraging jobs? Is it not time we try to find and treat the cause of unemployment rather than to wait to deal with the effects of unemployment? It is fundamental that if prices are reduced, demand will be increased. Any page of any newspaper in the country

will tell you this. If cars are cheaper more will be sold and more will be made. This will have a ripple effect throughout the entire economy.

I would like to remind you again of the vital relationship of the automobile to the rest of our economy.

Automobile production utilizes 19 percent of all steel, 61 percent of all rubber, 32 percent of all zinc, 13 percent of all aluminum, 49 percent of all lead, and 58 percent of all upholstery leather sold in the United States.

One business in every six is automotive.

One of every five retail dollars is spent for automotive products.

That 11,600,000 people—1 of every 7 workers—are employed in highway transport industries.

That 74 percent of U.S. families own automobiles.

That 41 million persons rely daily on automobiles to get to work.

Before concluding may I direct attention to just how much it would cost to let this temporary tax expire. The Secretary of the Treasury states that we would lose $430 million in revenue. The estimate in the committee report is a little higher—about $450 million. But this would not all be lost. This amount would be freed for other purposes and flow in the channels of our economy rather than be siphoned off and sent to the Treasury. The chairman of the Joint Economic Committee recently pointed out that the best estimates presented to that committee were to the effect that the gross national product would be increased from three to four times the amount of any tax cut. This is called the multiplier effect. Applying this principle, if we did not extend the auto excise tax, the resultant increase in the gross national product would be from $1.35 to $1.8 billion. With taxes on this increase estimated at $270 to $360 million, it means that the estimated real loss of revenue to the Treasury would be from $90 to $180 million. To me this is a small price to correct a longstanding tax inequity and at the same time stimulate business by taking the emergency brake off the largest manufacturing operation in our country.

For years I have voted against the extension of the taxes contained in this bill, but with the qualification that my opposition did not apply to the taxes imposed on corporations, tobacco, beer, wine, and liquor. However, in view of the urgings of the President for tax relief to promote economic growth, I submit that we have now an opportunity to provide the impetus needed to trigger economic growth and expansion. In addition, we should have no reservations about relinquishing the tax on tobacco and liquor, for, as the minority views so well point out, these tax sources could promptly be used by the States to finance a great variety of State and local governmental activities—aid to education, for example. In my judgment there is no justification for extending any of the temporary taxes contained in this bill.

Being realistic, and mindful of the action of the Congress in extending these taxes in prior years, I say to my colleagues if we are to insist on retaining our excise taxes in their present form, it is time we have the courage to treat all manufacturing equally by enacting a general manufacturing excise tax which would fairly and equitably distribute the tax burden on all manufactured products rather than singling out the automobile to pull the bulk of the excise tax load. This would broaden the tax base beyond automotive products, permit a much lower tax rate, and provide greater stability in annual revenues. It is my hope that my colleagues of the Ways and Means Committee who are now considering tax reforms will give this their thoughtful consideration.

Mr. Chairman, I cannot reconcile the extension of this tax with the President's urgings for tax reduction. If tax reduction is to be a tool to spur our economy, to create jobs, to encourage investment, then here is a chance today for us to give the President what he has been asking for.

I urge you to join me in opposing the extension of all of these taxes.

Mr. BYRNES of Wisconsin. Mr. Chairman, I yield to the gentleman from Illinois [Mr. McCLORY].

Mr. McCLORY. Mr. Chairman, the debates on H.R. 6755 to extend various excise taxes demonstrate the need for increased budgetary responsibility on the part of the Congress. These haphazard efforts to manage the great fiscal business of the United States without any correlation of expenditures with revenues and without balancing outgo with anticipated income result in reducing the authority of the Congress under our system.

Legislation to create a Joint Legislative Budget Committee such as in H.R. 3964 would provide useful machinery for a return to the Congress of its constitutional authority and responsibility over governmental fiscal policy.

This proposed legislation would enable the Congress to review and revise fully the executive budget and to gage priorities in proposed expenditures. In addition, the Congress would be enabled by this legislation to establish a maximum figure above which executive spending would not be permitted.

The existing practice of considering appropriation bills independently of each other and without regard to revenues is disastrous to our Federal economy and solvency.

Mr. BYRNES of Wisconsin. Mr. Chairman, I yield to the gentleman from Pennsylvania [Mr. SCHNEEBELI].

Mr. SCHNEEBELI. Mr. Chairman, on June 12, I introduced a bill—H.R. 7007—to amend section 151 of the Internal Revenue Code of 1954 to equalize the personal income tax exemption allowed for those who have attained age 65 or are blind.

Under existing law, an additional $600 personal exemption is provided for a taxpayer, or his spouse, who is age 65 or is blind. However, the taxpayer who provides full support for a parent age 65, or a blind parent, is not allowed the additional exemption. This is manifestly inequitable.

Under my bill, an additional exemption will be allowed for those over age 65, or blind, both in the case of their own returns if they have taxable income, and in the case of the returns of other taxpayers where they do not have taxable income and are dependent upon those taxpayers for support.

In providing for an additional exemption for those taxpayers and their spouses who are over 65, or blind, the Congress recognized the additional financial needs of the aged and the blind. Those needs must be fulfilled regardless of whether the elderly person has a separate income or whether the support must be provided by others.

The taxpayer who supports an elderly parent must provide for such support from a single source of earnings. Where the elderly person, or the blind, has his own separate income, the burden on the family will not fall as heavily as in the case of a taxpayer who might be providing the income for the sole support of an elderly or blind parent. Therefore, it would seem that justice would require granting the additional $600 exemption where the elderly or blind are dependents of a taxpayer who does not happen to be their spouse. My bill will accomplish this.

Mr. BYRNES of Wisconsin. Mr. Chairman, I yield 5 minutes to the gentleman from Michigan [Mr. KNOX].

Mr. KNOX. Mr. Chairman, we have heard a great deal of discussion lately about the need to improve the economic growth rate of our country. We have also been hearing much from spokesmen of the administration promising a tax reduction. In this legislation before the Committee today this same administration is seeking to raise taxes; and even more confusing and discouraging is the fact we are asked to raise taxes in an area that is certain to have a direct adverse effect on the economy and its growth potential.

Proponents of this measure would obscure the tax increasing aspects of the bill by terming it a mere extension of tax rates. In truth, it is a bill to raise taxes, for if we take no action these taxes would be reduced automatically. Thus, if we pass this bill, we will be adding a tax burden to our citizens through higher taxes than would otherwise apply.

Proponents of this measure have also indicated that these taxes are for just 1 more year and may even be reduced when and if the major tax package now in the Committee on Ways and Means takes effect. If this prospect exists, why create the confusion and uncertainty of this tax rate increase? This is not only bad tax policy, but it is a clear breach of faith with the American people. Year after year we have continued these so-called temporary wartime taxes by misleading our constituents into believing they would be removed after just 1 more year. On both this measure and the debt ceiling legislation we continue to apply the label of "temporary" and yet give virtually permanent effect to high taxes and high debt. By now I would think the American people must feel like the loyal fans of a losing ball club who are told by its coaches, "Wait till next

year," and next year never seems to come. And now, after putting up with this for so long, these same patient people are seeing the ball club being moved away through the administration promises for tax cuts in other areas. It seems to me much as it would to the long-suffering fans of a losing ball club that we ought to consider carefully our promises in this area before giving tax relief elsewhere.

The fact that we are being asked to raise these taxes instead of letting them lapse as we promised is bad enough. It is much worse when, as is the fact here, the taxes in question were designed for and have had the proven effect of acting as a depressant on our economy. These taxes when effected during the Korean war, were planned not only to raise revenue, but also to discourage mass consumer buying of many products. And they have had precisely that effect. This was not fully realized until the late 1950's when our economic growth rate began to slow up, but it has had a direct effect in retarding this Nation's growth in recent years. Yet this administration, while nominally pledged to get this country moving again comes here today and asks us to enact a measure that will impede if not actually reverse the current upward trend of the level of economic activity—hesitant though it may be. This to me, and I am sure to many others, appears inconsistent and illogical. Here we have a chance, by not increasing these taxes to give a great shot in the arm to our economy. This boost would not involve economic gimmickery. It would have immediate effect of substantial benefit. It would spur both consumer spending and corporate investment and expansion, and it would give tax relief to virtually all segments of our economy. Yet we are being asked by this administration, at a time when our economy may be reaching a make-or-break point in its upward turn, to take the deliberate step of putting on the brakes and feeding a proven depressant back into the economic mainstream for 1 more year. We have heard much talk of this being a do-nothing Congress to date. Yet here we have a chance to accomplish something by doing nothing and we are suddenly asked to get moving. If we pass this bill we will be moving all right—backward and downhill.

Mr. Chairman, let us now examine some of the specific provisions of this tax increase bill. We are once again being asked to raise the corporate normal tax rate from 25 to 30 percent, and thus the maximum rate on corporate income would be 52 percent instead of 47 percent. It has long been argued by many Members of this body, myself included, and it is now conceded by the administration and others, that this high rate of corporate taxation has been one of the greatest, if not the greatest, contributing factor to the retardation in economic expansion. It has forced many corporations to cut back employment, limit expansion, and continue to operate obsolete equipment leading to lack of ability to compete in the marketplace. A great deal of the unused plant capacity and high permanent unemployment in this country can be traced directly to this high corporate tax rate which discourages and inhibits expansion of job creating and job maintaining investment on the part of this Nation's business.

Further, this normal tax burden falls on all corporations, unlike the surtax burden which applies only to larger ones. Thus this tax rate, if we let it lapse, would have a maximum breadth and depth of economic effect and could doubtless do a great deal to cure the high unemployment rate and the unsatisfactory growth rate of the country. Instead we are told to wait until some future unspecified date when a major tax package may be brought forth before doing anything about the corporate tax rate. If we follow this counsel we are making the opportunity to boost this Nation's economy wait upon the uncertainties of politics, when by simply doing nothing, we could effectuate a great spur to the economy. It just does not make sense. If this cut in corporate tax rates is needed, as we have been told by the administration, why not effectuate it now?

We have seen a somewhat encouraging upturn in our economy recently. Yet, and this is vitally important, we are rapidly approaching a critical point. Either the economy will move upward, or it will falter and perhaps slide back. We have an opportunity now to virtually guarantee a strong upsurge by doing nothing by just letting the presently scheduled tax reduction occur. By the time we get around to taking any positive action, it could well be too late. Don't misunderstand me, I am not crying gloom and doom. All I am saying is that we do have an opportunity at this time to follow a positive policy to strengthen and continue the upward move of our economy, and I am opposed to action that would miss this chance and depend on the uncertainties of actions that may or may not be taken later.

Of particular concern to the people of my district and the State of Michigan is the proposed increase once again of the excise taxes on passenger cars and automotive parts. This is perhaps the most odious and nonsensical part of this bill. I speak as a representative of the people of Michigan, and what I have to say applies on a nationwide basis. The automotive industry is a bellweather of our economy. This has been shown time and time again. When the car business is hurting, the Nation's economy hurts, too. And when, as is now the case, the automobile business is staging a recovery it has nationwide effect.

I am sure that all of you are aware that the current upswing in the automotive industry has had a great deal to do with the current rise in the Nation's economy. This is a natural result when you consider some of the following facts. This industry provides over 6 million jobs in the production, distribution, and service of its products and constitutes some 10 percent of the Nation's gross national product. It consumes over 21 percent of all steel, 62 percent of all rubber, 11 percent of all aluminum, 47 percent of all lead, and 35 percent of all zinc used in this country. It consumes vast amounts of textiles and electrical products. One business in every six in the country is dependent on this industry. The automobile today is a virtual necessity to the American family. Much of the growth of this country, economically and in many other ways, can be traced directly and indirectly to advances in the automobile industry. Thus the adverse effects of the automotive excise taxes are widespread and of major importance. Yet this is the only major consumer durable that still remains subject to the special wartime rates we are concerned with here today. This special tax amounts to over a half billion dollars a year. And its effect is born by the little man, by the consumer, and is felt directly and indirectly on a huge scale nationwide.

The time has long since passed when this tax should have been allowed to die and be buried. We have witnessed recently a heartening recovery in the automobile industry. Think for a moment what this means to your hometown. Even if, as is likely the case, cars may not be manufactured in your district, think of how many businesses are dependent on the use and service of automobiles. Think of how many jobs are directly involved in these businesses. And then think of how many more are in turn dependent on the health of those businesses for their own economic survival and health. Yet, today you are asked to once again increase this excise tax on passenger cars and automotive parts. You are asked to discourage and blunt this recent upswing in the automotive industry. You are asked to take this action when by doing nothing you could contribute this economic benefit to all those businesses and jobholders to which I just referred. Viewed in this light, H.R. 6755 does not make much sense, does it? We have heard so often the argument that consumer spending must be given priority in tax policies aimed at economic growth. Yet, here we have a chance to bolster the purchasing power of the consumer in a vital industry and you are asked to extend once again this illogical, so-called temporary wartime tax depressant.

There are doubtless, as the minority report points out, many Members who would hesitate to vote against this bill because of the alcohol and cigarette taxes involved. Nonetheless, may I again emphasize that on the State level, taxation of these products provides a great deal of revenue used for essential government functions. Undoubtedly, were these taxes allowed to lapse, many States would fill the gap in order to gain needed revenue for their school systems and other services. For these reasons I shall not hesitate to vote against raising these taxes again.

Mr. Chairman, in conclusion, it seems to me that this bill clearly points out the inconsistencies in the current position of the administration. Indeed, as I pointed out earlier, it almost seems to prove that the administration is suffering from some strange economic and fiscal schizophrenia. Here we have an opportunity, with minimal revenue loss and no economic gimmickery, to give a

badly needed shot in the arm to our economy. It would apply both to consumer spending and business investment and would have a maximum nationwide effect of great significance. And we can achieve these results by doing nothing; by simply letting these taxes die as we have long promised. I think it is incumbent on us to do just that, not only for the vastly beneficial economic results, but as a matter of keeping faith with our constituents. I invite each Member to exercise good sense and good faith by voting against H.R. 6755.

Mr. Chairman, I rise in opposition to the legislation before us today principally because of the fundamental things that are involved. A short time ago the Congress was informed by the administration that they were going to present, which they did, a proposal providing a tax cut for the taxpayers of this Nation. Today we are becoming involved with not a tax cut but a tax increase.

Mr. Chairman, many people may passionately disagree with me in my philosophy as far as the tax cut is concerned, but this is an extension of taxes that has an expiration date. That expiration date is June 30, 1963. Over the years we have constantly, from the days of the Korean war, extended these excise taxes that amount to $4.1 billion.

These are taxes upon the people of this Nation. I cannot conceive how an administration can inform the people of this Nation with their left hand that they are going to give them a tax cut, and the next day with their right hand they are going to tell the people we must increase and extend the taxes which were imposed as a deterrent to spending, and also in order to finance the Korean conflict.

I was a Member of Congress back in 1953 at the time that the Korean conflict was at least temporarily halted and agreements were reached, and through all of these 10 or 11 years since then we have continually extended taxes that were levied for a specific purpose. That was because of the high cost of the Korean conflict and to discourage people from spending money in certain fields. I do not believe that the people of this Nation should be continually obligated to pay taxes that were levied for a specific purpose that no longer exists. I do hope in all good conscience that when the House votes today they will adhere to the recommendation of the President of the United States that their constituents are entitled to a tax cut, and this is the place where the tax cut should take place.

This is not just favoring a special few, but it favors all of the people who are in the market today making purchases of all of the commodities that are affected by the excise taxes. One of the great problems I have, and I think we all have, is with the tax that is levied today on the automotive industry. This is a tax that is levied at the rate of 10 percent, and 3 percent of that was extended because of the Korean conflict. This 3 percent tax on passenger automobiles alone amounts to almost a half a billion dollars. In fact it amounts to about $460 million.

This is a direct tax savings that would go to the consumer because the consumer is the individual who has to pay the tax. I did my utmost in the committee to try to get this 3-percent tax eliminated and not extended. Unfortunately for the people of the Nation I was not successful in my attempt, but today I am going to vote my convictions and vote against this tax in order that the people of this Nation may have their tax burden reduced.

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

Mr. BYRNES of Wisconsin. Mr. Chairman, I have no further requests for time.

Mr. MILLS. We have no more requests for time, Mr. Chairman.

The CHAIRMAN. Under the rule the bill is considered as having been read for amendment. No amendments are in order to the bill except amendments offered by direction of the Committee on Ways and Means.

Are there any committee amendments?

Mr. MILLS. Mr. Chairman, there are no committee amendments to the bill.

The CHAIRMAN. Under the rule, the Committee rises.

Accordingly, the Committee rose; and the Speaker having resumed the chair, Mr. DELANEY, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill (H.R. 6755) to provide a 1-year extension of the existing corporate normal-tax rate and of certain excise-tax rates, pursuant to House Resolution 396, he reported the bill back to the House.

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

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

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

Mr. CURTIS. Mr. Speaker, I offer a motion to recommit.

The SPEAKER. Is the gentleman opposed to the bill?

Mr. CURTIS. I am, Mr. Speaker.

The SPEAKER. The gentleman qualifies. The Clerk will report the motion to recommit.

The Clerk read as follows:

Mr. CURTIS moves to recommit the bill H.R. 6755 to the Committee on Ways and Means.

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

The previous question was ordered.

The SPEAKER. The question is on the motion to recommit.

The motion was rejected.

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

The question was taken; and the Speaker announced that the "ayes" had it.

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

The SPEAKER. Evidently a quorum is not present.

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

The question was taken; and there were—yeas 283, nays 91, not voting 58, as follows:

[Roll No. 81]

YEAS—283

Abbitt	Gilbert	O'Hara, Mich.
Addabbo	Gill	Olsen, Mont.
Albert	Glenn	Olson, Minn.
Arends	Gonzalez	O'Neill
Ashley	Grabowski	Osmers
Ashmore	Gray	Passman
Aspinall	Green, Oreg.	Patman
Auchincloss	Green, Pa.	Patten
Avery	Griffin	Perkins
Baker	Griffiths	Pike
Baldwin	Hagan, Ga.	Pirnie
Barrett	Hagen, Calif.	Poage
Bass	Haley	Poff
Bates	Halleck	Pool
Beckworth	Halpern	Price
Belcher	Hanna	Pucinski
Bell	Harding	Purcell
Bennett, Fla.	Hardy	Quillen
Bennett, Mich.	Harris	Randall
Betts	Harvey, Ind.	Reifel
Blatnik	Harvey, Mich.	Rhodes, Ariz.
Boggs	Hawkins	Rhodes, Pa.
Bolton, Frances P.	Hays	Rivers, Alaska
Bonner	Healey	Roberts, Ala.
Bow	Hechler	Roberts, Tex.
Brademas	Henderson	Rodino
Brock	Herlong	Rogers, Colo.
Brooks	Holland	Rogers, Fla.
Brotzman	Horan	Rogers, Tex.
Brown, Calif.	Hosmer	Rooney
Broyhill, Va.	Huddleston	Roosevelt
Burke	Hull	Rosenthal
Burkhalter	Ichord	Rostenkowski
Burleson	Jarman	Roush
Byrne, Pa.	Jennings	Roybal
Byrnes, Wis.	Joelson	Ryan, N.Y.
Cahill	Johnson, Calif.	St Germain
Cameron	Johnson, Wis.	St. Onge
Cannon	Jones, Mo.	Schneebeli
Carey	Karsten	Schweiker
Casey	Kastenmeier	Secrest
Celler	Kee	Senner
Chelf	Keith	Shelley
Clark	Kelly	Shipley
Cohelan	Keogh	Shriver
Colmer	Kilburn	Sibal
Cooley	Kilgore	Sickles
Corbett	King, Calif.	Sikes
Corman	Kluczynski	Sisk
Cramer	Kornegay	Slack
Curtin	Kunkel	Smith, Iowa
Dague	Laird	Smith, Va.
Daniels	Landrum	Springer
Davis, Ga.	Lankford	Stafford
Dawson	Leggett	Staggers
Delaney	Lennon	Steed
Dent	Lesinski	Stephens
Denton	Libonati	Stratton
Diggs	Lloyd	Stubblefield
Dingell	Long, Md.	Sullivan
Donohue	McDade	Taft
Dorn	McDowell	Talcott
Dowdy	McFall	Taylor
Downing	Macdonald	Teague, Calif.
Dulski	MacGregor	Thomas
Duncan	Madden	Thompson, N.J.
Dwyer	Mahon	Thompson, Tex.
Edmondson	Mailliard	Thornberry
Edwards	Marsh	Toll
Ellsworth	Martin, Nebr.	Trimble
Everett	Mathias	Tuck
Evins	Matsunaga	Tuten
Fallon	Matthews	Udall
Farbstein	May	Ullman
Fascell	Meader	Van Deerlin
Feighan	Milliken	Vinson
Findley	Mills	Waggonner
Finnegan	Minish	Wallhauser
Fisher	Montoya	Watson
Flood	Moorhead	Watts
Fogarty	Morgan	Weltner
Ford	Morris	Whalley
Fountain	Morrison	White
Fraser	Morse	Whitten
Frelinghuysen	Morton	Wickersham
Friedel	Moss	Widnall
Fulton, Pa.	Murphy, Ill.	Williams
Fulton, Tenn.	Murray	Willis
Fuqua	Natcher	Wilson, Bob
Gallagher	Nedzi	Wilson, Charles H.
Garmatz	Nix	Winstead
Gary	Nygaard	Wright
Gathings	O'Brien, Ill.	Young
Giaimo	O'Brien, N.Y.	Zablocki
	O'Hara, Ill.	

NAYS—91

Abele	Barry	Beermann
Adair	Battin	Berry
Ashbrook	Becker	Bray

Bromwell	Horton	Reid, N.Y.
Broomfield	Hutchinson	Rich
Broyhill, N.C.	Jensen	Robison
Bruce	Johansen	Roudebush
Burton	Jonas	Rumsfeld
Chamberlain	King, N.Y.	St. George
Clancy	Knox	Saylor
Clausen	Kyl	Schadeberg
Cleveland	Langen	Schenck
Curtis	Latta	Schwengel
Derounian	Lipscomb	Short
Derwinski	Long, La.	Siler
Devine	McClory	Skubitz
Dole	McCulloch	Smith, Calif.
Fino	McIntire	Snyder
Flynt	McLoskey	Stinson
Foreman	McMillan	Thomson, Wis.
Goodell	Martin, Calif.	Tollefson
Goodling	Michel	Utt
Gross	Miller, N.Y.	Weaver
Grover	Moore	Westland
Gubser	Nelsen	Wharton
Gurney	O'Konski	Wilson, Ind.
Hall	Ostertag	Wydler
Harrison	Pelly	Wyman
Hemphill	Pillion	Younger
Hoeven	Quie	
Hoffman	Reid, Ill.	

NOT VOTING—58

Abernethy	Forrester	Pepper
Alger	Gavin	Philbin
Anderson	Gibbons	Pilcher
Andrews	Grant	Powell
Ayres	Hansen	Rains
Baring	Harsha	Reuss
Boland	Hébert	Riehlman
Bolling	Holifield	Rivers, S.C.
Bolton, Oliver P.	Jones, Ala.	Ryan, Mich.
	Karth	Scott
Brown, Ohio	Kirwan	Selden
Buckley	Lindsay	Sheppard
Cederberg	Martin, Mass.	Staebler
Chenoweth	Miller, Calif.	Teague, Tex.
Collier	Minshall	Thompson, La.
Conte	Monagan	Tupper
Cunningham	Mosher	Vanik
Daddario	Multer	Van Pelt
Davis, Tenn.	Murphy, N.Y.	Whitener
Elliott	Norblad	

So the bill was passed.

The Clerk announced the following pairs:

Mr. Hébert for, with Mr. Ryan of Michigan against.

Mr. Kirwan for, with Mr. Baring against.

Mr. Riehlman for, with Mr. Harsha against.

Mr. Mosher for, with Mr. Gavin against.

Mr. Lindsay for, with Mr. Tupper against.

Mr. Oliver P. Bolton for, with Mr. Collier against.

Mr. Sheppard for, with Mr. Alger against.

Until further notice:

Mr. Daddario with Mr. Anderson.

Mr. Abernethy with Mr. Norblad.

Mr. Karth with Mr. Conte.

Mr. Buckley with Mr. Van Pelt.

Mr. Elliott with Mr. Cunningham.

Mr. Pepper with Mr. Ayres.

Mr. Holifield with Mr. Martin of Massachusetts.

Mr. Teague of Texas with Mr. Cederberg.

Mr. Thompson of Louisiana with Mr. Brown of Ohio.

Mr. Rains with Mr. Chenoweth.

Mr. Multer with Mr. Forrester.

Mr. Staebler with Mr. Rivers of South Carolina.

Mr. Miller of California with Mr. Powell.

Mr. Andrews with Mrs. Hansen.

Mr. Murphy of New York with Mr. Scott.

Mr. Vanik with Mr. Pilcher.

Mr. Boland with Mr. Davis of Tennessee.

Mr. Philbin with Mr. Reuss.

Mr. Monagan with Mr. Grant.

Mr. Whitener with Mr. Selden.

Mr. Jones of Alabama with Mr. Minshall.

Mr. LATTA and Mr. OSTERTAG changed their votes from "yea" to "nay."

Mr. DINGELL. Mr. Speaker, how is the gentleman from Michigan [Mr. RYAN] recorded?

The TALLY CLERK. He voted "aye."

Mr. DINGELL. Mr. Speaker, the gentleman from Michigan [Mr. RYAN] is unavoidably detained elsewhere on official business. I ask unanimous consent that the RECORD be corrected accordingly.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

LEGISLATIVE PROGRAM FOR WEEK OF JUNE 17, 1963

Mr. HALLECK. Mr. Speaker, I ask unanimous consent to proceed for 1 minute for the purpose of inquiring of the majority leader as to the program for next week and what the plans are for the balance of this week.

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

There was no objection.

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

Mr. HALLECK. I yield to the gentleman.

Mr. ALBERT. We have completed the legislative business for this week and, if we get leave of the House, we will adjourn over until Monday after announcing the program.

The program for next week is as follows:

On Monday, the Consent Calendar will be called.

There are five bills to be considered under suspension on Monday, as follows:

House Joint Resolution 467, to amend section 221 of the National Housing Act to extend for 2 years the authority of the Federal Housing Administration.

H.R. 3517, administrative expenses of retired Federal employees health benefits.

H.R. 5377, to provide coverage under the Civil Service Retirement Act for the Architect of the Capitol and his employees.

H.R. 5932, to extend Federal employees' health and group life insurance benefits to certain teachers of the District of Columbia.

H.R. 4638, Presidential Transition Act of 1963.

On Tuesday the Private Calendar will be called.

Also, on Tuesday, we will take up the 1964 appropriation bill for the Departments of State, Justice, and Commerce and the judiciary.

On Wednesday and the balance of the week, there will be considered House Joint Resolution 247, suspension of equal-time provisions of the Communications Act for the 1964 presidential campaign. This is under an open rule, with 1 hour of general debate. There will also be taken up H.R. 4347, construction of Veterans' Administration hospitals. This is also under an open rule, with 1 hour of debate.

Of course, this is made subject to the usual reservation that any further program may be announced later, and conference reports may be brought up at any time.

Will the gentleman yield further for the purpose of making a unanimous-consent request?

Mr. HALLECK. Mr. Speaker, I yield to the gentleman.

ADJOURNMENT OVER

Mr. ALBERT. Mr. Speaker, I ask unanimous consent that when the House adjourns today it adjourn to meet at 12 o'clock noon on Monday next.

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

Mr. GROSS. Mr. Speaker, reserving the right to object, and I shall not object, but that last bill on suspensions, did the gentleman say "Presidential transition" there?

Mr. ALBERT. The gentleman is correct. Presidential Transition Act of 1963.

Mr. GROSS. Is this in preparation for an outgoing President in 1964?

Mr. ALBERT. This has nothing to do with any outgoing President. This is a 1963 act.

Mr. GROSS. Then we really do not need this legislation if you are not planning to change Presidents.

Mr. ALBERT. We are making no plans of that kind. The gentleman is 4 years off in his arithmetic.

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

There was no objection.

DISPENSING WITH CALENDAR WEDNESDAY BUSINESS NEXT WEEK

Mr. ALBERT. Mr. Speaker, I ask unanimous consent that business under the Calendar Wednesday rule be dispensed with on Wednesday next.

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

There was no objection.

MENTAL RETARDATION

Mr. CAREY. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

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

There was no objection.

Mr. CAREY. Mr. Speaker, I am pleased to join with the gentleman from Rhode Island [Mr. FOGARTY] in introducing three bills in the field of mental health and mental retardation. I hold, as he does, that this approach dealing effectively with separable areas of legislation serves to smoothly and swiftly advance toward a common goal in the service of a pressing need.

The first of these three bills relates to a greatly increased maternal and child health and crippled children's program. The second concerns the construction of clinical and service centers for the mentally retarded in the community, and the construction of research centers and

mental retardation facilities that are affiliated with university and medical school programs. The third contains provisions for the training of teachers of the mentally retarded and for research and demonstration projects relating to the education of mentally retarded children.

The bills being detailed in the RECORD by the gentleman from Rhode Island [Mr. FOGARTY]—I shall not dwell at length on context—however, Mr. Speaker, I must earnestly commend to the membership of the cognizant committees the need for early consideration and approval of these individual bills. I would also call the attention of my colleagues to my remarks in the RECORD on March 19, 1963, which is a comprehensive analysis of this field of legislation.

Certainly the gentleman from Rhode Island is to be commended on his long history of dedication. It is only fair to state that there is no other Member of this House whose contribution has been so vast and unique.

In these areas of critical national impact, one might even say tragic neglect, there is a demonstrated requirement for action programs.

President Kennedy in a special message clearly enunciated the crucial need. I believe this legislation will focus the Nation's resources on the problem and begin to solve the medical, social, and economic burdens caused by mental retardation. The keynote is action and the time is now.

REQUEST TO EXTEND AT THIS POINT

Mr. SHELLEY. Mr. Speaker, I ask unanimous consent to extend my remarks in two instances at this point in the RECORD and to include extraneous matter.

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

Mr. JONES of Missouri. Mr. Speaker, I object.

Mr. SHELLEY. Mr. Speaker, I ask unanimous consent to extend my remarks in two instances at this point in the RECORD.

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

Mr. JONES of Missouri. Mr. Speaker, I object.

FREEDOM SEASON CELEBRATION

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

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

There was no objection.

Mr. CORMAN. Mr. Speaker, once again this year the citizens of Woodland Hills, Calif., are conducting a freedom season celebration, from June 14, Flag Day, through July 4, Independence Day. During this period the people of the community rededicate themselves to the principles on which our country is founded and the institutions which are the bases of our democracy.

There will be many public and private events to carry out the theme, "I Am Glad To Be an American." On June 15, the San Fernando Valley Male Chorus will present a program "Let Freedom Sing." The Kiwanis Club is sponsoring a home decoration contest. There will be a children's parade on June 29, and the festivities will be climaxed by an old fashioned Fourth parade and fireworks on July 4.

Mr. Speaker, there are some persons and groups which have twisted the patriotism of their fellow citizens to their own selfish and destructive ends. I deplore the actions of these super patriots who in reality are subverting the ideals of our Nation. Such efforts are markedly different from the genuine pride and joy in our heritage shown by the citizens of Woodland Hills. I heartily endorse the freedom season and congratulate Richard Tisch, William Tyson, Walter Carlson, and those who have joined with them in organizing and conducting this celebration. These events demonstrate to all that the true brand of American patriotism is a force for social justice and economic progress.

HANFORD ELECTRIC POWER GIVEN PREFERENCE OVER CIVIL RIGHTS AND NATIONAL SECURITY

Mr. SAYLOR. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

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

There was no objection.

Mr. SAYLOR. Mr. Speaker, in my speech in this House on May 7, 1963, and again on May 20, 1963, I charged that for political expediency the Kennedy administration had deliberately provided for violation of or noncompliance with a specific requirement of law relative to the equal-employment-opportunity portion of its civil rights program, in some 78 Federal contracts relating to the new production reactor powerplant at Hanford, Wash. This charge still stands and the facts of record fully substantiate it.

I also said that in my opinion the Hanford power contracts were illegal in that they provided for a violation—or noncompliance—with existing law. Certainly, this conclusion is elementary, as no Federal agency can legally execute a contract that specifically provides for evasion of or non-compliance with a provision of existing law.

DOUBLE STANDARD FOR CIVIL RIGHTS ADMINISTRATION

With the press full of Kennedy administration expressions of concern for civil rights and the need for additional legislation on the matter, on one hand, and a deliberate failure to enforce the law in the Hanford power contracts, on the other hand, there is raised a serious question of a double standard of administration.

In delving into this matter, I came across another phase of the Hanford deal that is even more serious than the provision for noncompliance with a civil rights law, and that is the apparent neglect of the national defense posture of this Nation in deference to promotion of the Hanford powerplant. I shall discuss this at some length further on in my speech.

After I delivered my May 7, 1963, speech, I was told that a prominent protagonist of the Hanford power deal would attempt to answer my charges. I then prepared my May 20, 1963, speech, setting forth a number of points that must be considered by anyone foolish enough to attempt to deny my charges.

On May 23, 1963, a futile attempt was made on pages 9224–9225 of the CONGRESSIONAL RECORD, to refute my charge and to explain away the deliberate actions to nullify a provision of existing law when the extension of the bureaucratic power empire was threatened. In this diatribe, my charges were referred to as "specious" and "wild and completely false."

LET'S LOOK AT THE RECORD

My answer to this is, "Let's look at the record" to see who is guilty and who has been guilty over the years of using specious reasoning, half-truths, and wild and completely false statements, in the promotion of this Hanford powerplant deal.

In my May 20, 1963, speech I listed nine points I felt must be referred to in any attempt to refute my charges of a conspiracy to evade an existing law.

First point: The proposed Hanford contracts as presented to the Congress prior to the passage of the authorizing act included a nondiscrimination section exactly as required by law, as embodied in Executive Order No. 10925 relative to equal employment opportunity. These contract drafts thus became a part of the legislative history of the AEC Authorization Act of fiscal year 1963.

The Hanford protagonist admits this to be true but claims that the addition of a subsection which provides for noncompliance with a specific requirement of existing law is not a material departure from the contract originally submitted.

I believe every honest person would agree that an addition to any contract which provides for noncompliance with existing law is a material departure from a contract that provides for strict compliance with the law. Headlines in the Portland Oregonian early this year indicated there was material concern in the matter as follows:

RACE ISSUE SNAGS SALE OF POWER—CONTRACT CLAUSE WOULD CANCEL BUYER'S PACTS

Peaceful harnessing of the power output of the Hanford Atomic Works has been snagged on an antidiscrimination question.

A spokesman for the U.S. Department of Interior in Washington Thursday night confirmed by phone what the Oregonian has been hearing for several days:

That there can be no contract between the Atomic Energy Commission and a developing-operating agency for Hanford power until an antidiscrimination penalty clause is modified.

At stake is the estimated 800,000-kilowatt production of the Hanford pile. Customers are to be 5 investor-owned utilities and some 60 municipal and publicly owned power companies.

Under the arrangements, authorized by Congress, the atomic power will be developed by a corporation set up by public power agencies in the State of Washington known as Washington Public Power Supply System. WPPSS will finance the project with revenue bonds, and the security for the bonds would be contracts for sale of power.

EXEMPTION—YES; MODIFICATION—NO

Second point: A complete reading of Executive Order No. 10925 discloses that while exemption from application of the order can be granted under specified conditions, no provision is made for any modification of the requirements of the order. Exemption, yes; modification, no.

The Hanford protagonist's answer to this was:

The charge that the order permits only an exemption and not a modification is hardly worthy of comment. A grant of authority to exempt a contract from all the provisions of the order obviously includes authority to make a partial exemption.

I am sure the Hanford protagonist would like to be able to dismiss the matter with a hardly-worthy-of-comment phrase. His comment that "A grant of authority to exempt a contract from all the provisions of the order obviously includes authority to make a partial exemption" is specious reasoning in the extreme. The law in question is very specific. It says:

SEC. 303. The Committee may, when it deems that special circumstances in the national interest so require, exempt a contracting agency from the requirement of including the provisions of section 301 of this order in any specific contract, subcontract, or purchase order.

Certainly, there is no grant of authority here to provide for partial compliance. If such were intended or desired, the first sentence of section 303 would have read:

The Committee may, when it deems that special circumstances in the national interest so require, exempt a contracting agency from the requirement of including the provisions, or any portion thereof, of section 301 of this order in any specific contract, subcontract, or purchase order.

But no such modification provision is in the law. Chaos would certainly result if every law of the land were permitted such loose interpretation. I realize, of course, that loose interpretation of the laws to suit its political expediencies is a stock in trade of the New Frontier.

BANKERS OPPOSE NON-DISCRIMINATION SECTION OF HANFORD POWER CONTRACTS

Third point: The bankers advised Washington Public Power Supply System and/or Bonneville, that inclusion of the nondiscrimination section of the equal employment opportunity law in the contracts as proposed would result in failure to sell the bonds or, if sold, only at high discount rates.

The Hanford protagonist freely admits this to be true.

Fourth point: After receiving the bankers' advice as noted in my third point, discussions were had with and a request was made of the President's Committee on Equal Employment Opportunity for an outright exemption of the Hanford contracts from the application of the equal employment opportunity law as prescribed by Executive Order No. 10925. This requested exemption was denied.

The Hanford protagonist made no direct reference to this point.

CIVIL RIGHTS PENALTY PROVISION SACRIFICED FOR POWER

Fifth point: Faced with failure to finance the Hanford power project as a result of the denial for exemption from the equal employment opportunity law, the Hanford power project proponents had to come up with some other scheme. The result, as the record shows, was the decision to insert an additional subsection in the nondiscrimination section of the contracts, that provided for noncompliance with a penalty provision of the law under which the contracts could be canceled

The Hanford protagonist admits the truth of this fifth point. He erroneously says that the action to provide for noncompliance with the cancellation provision of the law was made pursuant to a procedure which the Executive order itself provides. As indicated earlier, the language of the Executive Order No. 10925 does not make provisions for such a partial exemption from section 301. It is an attempt to read into the law something not therein provided.

PRESIDENT'S COMMITTEE NOT CONVENED

Sixth point: Did the President's Committee on Equal Employment Opportunity, which is charged with the administration and enforcement of the law under Executive Order No. 10925, approve this decision to add the noncompliance-with-the-law subsection of the Hanford contracts? I understand that the Committee did not approve this action.

The truth of this sixth point is confirmed by a letter from Dr. Seaborg, Chairman of the Atomic Energy Commission, advising that they had asked Mr. Taylor, Executive Vice Chairman of the President's Committee on Equal Employment Opportunity whether the President's Committee was convened to consider the addition to the contract that provided for the non-compliance-with-the-cancellation provision of the law. Dr. Seaborg's letter said:

Mr. Taylor stated that the Committee was not convened to discuss the question.

Of course, it was obvious to Dr. Seaborg that there had been no such convening of the Committee, as Dr. Seaborg is a member of that Committee.

NONCOMPLIANCE A NEW ROLE FOR AEC

A reading of Dr. Seaborg's letter of January 9, 1963, to Mr. Taylor gives me the impression that Dr. Seaborg was not too happy about having to endorse Secretary Udall's request for noncompliance with a portion of Executive Order 10925. Here is one quotation from his letter:

The Atomic Energy Commission, throughout all of its operations, has assiduously pursued the objectives of Executive Order No. 10925. We have believed that the AEC had an important responsibility in carrying out the policies of the Federal Government directed toward equal employment opportunity, since its activities extend into every part of the United States and because its contracts with a wide variety of organizations run into the hundreds of millions of dollars. Notwithstanding the broad impact upon the AEC program, no exception to the policy set forth in the Executive order or to the rules and regulations of the President's committee has heretofore been sought.

EXECUTIVE VICE CHAIRMAN TAYLOR ACTED UNDER PRESSURE

A perusal of copies of the letters referred to in the Hanford protagonist's statement indicates that the Executive Vice Chairman's acquiescence to the importuning of the Secretary of the Interior and a member of Interior's legal staff for fast action was based on a naive reliance on the representations of the Federal agencies involved as to what constituted special consideration in the national interest.

Seventh point: No contract, whether Federal or non-Federal, that provides for evasion of or noncompliance with the law is a valid contract.

Ninth point: Any bond issue based on illegal or invalid contracts would also be invalid.

The Hanford protagonist does not and cannot deny the evident truth of these two points.

Eighth point: The actions taken with regard to the Hanford power contracts and the nondiscrimination section of the equal employment opportunity law all add up to a conspiracy to evade the law.

The Hanford protagonist takes the position that the actions taken by various public officials were in accordance with the law. With this we cannot agree.

CONSPIRACY TO EVADE LAW

I think it now time to discuss some of the fallacious reasoning of our Hanford protagonist and of the various administration officials who took part in what I claim was a conspiracy to evade the law when faced with a possible inability to finance the Hanford power project. Our Hanford protagonist tells us the decision to provide for noncompliance with law as contained in Executive Order No. 10925 was based on special circumstances in the national interest and listed five items that were to be included under this heading, as follows:

1. The timing of the project is of great importance and cannot be delayed. The Pacific Northwest will be short of firm power in 1965–66 under critical water conditions. The two generators of the project are scheduled for completion on October 1 and December 1, 1965. In addition, it is estimated that the reactor will be operated for both the production of plutonium and the generation of power for a period of 7 years. Thereafter, the cost of operating the project only for the generation of power will increase substantially. Any delay which will shorten the 7-year dual-purpose period will have an adverse effect on the financial feasibility of the project.

2. Continuous use of the reactor for power generation will assure its constant availability for rapid conversion to plutonium production should such production be necessary for defense purposes. It is my understanding that many Russian reactors are dual purpose and are capable of rapid conversion to plutonium production. This will be the only dual-purpose reactor in the United States.

3. The completion of the project will result in steam payments to AEC—payments which may amount to as much as $155 million or more. These will help defray the

cost of the reactor and plutonium production to the taxpayers of the country.

4. Two presently unused products, waste steam from the reactor and unsalable hydroelectric secondary energy, will be combined to make a usable product—firm electric power.

5. The generating facilities will have a capacity of approximately 800,000 kilowatts. It will be the largest nuclear powerplant in the world.

SPECIAL CIRCUMSTANCES IN NATIONAL INTEREST ARE PHONY

In my estimation, all of these five items which our Hanford protagonist wants us to believe are special circumstances in the national interest, are as phony as a $3 bill. Let us keep in mind, in all this discussion, that the project with any national defense aspect at all would be the new production reactor at Hanford, which is supposed to be going forward to early completion regardless of whether the Hanford powerplant is constructed or not. The project which our Hanford protagonist is referring to is the Hanford powerplant, not the production reactor itself. With this in mind, I shall proceed to discuss these five items that are falsely claimed to be of special importance to the national interest.

First item:

The timing of the project is of great importance and cannot be delayed.

Our Hanford protagonist tells us the Hanford powerplant cannot be delayed, as the Pacific Northwest will be short of firm power in 1965–66 under adverse water conditions. Actually this is not a true statement if all available resources are taken into consideration and interruptible or nonfirm loads are eliminated. In addition, he fails to tell us that under normal or median water conditions all loads can be carried with a surplus to spare. This surplus in an average or median water year holds true each year through 1970–71. In fact, the power surpluses without Hanford, in 1967–68, for instance, will range from 1 million continuous kilowatts to over 6 million continuous kilowatts. These facts are set out in the latest report of the Pacific Northwest Utilities Conference Committee dated January 15, 1963. This conference committee includes technical representatives from all major utilities of the Pacific Northwest including Bonneville and all leading non-Federal public power systems. The possibility of an occurrence of the most adverse water conditions in 1965–66 is highly remote. Bonneville and the Washington Public Power Supply System cannot be too concerned about a power shortage in the region, as the Interior Department and the Washington Public Power Supply System, over the past several years, have been doing all in their power to prevent private electric utility systems of the Pacific Northwest from providing additional electric generating capacity of their own for the future. Proposals have been made for the construction of a new coal-burning steam-electric plant in the Pacific Northwest, which would provide 500,000 kilowatts of firm power. In contrast, the Hanford powerplant would produce only nonfirm power. The power from the coal-burning steamplant could have been provided much sooner than the Hanford power, if it had been started at the same time the Hanford new production reactor was started.

Bonneville refused to consider this coal-burning plant ahead of Hanford power.

Our Hanford protagonist also should correlate his statement with the Interior Department spokesman who just last week—May 20, 1963—told the Federal Power Commission, with regard to the Pacific Northwest, that we have a present surplus of power in that region and have had for several years, and that there would be a surplus of power through 1971–72. The Interior Department asked FPC not to approve an FPC examiner's recommendation that private utilities be permitted to build an 875,000-kilowatt hydroelectric plant on the Snake River.

Another phase of timing that I am sure our Hanford protagonist would like to forget is the extremely long and costly delay in the construction of the new production reactor. All or nearly all of these delays are chargeable to the conversion or power phase of the new production reactor. A year ago, the new production reactor cost had risen to a total of $195 million; or $75 million above the estimated cost for a plutonium-only reactor, and the completion date had been put back at least a year. We are now told the cost has increased to $200 million and the completion date set back another year. All this $80 million increase in cost and the 2 years' or more delay in the production of plutonium is directly chargeable to those members of the Joint Committee on Atomic Energy—which included our Hanford protagonist—who insisted on the construction of a convertible reactor instead of the plutonium-only reactor as recommended by the Atomic Energy Commission.

NATIONAL SECURITY SACRIFICED FOR ELECTRIC POWER

This 2 years actual loss in plutonium production for defense could be catastrophic, as it might well represent the margin of firepower needed to overcome our enemies in the future. I would not want it on my conscience, if this should ever be the case.

It seems to me that in this regard there has been a complete lack of consideration for the national interest in the action of the Hanford power proponents. The real concern of these Hanford power proponents is fully evident on the record. It is the financial feasibility of this "1910 model-T" Hanford powerplant. How anyone can in clear conscience say that this financial feasibility is a special circumstance in the national interest is beyond me, and I am sure, beyond every other clear-thinking American.

Our Hanford protagonist has not, to my knowledge, disclosed any real concern over early completion of Hanford for plutonium production for national defense. If he has, I would like him to point out chapter and verse.

HOPE FOR VALID RUSSIAN AGREEMENT A DELUSION

Second item:

Continuous use of the reactor for power generation will assure its constant availability for rapid conversion to plutonium production should such production become necessary for defense purposes.

Actually, the new production reactor at Hanford is estimated to be operated for producing plutonium for 7 years after startup, so that any reference to operating for power would be after that time, or earlier only if an agreement were reached with Russia to stop producing plutonium.

Here is what one member of the Joint Committee on Atomic Energy said in 1961 about the national defense aspects of the Hanford plant under power-only operation:

They tell us if you have an agreement with the Soviets to stop producing plutonium, and if it falls through, and if the reactor is running for power, it can quickly be reconverted to producing plutonium again. The fallacy of the argument is that if ever the time comes under such circumstance we need plutonium, it would be whatever we had on hand at that moment that would save the Nation, not what you could produce thereafter. No matter how much you are able to produce afterward, it would not stop our enemies at that moment, thus the argument is fallacious.

This early startup argument can be put into proper perspective when we realize that the plant is estimated to be operated for plutonium production for 7 years. With 7 years of added production from the NPR, we might well ask if we will not have plutonium coming out of our ears. On the other hand, if plutonium production is even now a matter of national interest, the AEC and the Joint Committee on Atomic Energy should be saying, "Let's go ahead full steam on the new production reactor, so as to achieve plutonium production at the earliest possible date, and not provide for a shutdown to permit connection of the powerplant as long as plutonium production is needed." Any other course would be sacrificing the national defense on the altar of financial feasibility for the Hanford powerplant and could result in national suicide.

If the time ever comes when we can cut back on plutonium production, consideration can then be given to constructing the Hanford powerplant and to shutting down the new production reactor to connect up the powerplant and to make the necessary changes for more efficient power production. I can well understand the desire to improve the "1910 Model-T" type of powerplant. Certainly, it is not of special importance to the national interest to hold up plutonium production to achieve such a result; in fact it is just the opposite.

The reference to an agreement with Russia that would have any meaning, must be viewed in light of the negative results of atomic test ban negotiations to date and the failure to get an onsite inspection in Cuba to see if nuclear weapons and offensive Russian Army units have been removed from that nearby island.

HANFORD PAYMENTS MAY BE LESS THAN $210,000

Third item:

The completion of the project will result in steam payments to AEC—payments which may amount to as much as $155 million or more. These will help to defray the cost of the reactor and plutonium production to the taxpayers of the country.

This, without a doubt, is the most fallacious argument of all. Actually, the maximum total payment could be less than $210,000.

The two signed copies of the two contracts between AEC and Washington Public Power Supply System show what payments are to be made to the Treasury. Contract AT(45–1) 1357 covers the lease of Federal land to Washington Public Power Supply System on which to construct the Hanford powerplant. Payments to AEC under this lease are $1,000 for the first year and $10 a year thereafter.

The other contract is AT(45–1) 1355 called the operating and construction contract. Attached to this contract is another lease agreement covering the lease of the new production reactor to Washington Public Power Supply System when power only is to be produced. The payments under this lease agreement are the same as those under contract AT(45–1) 1357, that is, $1,000 for the first year's rent and $10 a year thereafter. Incidentally, how would you like to rent a $200 million Federal plant for $10 a year?

The operating and construction contract provides for various payments to be made by Washington Public Power Supply System to AEC during the operation of the new production reactor for the dual purpose of plutonium production and steam for power. The payments provided start very low, then increase, then later go down again. The length of operation of the new production reactor for dual-purposes has a very material effect on the total amount to be paid by Washington Public Power Supply System to the Federal Government.

No one knows just how long the new production reactor will be operated for plutonium production and how long it might be operated for power only. In addition, it is always possible that incidents could occur that would preclude further operation for either.

I shall give a few examples of payments the taxpayers would get under the contracts as signed, assuming a total operating period of 30 years and various periods of dual-purpose operation.

First example: 2 years, dual-purpose operation—plutonium and power, 28 years—power only.

1st year	$101,000
2d year	100,010
3d year	1,010
4th year	20
Remaining 26 years	520
Total	$202,560

In other words, if agreements were reached at the end of 2 years to stop plutonium production for defense purposes, the total payments over a 25-year period would be $202,560, or about one-fifteenth of the interest cost for 1 year on the power conversion cost to the taxpayers. This is a far cry from the up to $155 million payment our Hanford protagonist holds up before our eyes.

Originally, the Hanford powerplant was analyzed on the basis that we would have enough plutonium by 1972 and operations thereafter would be for power only. Here are the payments that would be forthcoming under such a schedule:

1st year	$101,000
2d year	100,010
3d year	200,010
4th year	200,010
5th year	600,010
6th year	800,010
7th year	1,000,010
8th year	1,010
Remaining 22 years	440
Total	3,002,510

In other words, under the terms of the contract, $3,002,510 would be the amount of repayment to the taxpayers for the use of steam for 7 years and the lease of a $200 million plant for 23 years.

You may ask, if the above figures are true—which they are—where does our Hanford protagonist get his "up to" $155 million figure? It is on the basis of operating the new production reactor for dual purpose for 30 years with no power-only operation. I am sure that those who know our present plutonium production capacity would say that continued plutonium production, at our present rate, plus the Hanford new production reactor for the next 30 years, would give us enough plutonium to bomb every square foot of earth on this planet.

ALL HANFORD STEAM WILL NOT BE USED

Fourth item:

Two presently unused products, waste steam from the reactor and unsalable hydroelectric secondary energy, will be combined to make a usable product—firm electric power.

This statement is not as complete and true as it apears on first glance. I am sure most readers would assume that all the waste steam from the new production reactor would be utilized to generate electric power which could be combined with unsalable hydroelectric power to make usable firm power. This will not be the case.

In a letter dated June 15, 1962, the Federal Power Commission presented information on the potential utilization of power from the Hanford powerplant. This data showed the following estimated plant factor at which the Hanford powerplant could be operated:

	Percent
1966–67	21.2
1969–70	34.4
1974–75	53.9
1985 and after	85.0

The plant factor is a measure of the plant output in comparison to the potential output operating 100 percent of the time at full load. These FPC figures mean that because of existing surplus hydroelectric power in the Pacific Northwest, only certain portions of the NPR steam can be utilized for power production. Based on these FPC figures, nearly 80 percent of the Hanford steam would have to be wasted up through the years 1966–67, with 65 percent wasted through 1969–70 and 46 percent wasted through 1974–75. Actually, under a better than average water year, the surplus hydropower available would result in no need to generate any power at Hanford.

LABOR FORCE SACRIFICED FOR ELECTRIC POWER

In addition to only a partial use of the Hanford steam, the Hanford power proposal does not provide for the use of a far more important resource of the area not now being fully utilized. That is the labor force. Thirteen counties of Washington contain areas of "substantial and persistent unemployment," as reported by the Department of Labor. The proposed coal-burning steam-electric powerplant at Cle Elum, Wash., would have provided work for a goodly number of the presently unemployed miners and other workers in the area. Not only would such a coal-burning steamplant be infinitely more reliable than the Hanford powerplant, but ultimately would provide added firm power on its own, something that Hanford can never do. Here, again, the true national interest has been sacrificed on a false pagan altar of financial feasibility for an antiquated "1910 model-T" powerplant. Even this so-called financial feasibility has to be predicated on completely erroneous methods of financial analysis and writeoff of proper costs. It all adds up to a fraud and a delusion on the American taxpayers.

ANTIQUATED POWERPLANT IS LUDICROUS

Fifth item:

The generating facilities will have a capacity of appropximately 860,000 kilowatts. It will be the largest nuclear powerplant in the world.

No one can deny the reference to size, but without a doubt, this is the most ludicrous item of all—to classify as of special consideration in the national interest. In fact, its runs the entire gamut of the definition of ludicrous, as given in Webster's Unabridged Dictionary:

Adapted to excite laughter, especially from incongruity or exaggeration; ridiculous; absurd, broadly comical.

Do not take my word alone, but look at what other Members of Congress have said about this elephantine "1910 model-T" powerplant.

A member of the Joint Committee on Atomic Energy said:

Next they argue that this 800,000 kilowatts of so-called nuclear power will be a great thing for the international prestige of the United States. This is equally specious; 154 years ago a man named Robert Fulton invented the steamboat, and he ran his steamboat, the *Claremont*, up the Hudson River. It had a boiler in it that made steam which ran the engine which turned the paddle wheel. The fact of the matter is that the steam that would be produced out at Hanford is so low in temperature, so wet and of such a low pressure that it is more like the steam Robert Fulton used 154 years ago than it is to the steam used in modern day production of electricity.

If we are going to "move ahead," as the popular phrase goes, instead of retrogress, this certainly is the opposite from the way to do it. How much international prestige are you going to get by going back almost a century and a half in technology? None at all. The people overseas are going to look at such foolishness and laugh at us. We

would not gain prestige; we would lose it by foolishness like this.

Here are some excerpts from other statements on the House floor relating to the Hanford powerplant:

It is like building an 1880 vintage wood-burning locomotive to compete with today's modern diesel electric locomotives and claiming it would help the art.

What possible technical experience and benefit can be gained through the construction of 1910 model-T vintage electric generation plant with steam pressures of one-tenth that of modern day electric units?

It's like building a 1910 model steam engine driven threshing machine to compete with a modern-day grain combine.

I could go on and on, but this should be sufficient to make it amply clear that, far from being a special circumstance in the national interest, the Hanford powerplant must be classed as antiquated and adverse to the national interest. As a member of the Joint Committee on Atomic Energy said:

The people overseas are going to look at such *foolishness* and laugh at us. We would not gain prestige; we would lose it by foolishness like this.

DELIBERATE DECEPTION ATTEMPTS

Here is a good place to point out a prime example of the half truths and deliberate attempts to deceive that fill the record on the promotion of the Hanford powerplant. Faced with the undeniable fact that the Hanford powerplant would be of the 1910 model-T type, which major utilities had stopped building many, many years ago, the Hanford protagonist attempted to hoodwink the Members of Congress into believing such low temperature generating units were still being manufactured and installed. Here are his words as recorded in the CONGRESSIONAL RECORD:

My colleague has raised the argument that this is an obsolete type of electricity generation and he makes that point on the basis that this involves approximately 135 pounds of steam pressure as against some of the new modern machines which use up to 1,000 pounds of pressure.

I hold in my hand a list of low-pressure turbines that have been built by the General Electric Co. alone, and there are plenty of others that have been built by other companies. I hold in my hand a list of 30 turbines—turbines of this type utilizing pressure from steam of from 96 to 150 pounds per square inch in parts of the machine. These are all used by well-known power companies like Commonwealth Edison; Consolidated Edison; Detroit Edison; Indiana, Kentucky & Ohio Electric Co.; and all these other companies. So there is a place for both kinds.

When we delve into the matter, we find every one of the units listed is a highly modern unit placed in operation since 1955. They are among the most efficient in the country and for the most part operate at steam pressure around 2,000 to 2,400 pounds per square inch and temperatures of 1,000° or more. Here was a deliberate attempt to deceive those within sound of his voice, and those who later might read his words. In another instance the Hanford protagonist, in trying to downgrade the public power aspects of Bonneville and the Hanford power project, said that over 50 percent of the Bonneville Power Administration power was sold to the private utilities. This in the face of Bonneville's own statistics which showed only 18.8 percent of the Bonneville power went to the private utilities.

IS 50 PEOPLE THE CUTOFF POINT FOR COMPLIANCE WITH CIVIL RIGHTS LAW

The Hanford protagonist, in trying to belittle the extent of noncompliance with the cancellation provision of Executive Order No. 10925, says:

The actual construction of the Hanford power facilities will be undertaken by contractors. They will be subject to all remedies for the enforcement of the nondiscrimination clause, including cancellation.

The contractor operating the power facilities for the supply system will also be subject to the full enforcement provisions, including cancellation.

The supply system, the only organization against which the remedy of cancellation would not be available, will employ less than 50 people.

These statements raise several very interesting questions. I cannot agree that only 50 employees would be affected by the provision for noncompliance with the law. However, this raises an interesting point. Is 50 persons the cutoff point on noncompliance with the nondiscrimination law? What about 51 people, or just where do you start requiring strict compliance with the law?

Also, why is there no mention of the 76 Washington Public Power Supply System contracts which all provide for noncancellation? The employees of the 5 private utility companies and the 71 non-Federal public utilities number in the thousands. Is this a deliberate attempt to create a false impression as to the number of employees involved?

HANFORD CONTRACTS STILL SUBJECT TO CANCELLATION

If, as indicated by the Hanford protagonist, all the construction contracts are to be subject to cancellation, it will be possible to have a cancellation of one or more major construction contracts that could delay the construction of the Hanford powerplant indefinitely. This certainly would jeopardize the financial feasibility of the power project.

There are other cancellation provisions in both the AEC-Washington Public Power Supply System contracts and in the Bonneville-Washington Public Power Supply System contracts. As I pointed out in my May 7, 1963, speech, cancellation under these provisions would not affect the financial feasibility of the bond issue, as the taxpayer through Bonneville would have to pick up the check. In fact, as I read the contracts, the new production reactor could blow up shortly after initial operation and the taxpayer would have to pick up the check for the Hanford powerplant. A possible blowup might not be too farfetched, as a large part of the increased cost of the new production reactor was related to the construction of thick-wall pipe of a pressure and temperature not previously manufactured. After a large part of the pipe had been shipped to the Hanford site, it was found to be full of tiny cracks not disclosed at the time of factory inspection and acceptance. We are told this pipe has been reworked and is now considered safe, but is it? I hope for the sake of the national defense aspect that this is true.

PLAGIARISM OR TWIN GHOSTWRITER

After reading the Hanford protagonist's diatribe on pages 9224 and 9225 of the CONGRESSIONAL RECORD of May 23, 1963, I glanced further through the CONGRESSIONAL RECORD and came to the utterances of another Hanford proponent on pages 9244 and 9245. As I read further, there came to me a feeling that I had read part of this before, and sure enough, on comparing the Hanford proponent's words with those of the Hanford protagonist, I found sentence after sentence and paragraph after paragraph were identical. At first I thought plagiarism was involved; then I realized both articles were placed in the RECORD the same day. I am sure nearly every Congressman makes use of a ghostwriter at one time or another, but I certainly would fire a ghostwriter who was so enthralled with his own rhetoric that he would use it intact for more than one client.

ATTORNEY GENERAL'S OPINION NOT LAW

The Hanford proponent took a little different approach in trying to claim that a specific provision for total exemption from a law can be interpreted to also provide for partial exemption. She says that Attorney General Rogers, in the prior administration advised that power to grant exemption under a prior equal employment opportunity executive order included the power to grant partial exemption with conditions or modifications. I am sure the Hanford proponent knows that the advice of any Attorney General is just that, and carries no more weight in law than does the advice of a country lawyer. I am sure the record will show many opinions of Attorneys General have been held invalid by the courts.

The Hanford proponent infers that the legality for partial noncompliance has been concurred in by attorneys for some 70 or 80 participants in the Hanford deal. I would like to bet $10 to a dime that there has been no more than three or four, if that many, typewritten statements expressing any conclusions as to the legality of this modification of the civil rights law.

FULL INVESTIGATION TO CONTINUE

On the question as to whether there was any discussion or consideration given to total exemption from section 301 of Executive Order No. 10925, I relied on sources that have been extremely reliable in the past. I am making my own investigation into this whole affair. So far, the response to some of my inquiries has been less than prompt or cooperative. Nevertheless, I shall continue and, in due time, I expect to be able to report the entire sordid aspects of this evident Kennedy administration double standard for administration of the equal employment opportunity law as set forth in Executive Order No. 10925.

ARE PRIVATE UTILITIES UNHAPPY?

With regard to the Hanford proponent's reference to the Portland General Electric Co., I would like to report that

I have had no contacts on this matter with that company or any other of the five private utilities who are participants in these contracts of questionable validity. If any of these companies are at all unhappy about the matter, perhaps they should have considered that old Chinese proverb:

He who lay down with dogs shall arise with fleas.

Actually, the use of the Portland General Electric Co.'s name was a happenstance, in that it was on the authenticated copy of the Bonneville-Washington Public Power Supply System contract supplied by Bonneville, under a request from the office of another Congressman who is interested in this Hanford deal. It could just as well have been the name of 1 of the other 76 participants.

DUPLICATION IN STATEMENTS MAKE ANSWERING EASIER

In replying to the Hanford protagonist, I have also covered most of the Hanford proponent's statements, in which she attempts to explain away my charge of deliberate noncompliance with a portion of Executive Order No. 10925 regarding equal employment opportunity. Of course, when whole paragraphs of their statements are identical, it makes the job easier.

NATIONAL SECURITY NEGLECTED

In closing, I want to emphasize that this is not all I shall have to say about this matter. I intend to continue digging until I get to the bottom of this Hanford power deal that indicates it has resulted in serious adverse effects on the national defense posture of our Nation. It is no longer just a question of the evasion of a civil rights law, but can well encompass the question of national survival. If plutonium production is now critically needed in the national interest, then the completion of the new production reactor should be pressed at maximum speed without reference to power. If plutonium is not now in urgent need and the 2 years' loss in plutonium production from the new production reactor at Hanford is not a serious development of critical national importance, then the Congress and the taxpayers of the Nation have been the victims of a gigantic and costly hoax. We might well ask if we have been hoodwinked into providing an additional subsidized electric power source to an area now enjoying the lowest power rates in the Nation which were made possible at a cost to date to the taxpayers of the Nation of over $2 billion.

HAS PREFERENCE LAW BEEN VIOLATED

The reference to the dire effects of the loss of approximately 80,000 kilowatts of firm power to each of the private utilities raises some interesting questions. As I have noted earlier, there are still other contract cancellation provisions remaining in the Hanford power contracts. In addition, there is another question of Hanford power contract validity with respect to the five private utilities.

The Bonneville Administrator recently testified before a congressional committee that the entire output of Hanford was to be turned over to Bonneville and Bonneville would, in turn, deliver firm Federal hydroelectric power to each of these five private utilities who are participants in the Hanford power contracts covering a 30-year period. Under the present preference laws, Bonneville cannot make firm power contracts with private utilities for 30 years without recall provisions if a preference customer needs the power. Conditions could well occur under which the preference customers would sue to force Bonneville to recall the Federal hydropower committed to private utilities under these contracts. Here, again, it appears Bonneville is attempting to evade another law in connection with this Hanford power deal. Furthermore, not satisfied with the present preference law, Bonneville wants Congress to give them a special preferential preference law to permit them to keep strings on all the Federal power in the Pacific Northwest. Thus, the taxpayers of other regions of the country who have contributed over $2 billion for Federal hydroelectric projects in the Pacific Northwest would be excluded from reaping any of the benefits of their investment.

All in all this whole thing smells. Let me summarize it:

First. Double standard for administration of civil rights law in provision for noncompliance.

Second. Serious adverse national defense aspects.

Third. Evasion of existing power preference law.

Fourth. Promotion of a preferential preference bill to exclude other parts of the country from enjoying some of the fruits of the multibillion-dollar tax payer investment in Federal power projects in the Pacific Northwest.

LAW DAY, 1963

Mr. KEITH. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD and include a speech.

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

There was no objection.

Mr. KEITH. Mr. Speaker, my friend and distinguished colleague from New York, ROBERT R. BARRY, addressed the Lions Club of Bronxville, N.Y., on May 7 in connection with "Law Day, 1963."

His speech reflects a deep understanding of the importance of the law in maintaining freedom and good government. Because my colleagues as legislators are keenly interested in the rule of law, I insert Congressman BARRY'S excellent speech at this point.

LAW DAY, 1963

Ladies and gentlemen, I am deeply honored to be with you today as a participant in these Law Day observances.

Until May 1, 1958, the first of May was the occasion for the Communists in this country and throughout the world to stage parades, one major purpose of which was to disparage America and the heritage of freedom.

But in that year, President Eisenhower endorsed the idea of the then president of the American Bar Association, Mr. Charles Rhyne, and proclaimed May 1, as Law Day.

It was a day in which Americans could meet together and reflect upon their great heritage of individual liberty under law. Its purpose was and is to foster a deeper respect for law, encourage responsible citizenship, and promote national unity and strength by reaffirming faith in the "rule of law," as the foundation stone of American life and government and as an example to the world of what reliance upon the rule of law can mean to peoples of all nations as the only sure road to peace and order.

Since that first auspicious beginning, Law Day has been celebrated annually by ever-growing numbers of groups and organizations throughout the country. In 1961, its significance was heightened by the passage by Congress of a law designating May 1 of each year as Law Day.

Law Day on May 1, perhaps comes as close as any other day in the year to being that special time when we search for and express at least part of the meaning of America. It offers us not only an opportunity to refresh ourselves once more in the wellsprings of liberty and to reinvigorate an awareness of the eternal tie between law and freedom, but also to demonstrate to others the strengths and the riches of a system founded upon the rule of law.

The weapons that we marshal in our demonstration are our Constitution, our Bill of Rights, our laws and our liberties in contrast to the tanks and steel-gray guns that rumble through the streets of the Communist capitals.

We proclaim law as the end of our civilization; they parade force. We commemorate the blessings of freedom; they, coercion and the bleakness of fear. We demonstrate that government is the servant of the people and its purpose the good of all; they demonstrate that government is the master of the people and that its good is the purpose of all.

It is in times of national crisis that we are most inclined to reexamine the foundations of our society. It is altogether fitting then that we pause to consider the rule of law and its relevancy to our history and to ourselves.

Law Day is really a day of massive American introspection with its end purpose a national rededication to those mighty ideals and principles which forged our freedom initially and which have preserved it throughout the critical periods of our development. It is not only a day for lawyers, it is a day for all those who respect and live by and for the concept of law as the basis of our civilization.

Sometimes the significance of the law in our country is overshadowed by jokes about law and the legal profession. Former Attorney General Rogers used to tell the story about the letter a woman wrote to her attorney as follows:

"I want to thank you for winning my case. I especially liked the way every time that other lawyer asked me those unfair questions, you jumped up and objected. I'm recommending you to all my friends as a real objectionable lawyer."

But despite a certain flippancy at times about the law, the American people have always understood its real meaning to freedom and the American way of life. As nothing else in our development, the "rule of law" has had an overwhelming importance to us. It directly affects almost every face tof our daily lives—our families, our business, our property, our safety, our peace, our freedom.

Perhaps no one described the meaning of law more concisely than did William Pitt during a speech to Parliament in 1770 when he said, "Where law ends, tyranny begins."

It was because the Founding Fathers were so deeply cognizant of the sacrifices and struggles that men had suffered and undergone in order to gain freedom, that they were determined to establish a system where the concept of the rule of law would be forever enshrined, inviolate from the passions of those seeking total power. They knew, as the late Justice Jackson stated a few years ago,

"The choice is not between order and liberty, it is between liberty with order and anarchy without either."

This concept of law, that is, of affording liberty in an ethically ordered society, was expressed by the philosopher, Immanuel Kent in this fashion when he described law as "the sum total of the conditions under which the personal wishes of one man can be reconciled with the personal wishes of another man, in accordance with a general law of freedom."

The result is the greatest freedom for each man consonant with the well-being of his neighbor. This is the blessing of the rule of law.

Thus, the instrument by which the Founding Fathers created this system of free government was the Constitution. The means they looked to for the preservation of such a system, was the law.

In his "Constitutional Government in the United States," Woodrow Wilson phrased this concept in these words, "Constitutional government," he said, "is par excellence a government of law."

The bases of our system of the rule of law are the Constitution with its provisions for limited government, the Declaration of Independence with its thrilling, eternal passages of the right of the individual, the Bill of Rights which sealed so many of these principles into the heart of our civilization, representative and responsible government subject to the decisions of its sovereign, the people, at stated times through elections, and an impartial judiciary for the settlement of disputes.

The result is a society where the rights of people are governed by established rules and where the freedom and dignity of the individual are assured.

The standard is the equality of all before the law. Each man is then free to make as much of his life as he wishes so long as he accords the same privilege to his fellows.

The rule of law is perhaps the finest moral and political concept yet developed by man. Under the principle of equal justice for all, progress and order are nourished and sustained, and conflicts are resolved by law rather than force. This paramount underlying concept has been the major reason for the attainment by America of its place of world leadership and for the continued expansion of our strength and our "good society."

At the bottom of our system of law are we the people, exercising individual and moral responsibility and demonstrating our respect for the rule of law in our every daily action. Without this virtuous citizenry not even the Constitution could make our system work. In the words of the late Chief Justice Hughes, "Unless you have sound public opinion * * * the Constitution (would be) * * * nothing but a piece of paper."

Our system under law works because we the people want it to work; because we believe in it; because we know that it has preserved freedom and peace in our country in the past and that the rule of law offers the best promise for achieving permanent world peace in the future.

But to keep our responsibility and awareness at their finest pitch, we celebrate Law Day each year and rededicate ourselves to these magnificent principles.

As former President Eisenhower said, "It isn't enough merely to say, 'I love America' and to salute the flag. And to take off your hat as it goes by, and to help sing 'The Star Spangled Banner.'"

If we are to promote and preserve our great system of legal order and freedom we must work at it day in and day out, year after year. Our record thus far has been indeed, superb, but we are fully conscious that our system here at home is far from perfect, that it has many dark and gray areas where the warm light of freedom and equality has yet to shine.

We count our blessings on Law Day, but it can be more, it can be an inspiration to us to strive even harder to perfect equal justice under law for all.

And beyond its significance to us here at home is its promise for world peace. One of the primary purposes initially announced for Law Day was to awaken and educate the legal profession and the public to the promise and potential of a world ruled by law. One way in which our celebrations of Law Day helps is the demonstration to the rest of the world that when millions upon millions of individuals voluntarily accept the demands of responsibility and individual restraint, peace and freedom are fostered and preserved.

We can also resolve to support actively, by letting our representatives know of such support, the programs and policies of our Government aimed at furthering the solution of world problems through the processes of law and persuasion. Such programs include not only our efforts in the United Nations and our attempts to negotiate disarmament agreements, but our assistance to underdeveloped lands where our objective is to aid the growth of responsible, independent countries cooperating with restraint and maturity in deliberations concerning world problems and in relations with their neighbors.

No one, of course, envisions an utopian situation where all conflict will be forever vanished from the world. But we can work, both inside and outside the United Nations, for the slow acceptance of ways and means of peaceful absorption or resolution of conflict.

Considerable experience in procedures and types of machinery has been gained since World War II in this area. The successful experience, for instance, of the European Court of Justice has led to the examination by bar groups of the possibility of creating similar regional and specialized courts for the Americas, for Asia, and for Africa.

Another development has been the growth of the use of arbitration agreements particularly in the areas of commerce and trade, and economic development.

A third has been international conferences of lawyers seeking to develop areas of mutual agreement such as a general codification of existing principles of international law.

Ideas for a World Law Day and World Law Year as well as the creation of a permanent World Peace Through Law Institute have been proposed and are being worked upon. A World Law Day would help to focus attention everywhere upon the promise and potential of law in the world community. A World Law Year (similar to the International Geophysical Year which accomplished so much for science) would involve cooperative endeavors upon a whole series of projects for the drafting of new treaties and conventions to update world law.

But you ask What can I as a nonlawyer do to help further this process of a step-by-step building of a world of law and justice?

Religious and civic groups, as well as governments, are taking an increasing interest in the development of these programs. While the legal profession will do the legal spadework, the dissemination of results and the stimulation of interest in such programs constitute ways by which nonlawyer groups are participating and can participate significantly in the process of building toward world law.

Ladies and gentlemen, thank you for your attention and your interest in these remarks on the origin and meaning of Law Day. As I have attempted to point out, Law Day has essentially four purposes: (1) Examining the meaning of law in our own history and development, (2) fostering a deeper understanding of the rule of law and its relationship to freedom, and of a deeper respect for law, (3) encouraging the continuance of the practice of responsible citizenship, and (4) awakening and educating Americans to the promise and the potential of a world ruled by law.

We know the full meaning of the rule of law to ourselves and to our country. It is the greatest blessing with which we and mankind everywhere can be endowed.

The great opportunities for the development of law in the future are both here at home and among the nations of the world. In the words of Charles Rhyne, the "father of law day": "If we work as hard to build this world of law as we do on other tremendous programs like that of concentrating enough brainpower and manpower—and money—to do such hitherto impossible things as putting a man into space or on the moon, we will succeed. And that success will be much more meaningful because when a world of law is achieved man can then walk anywhere on the face of the earth, or travel in outer space, in freedom, in dignity, and in peace."

REQUEST FOR EXTENSION OF REMARKS

Mr. REIFEL. Mr. Speaker, I ask unanimous consent that the gentleman from Maryland [Mr. MATHIAS] be permitted to extend his remarks in the Appendix of the daily RECORD in three instances.

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

Mr. JONES of Missouri. Mr. Speaker, reserving the right to object, if the Chair would indulge me for a minute I think I can explain why I am making this reservation and why I intend to object.

Mr. DINGELL. Mr. Speaker, regular order.

The SPEAKER. The regular order is demanded. Is there objection to the request of the gentleman from South Dakota?

Mr. JONES of Missouri. Mr. Speaker, I object.

REQUEST FOR EXTENSION OF REMARKS AT THIS POINT IN THE RECORD

Mr. REIFEL. Mr. Speaker, I ask unanimous consent that the gentleman from Iowa [Mr. SCHWENGEL] and the gentleman from California [Mr. BOB WILSON] have permission to extend their remarks at this point in the RECORD and to include extraneous matter.

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

Mr. JONES of Missouri. Mr. Speaker, I object.

REQUEST FOR SPECIAL ORDER

Mr. REIFEL. Mr. Speaker, I ask unanimous consent that following the legislative program and any special orders heretofore entered into the following be permitted to address the House:

Mr. BROMWELL, on June 18, for 30 minutes.

The SPEAKER. Is there objection?

Mr. HAYS. There is, Mr. Speaker. I object.

The SPEAKER. Objection is heard.

REQUEST FOR EXTENSION OF REMARKS

Mr. ALBERT. Mr. Speaker, I ask unanimous consent that the following Members may be permitted to extend their remarks in the Appendix of the daily RECORD and to include therein extraneous matter: Mr. CELLER, Mr. ROONEY, Mr. HEMPHILL, Mr. MORRIS, Mr. FLOOD, Mr. VANIK, Mr. RODINO, Mr. MULTER, Mr. MURPHY of Illinois, Mr. McDOWELL, and Mr. ROGERS of Florida, each in one instance.

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

Mr. JONES of Missouri. I object, Mr. Speaker.

AMERICAN MIGRANT WORKERS

Mr. GONZALEZ. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

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

There was no objection.

Mr. GONZALEZ. Mr. Speaker, I was recently privileged to be among those who successfully opposed any extension of the Bracero Act—Public Law 78.

One of the reasons for my opposition to the 2-year extension—or any other extension—of this act was aptly stated by the Christian Science Monitor in an article of March 9, 1962, which states in part "braceros occupy in the agricultural economy of the Southwest a place roughly comparable to that of slaves in the onetime cotton empire of the Old South."

This is a manifestly true statement, for the braceros were then and are now nothing much above the status of slaves.

What effect did this importation of cheap foreign labor have on American farmworkers?

The answer is that wages were depressed. In a typical situation in Texas not so long ago, the father of a family could make $6.15 in a day if he picked 300 pounds of cotton. Anybody who knows will tell you that picking 300 pounds of cotton in a day is something not easy to do. Who can support his family on $6.15 a day even when housing is furnished?

The answer is, of course, that nobody can. In order to survive, the domestic laborer had to press his wife and children into service. They might be able to average about 175 pounds apiece in a day of about 12 hours. Their contribution would enable the family to survive. But at what price?

The children could not work and go to school at the same time, and so they received no education to speak of. Result? In later life they, too, would become migrant agricultural workers.

The working conditions of migrant Americans are far below the standards of other American workers. In Texas, there is no protective legislation for these workers. There is no minimum wage, there is no workmen's compensation, there is no safety code, there are no housing safeguards, there are no health regulations, and there are no other laws to protect these workers. While many employers are honest and fair, there are some who are not, and the lack of State regulations invites these few to take full advantage of the vacuum.

I have seen enough to know that the working conditions of American migrant workers hang somewhere between civilization and medievalism. I would hope that this House will not make things worse by any extension of Public Law 78.

COMMITTEE ON POST OFFICE AND CIVIL SERVICE

Mr. MURRAY. Mr. Speaker, I ask unanimous consent that the Committee on Post Office and Civil Service may have until midnight tonight to file a report on the bill, H.R. 5795.

The SPEAKER. It there objection to the request of the gentleman from Tennessee?

There was no objection.

THE PRICE OF PEACE

Mr. HALL. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

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

There was no objection.

Mr. HALL. Mr. Speaker, peace has always been an aspiration of a strong America, but we have never sought "peace at any price or at any cost," for the price of peace can frequently be counted in the forfeiture of freedoms, the loss of liberties, and the negation of national prestige. Surely we have led the world in independence, freedom, and establishing our "colonies" as independent nations.

Perhaps while our President is seeking a so-called peace which, growing through a series of stages is to permit "parallel political developments that would take the place of arms," it would prove profitable to examine and assess the price that Americans are being forced to pay for peace at the present time.

Only last week the administration's policy, or would it be more correct to say lack of policy, provided a clear and striking example of the loss of liberty, freedom, and dignity which every American citizen has had to pay in order that the so-called peace be maintained. On June 5 under the dictates of eight armed Venezuelan pro-Communist terrorists, six unarmed Americans of the U.S. military mission to Caracas were forced to disrobe publicly in that capital city. Unsatisfied with disgracing American representatives, the "red" raiders—admittedly Communist conspirators and most likely Castro-trained and Cuba-based—impudently burned a U.S. flag and a portrait of George Washington before setting the entire mission ablaze and fleeing with the clothing and valuables of the American citizens involved. They had the gall and audacity to tell our GI's that they would not be so lucky as to escape with their lives the next time.

Certainly, no legislator of this House will recognize this outrage as any part of peace, yet many will not hesitate to assert the specious and fallacious conclusion that any sort of retaliation would act as a detriment to peace. However, one has only to look to the real source of the difficulty in order to find a point at which a strong, uncompromising stance in foreign policy would have precluded the possibility of this and other outrages to America.

The editors of a leading news magazine went straight to the heart of the matter in diagnosing the cancerous Communist terror as being initiated by subversives trained in Castro's Communist Cuba. A firm policy in regard to Cuba, its trade and its emigrant flow could and would have prevented this outrage against our Nation and other subversive activities in Ecuador, Bolivia, Peru, and other Latin American republics.

What kind of action did the public humiliation of our citizenry and the degradation of our flag evoke from our State Department? Did it add starch to the soft approach of the administration? No, the button-down collar of the intellectual has seemingly evolved into the buttoned-lip policy of our State Department. In fact, no action whatsoever in regard to these disgraces has been taken. More important still, is the continued lack of a policy of strength regarding Castro's exportation of subversives to our South American neighbors.

My distinguished colleagues, the gentlemen from Florida [Mr. CRAMER and Mr. ROGERS], only last Monday, June 10, brought to the attention of this body the startling facts concerning the soft policy of the administration toward the continued buildup of Castro's Cuba. They were careful to point out that the buildup was taking place through the unrestricted trade of the island dictatorship with many countries of the free world whom we are assisting with considerable economic and military aid and with whom we still engage in an active trade. The inconsistency of American policy at this point is too glaring to ignore. This price of peace is too great to pay, especially when one realizes that peace cannot be purchased in this manner; while maintaining any semblance of dignity and honor—individual or national.

Do Americans across this great Nation share with our President the frightful feeling, the policy which deals from fear, that a soft line in foreign policy is justified and necessitated, because "it is discouraging to think that their leaders—the Communists—may actually believe what their propagandists continually write"? Certainly, the general public cannot join the Chief Executive in this sophisticated "whistling in the dark" when the facts of subversion stare us in the face and the Berlin wall prevents freedom-loving individuals from true liberty and equality.

The supposedly new policy statement of the administration on Monday was

merely the overt declaration of a pacifistic policy of verbal internationalism intended to hide a fearful isolation in the realm of useful policy implementation. In recent times so-called peace has been purchased at the price of principle and prestige. Without serious protest Russian fishing vessels have approached our scant 3-mile limit, American fisherman have been ordered out of several fertile parts of conceded international waters of the oceans, Turkish confidence in America has been seriously undermined, and wherever possible we have crept away from conflict with Cuba—in fact, there again we snatched defeat from the jaws of victory when the entire free world was on our side and the Communists were admittedly deceitful and overextended.

It is foolish to lull ourselves into the false security procured by thoughtful inaction. Experience regarding appeasement and tolerance toward Hitler in the 1930's should have taught us that such a policy merely builds the confidence of the warmonger, suggesting to him the possibly of ultimate success. Like it or not, chauvinistic as it may be—nonresponsible nations understand only firm action and a "big-stick" policy, no matter how softly we speak. Our recent actions as a Nation has not borne this out. Peace must not be bargained for at the price of principle. History tells us that it cannot be. If Americans are now so dominated by anxiety over nuclear capabilities, the price of peace may well again involve a Pearl Harbor, only this time recovery will be all the more precarious.

What does it take to awaken the will of the people of the United States of America, who bravely sent the U.S. Marines—as a fledgling Nation—to the shores of Tripoli in order to correct injustices far less serious than we now accept without protest in Cuba, Venezuela, and even Ecuador—which we feed.

MIA JUNE CONFERENCE

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

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

There was no objection.

Mr. BURTON. Mr. Speaker, I wish to call attention to a very significant event occurring this weekend in my home State of Utah.

Beginning Thursday, June 13, youth leaders from all sections of the United States and many foreign countries will arrive in Salt Lake City for the 64th Annual June Conference of the Mutual Improvement Association of the Church of Jesus Christ of Latter-day Saints.

The Mutual Improvement Association is an organization within the Mormon Church which has as a specific aim, the promotion of wholesome activity for young people. The two divisions of the association, Young Men's Mutual Improvement Association and Young Women's Mutual Improvement Association are under the direction of G. Carlos Smith and Florence S. Jacobson, respectively.

From the very beginning of the church, the importance of young people as the leaders of the future has been recognized. Great stress has always been placed upon the necessity of helping youth become responsible adults—individuals in whose daily lives, religious conviction, moral integrity, and honesty are constantly applied.

The key has been activity—activity which diverts the energy and enthusiasm of youth into character building endeavors of lasting worth. Religious values and spiritual development serve as the underlying influence which provide the activity with proper meaning and orientation.

The simple maxim "Be honest with yourself," becomes an integral personality trait through participation, for example, in sports where sportsmanship is placed above winning. Camping, handiwork, and service projects incorporate high regard for honest effort into the daily actions of young people. Development of the ability to communicate and think maturely is a reality through public speaking and drama fostered by this organization. Other talents find expression through the association-sponsored music and dance programs.

Thus the Mutual Improvement Association supplements the efforts of the home and community in building capable future leadership.

The attendance of the local leaders at all sessions of the conference is expected to exceed 100,000. This is indicative of the activity of this organization of the church in reaching the lives of young people all over the world.

The conference itself will take place June 14 and 15. Stress will focus upon increasing leadership ability and devotion to the service of youth on the part of the association workers.

In this day when the problems of juvenile and adult crime are increasing, it is refreshing to cast our attention upon the efforts of an organization in which a program to combat these problems on the level of their genesis is active, applicable, and effective.

U.S. PUBLIC HEALTH OFFICIAL CALLS ST. LOUIS WATER POLLUTION ABATEMENT PROGRAM "MODEL FOR NATION"

Mrs. SULLIVAN. Mr. Speaker, I ask unanimous consent to address the House for 1 minute, to revise and extend my remarks, and to read into the RECORD the high praise by U.S. Public Health Service officials to MSD and St. Louis communities, with reference to the pollution abatement program.

The SPEAKER. Is there objection to the request of the gentlewoman from Missouri?

There was no objection.

Mrs. SULLIVAN. Mr. Speaker, we in St. Louis are very proud of the steps being taken by our communities to help solve the urgent national problem of water pollution, and to provide our area with the facilities necessary to prevent further pollution—and thus help to clean up our great Mississippi River.

The agency assigned this responsibility is the Metropolitan St. Louis Sewer District, the executive director of which is Mr. Peter F. Mattei. From every indication this agency is doing a good job. I was pleased, therefore, to find in the May newsletter of this agency a report on a recent conference with U.S. Public Health Service officials at which the MSD program was described as becoming "a model for the rest of the Nation."

According to this account, Mr. Murray Stein, of Washington, D.C., Chief Enforcement Officer of the Water Supply Pollution Control Section of USPHS, said that no other metropolitan area in the country had approached its water pollution problems "with such foresight, orderliness, and cooperation." This is indeed good news for those of us from the St. Louis area who have supported effective measures to combat water pollution, because this proves we are trying our best on the local level to solve a national problem which can be solved only with the utmost local cooperation and much sacrifice.

Mr. Speaker, I submit for inclusion as part of my remarks the item which caught my eye in the May newsletter published by the Metropolitan St. Louis Sewer District, as follows:

U.S. OFFICIAL PRAISES MSD

High praise was given this month by U.S. Public Health Service officials to MSD and the St. Louis communities for their outstanding manner in which the pollution abatement program here has been handled. "In the years to come, the St. Louis area will serve as a model for the rest of the Nation," said Murray Stein of Washington, D.C., Chief Enforcement Officer of the Water Supply Pollution Control Section, USPHS.

Stein said that no other metropolitan area in the country had approached its water pollution problems with such foresight, orderliness, and cooperation. He praised the officials of the many communities involved in this area, various other public officials, and singled out MSD for particular tribute on the manner in which we have moved ahead on a very complex problem.

Stein's remarks came at a progress meeting here on Friday, May 10, at which he and other USPHS officials from Washington, Chicago, and Kansas City heard reports on pollution abatement measures being taken in the Greater St. Louis area.

The meeting was the seventh such semiannual review session of Federal officials with Missouri, Illinois and local authorities. The regular progress meetings were recommended by the March 1958 conferences conducted here by the U.S. Department of Health, Education, and Welfare. This was the conference that set in motion the area-wide pollution abatement program, which for the MSD area reached a high point last November in vote-approval of the huge Mississippi River project.

After reviewing reports of progress both in the MSD area and on the East Side, Stein and his fellow Federal officials characterized the MSD program as moving ahead "in excellent fashion." They expressed "pleasant surprise" at the strides made by East Side communities since the last semiannual progress meeting, and mildly cautioned Illinois authorities that only three small areas "could bear watching."

HOSPITAL INSURANCE UNDER SOCIAL SECURITY

Mr. ROSENTHAL. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

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

There was no objection.

Mr. ROSENTHAL. Mr. Speaker, representatives of senior citizens clubs from many States have come to the Capitol today to urge upon us early and favorable consideration of amendment of the Social Security Act to extend some measure of hospital and nursing home insurance protection to those eligible for retirement benefits.

Over the years the Social Security Act has been expanded and revised many times and each amendment has been accompanied by the woeful cries of those who oppose any Federal assistance in the field of social welfare. However, each and every time, their dire predictions of increases in unemployment, decline in purchasing power, tremendous increases in taxes, prohibitive administrative costs, and so forth, have failed to come true. Indeed, the social security system, since its inception has proved to be a sound, economic, and humane way to aid our citizens, many of whom are still not eligible for private pensions or annuities.

Months ago, Mr. Speaker, the President sent Congress his recommendations with respect to aid for our elderly citizens. His message proposed, among other things, that a hospitalization insurance program be instituted under the social security system to assist our senior citizens in meeting the hospital and nursing home costs that so many of them must face. The President is calling for another progressive step forward by requesting that hospitalization insurance protection be added to the retirement and disability benefits now available through the social security system. With reduced incomes, facing more frequent illnesses or breakdowns, remaining hospitalized or under the care of a physician for longer periods of time, our older people must be provided with adequate protection and care. They are entitled to it, and we must see that they get it.

It is unfortunate that private insurance programs have not been able to solve the problem, but the reason for this failure is simple and basic—people on retirement incomes are greater risks insofar as insurance is concerned, and therefore the premiums for coverage are extremely high. Low-cost group insurance is generally not available to them, and buying on an individual basis is necessarily very expensive and, in many cases, virtually impossible.

Because I believe that the administration's proposal will be an effective method of providing care and treatment for our older citizens, I am today introducing a companion bill to the measure introduced by the gentleman from California, Congressman CECIL R. KING, during the current Congress. I am hopeful that the Committee on Ways and Means will be in a position to take action on this bill in the very near future, and I trust that this House will see fit to pass such legislation when it reaches the floor for consideration.

Finally, Mr. Speaker, some newspaper columnists who purport to tell their readers the inside story, are claiming that a move is afoot to compromise this issue by amending the King bill to permit the Social Security Administration to delegate the administration of the program to the Blue Cross or other organizations. In my opinion this is an unwise proposal despite its superficial plausibility and despite the worthy congressional sponsorship it is said to enjoy.

Although incorporated as a nonprofit organization and, broadly speaking, operated in the interest of the community at large, in actuality the Blue Cross is dominated and controlled by the purveyors of hospital service—the so-called voluntary hospitals. Neither Blue Cross nor the American Hospital Assoication has announced support or endorsement of the bills to add hospitalization to the present package of social security benefits. Now, however, as enactment of the bill becomes more certain, the hospitals and the physicians who largely dominate their governing boards wish to capture the hospitalization insurance program.

I am opposed completely to this maneuver. I will not vote to place administration of a public program in the hands of its private opponents. I will not vote to place administration of a public program in the hands of the private vendors it would reimburse. I will not vote to place administration of a public program in the hands of a private organization that cannot possibly do the job at a lower cost than the Social Security Administration. I will not vote to place the administration of a public program in the hands of a private organization that is not subject to the equitable rules of merit employment that apply to public agencies.

I trust, Mr. Speaker, that the newspaper reports to which I refer are in error and that the efforts to effect this shoddy compromise will come to naught. I call upon any of my colleagues who may be approached with this proposition to stop, look and listen. The fact that such schemes are even proposed is clear evidence that victory is near at hand for the President's plan for hospital insurance for older people under social security. Now is the time for all friends of the President's bill to stand fast and reject unworthy compromises.

RIGHTWING EXTREMISM

Mr. GONZALEZ. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and include a statement.

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

There was no objection.

Mr. GONZALEZ. Mr. Speaker, last week my able friend and colleague, MORRIS K. UDALL, devoted his newsletter to the subject of rightwing extremism in this country. This gentleman from Arizona is known for his thorough work, and I commend his words to you.

FRIGHT FOR SALE

For 2 years now, on every working day, the postman has left on my doorstep 150 or more pieces of mail. Some are newspapers, press releases, and routine communications from Government agencies. Many are letters from constituents asking for help. Some are thoughtful, constructive comments on great issues of the day. But nearly every morning I find 10 or 15 letters which defy description—letters filled with fear, suspicion, and distrust, not of enemies and potential enemies, but of our own Government and the leaders we ourselves have elected to office. For 24 months I have thought this strange, irrational mark of our times would pass. Instead, it persists, defying fact, reason, and the lessons of history.

Nearly every week I am told that there is a Liberal-Socialist-Communist plot to turn our Government into a dictatorship. Earl Warren, our Nation's Chief Justice, is a "fellow traveler" who should be impeached. President Kennedy, a usurper of power, is preparing to turn our Armed Forces over to the United Nations; as a first step he has removed the words "In God We Trust" from our dollar bills. In the minds of these Americans most of the men and women who serve in Congress, most Supreme Court Justices, and nearly all of our executive department officials are left-leaning, Socialist, ultra-liberal, neo-Communist dupes—if not worse.

Everyone likes to receive mail, but imagine starting your day—every day—with messages like the following:

"It seems that the Constitution is a cloak only to be used when the little Kennedy brothers and their kosher friends need to show their might by invading the State of Mississippi."

"Has any foreign person not a Communist or a cannibal approved our foreign policy?"

"It is regrettable that you liberal-socialists are bent on throwing away for mysterious international reasons everything Americans have had to fight for."

"I am mad clear through * * * about what you and our other representatives are doing to us, our country and our heritage down there in Washington."

"Why do you believe Christian-American taxpayers should support an anti-Christian, pro-Communist, and alien Jew rabbi?"

"Many of us * * * are ashamed of your lying tactics."

"Of all the rats and snakes elected to office in Washington to represent the people and carry out their wishes, you rank head and shoulders beneath the lowest."

The people who write these letters aren't foreigners, or New Yorkers, or Californians. They are Arizonans who live in Bisbee, Phoenix, Casa Grande, and Tucson. Some of them may be neighbors of yours.

OVERTONES OF PREJUDICE

To me the most alarming feature of these letters and the pamphlets which so often accompany them is their thinly disguised or even blatant overtone of racial and religious prejudice. I always shudder in this year of 1963, in a supposedly enlightened and tolerant Nation, to find people accepting statements like the following:

"Just last month I was sent the current Gerald L. K. Smith publication, The Cross and the Flag, which declared: "Observers * * * have known for many years that international Jewry plotted the complete liquidation of the German race." This is history turned topsy-turvy, for the Germans systematically put to death 6 million Jews. Yet an Arizona lady writes: "There never was any execution of 6 million Jews as they would have us believe."

I'm also served almost daily with the words of another "authority," Myron C. Fagan, who with Smith is a prime mover in the current hysteria over disarmament. Fagan tells his readers—and many believe him—that the Anti-Defamation League of B'nai B'rith, working with the National Association for the Advancement of Colored People, has a plot to get control of our communications media—"you know what for"—along with other "treasonous activities."

Another "authority" is the Reverend Carl McIntire of Collingswood, N.J., whose daily radio program is heard in our State. In the name of Jesus Christ—the greatest exponent of charity and brotherly love—he regularly preaches hatred of Pope John (for his final encyclical "Peace on Earth"), the Roman Catholic Church ("the harlot church and the bride of the anti-Christ"), the National Council of Churches ("apostate, Communist and modernist"), the United Presbyterian Church and Evangelist Billy Graham ("a compromiser"). McIntire attacks the peaceful demonstrations of Negroes in Birmingham, implying they are "Communist-organized" and "Communist-controlled."

A REPUBLICAN SPEAKS OUT

Senator THOMAS KUCHEL the able, moderate California Republican often mentioned as a possible presidential candidate, has become so concerned about the volume and virulence of this kind of mail that he recently made a remarkable speech of conscience detailing the common experience of all of us who have the honor to serve in the greatest legislative body in the world.

In a systematic way Senator KUCHEL went down the line of charges currently being made by what he termed the "fright peddlers." He inserted into the CONGRESSIONAL RECORD reproduction of some of the stupid, inflammatory and fraudulent pamphlets distributed by the John Birch Society, Smith, Fagan and various self-styled "patriotic" organizations. He told the Senate:

"Do these people really believe, I ask myself—and now I ask them—that a gigantic and incredible and unprecedented conspiracy has occurred in America in which the President and his Cabinet, 99 percent of the Congress, 99 percent of the Nation's journalists, and even the U.S. Army have all taken part to sell out our country? * * *. If they do, the only reasonable reply I can give to them which they will understand is the honorable, 100 percent red, white, and blue expression: 'Nuts.'"

This speech by Senator KUCHEL is so important that I have obtained several hundred copies and will make them available to those readers who wish to pursue the matter further.

AGREE WITH ME OR YOU'RE A TRAITOR

My staff and I have spent many hundreds of hours compiling patient and reasonable answers to the people who write these letters, but there can really be no intellectual exchange or respect for honest differences of view. You either agree 100 percent with them or you become, at best, a well-meaning dupe or coward and, at worst, a traitor.

Even conservative Republicans are not immune to such wild charges. My able colleague, Congressman JOHN RHODES of Phoenix, was attacked as a "coward" when he refused the request of a member of the Arizona house of representatives to sponsor impeachment of President Kennedy for sending troops to maintain order in Alabama. The attack was so intemperate that it prompted the Phoenix Gazette to comment, "To vilify a public official personally because he disagrees with an extreme suggestion * * * is piling extreme upon extreme."

America has always had its hate peddlers and other fright-purveyors, such as the German-American Bund and Father Coughlin of the 1930's and the "barn burners" and "know nothings" of Lincoln's time. Yet I doubt that we have ever had such a consistent, sustained, well-financed, long-lived outpouring as the kind we are observing today.

THE VESTED INTERESTS

Most of the people who write me are sincere, law-abiding citizens who are honestly concerned. Many are whipped into the frenzy of suspicion and fear by a whole battery of well-financed organizations which pour out a steady stream of pamphlets, newsletters, and radio broadcasts. Behind many of these organizations are devious people who have a stake in frightening their fellow Americans.

Some of the authors of this vicious literature undoubtedly are disturbed people—paranoid personalities of one type or another. Others are in it for a more obvious reason; they have a vested interest in frightening the American people.

If Americans believe that the cold war is going well despite problems in some places, that we are succeeding in some places and holding our own in others, that we are maintaining a majority of the United Nations on our side, these purveyors won't sell many pamphlets or lecture tickets. But if they can make Americans believe that we are losing everywhere and the Reds are winning everywhere, that we can do nothing right and the Reds can do nothing wrong, that every country that isn't 100 percent pro-American is 100 percent pro-Russian, then they can sell their pamphlets and lectures, and they can get "sacrificial pledges" from radio listeners throughout the country.

Thus, these people constantly repeat and embellish every rumor, however absurd it may be, to serve their purposes. An example was the widely reported rumor that 16,000 African soldiers "with nose and ear rings" were to participate in a United Nations exercise in Georgia, real purpose of which was "a war to invade America." The truth was that 124 foreign military officers from various allied nations observed a U.S. Army exercise in guerrilla warfare called Operation Water Moccasin.

"Vested" too is the term for the interest of certain persons of extreme wealth in these campaigns of frenzy. H. L. Hunt, the Texas billionaire, is the founder and principal financial supporter of "Facts Forum" and the "Life Line" radio broadcasts and bulletins. While scaring Americans is their stock in trade, these activities also advance the views of Mr. Hunt, who wrote a book proposing that "if you accept State aid because you are poor or sick, you cannot vote at all, and you're denied an old-age pension." Mr. Hunt's "democracy" would also provide that "the more taxes you pay, the more votes you get."

SOME FACTS THAT WON'T SELL PAMPHLETS

It shouldn't be necessary to assure Americans or Arizonians in the year 1963 of some of the following things, and I am a little ashamed to have to do it. But let's get a few facts straight, even if they won't sell any pamphlets or tracts:

The President, his Cabinet and Members of Congress are patriotic Americans. There isn't a Socialist or a Communist in the lot. The vast majority of them are overworked, underpaid, sincere and effective public servants.

The State Department is not filled with Communists, Socialists or One Worlders. Ninety-five percent of these employees served under President Eisenhower. The backgrounds and loyalty of every State Department official have been checked and rechecked by the FBI.

There isn't going to be any unilateral disarmament on the part of our country, and there is no plot to surrender our sovereignty to the United Nations or anyone else.

Dwight Eisenhower, Earl Warren, and John F. Kennedy are sincere, dedicated, and loyal Americans working for the best interests of our country. No one of them is a party in any way to any scheme to deprive us of our liberties, transform our way of life, or turn our country over to some foreign power.

The U.S. Army is not training cannibals in Georgia to invade our country and enforce integration and intermarriage.

A PRODUCT OF OUR TIMES?

I don't know what a psychiatrist would say (the prophets of fear, appropriately, are opposed to "mental health"), but I think much of this fear and distrust is a product of the dangerous times in which we live.

Prior to 1941 America went its own way. Attack or invasion by a foreign power were out of the question. There were several great powers in the world. Today we are the leader of the free world. The United States and the Soviet Union are the only great powers left, and they are engaged in a great economic and political struggle. In foreign affairs we can't always have our way, but we are deeply involved in most world events. Whether Eisenhower, Kennedy, Goldwater, Romney, or Rockefeller is President, we will have some successes, some failures, and some mistakes in our foreign policy.

At home we have domestic problems of a staggering magnitude. Our country grows by 3 million people every year. Since 1946 we have experienced an industrial and technological revolution that rivals in quality and quantity the mechanical changes between 1850 and 1917. An engineer or scientist who graduated in the 1940's would find his training inadequate if he were to step abruptly into the technological world of 1963.

Failure to understand and adjust to this changed world is, I think, a major factor in the fear psychology we are observing in our country today.

FEAR AND SUSPICION—OR TRUST AND RESPECT?

The greatest need in America today is not fear or suspicion. The greatest need is trust. We need to trust and respect and support the leaders our people have elected. Democracy finds a ready mechanism for changing its leaders whenever the majority of the people desire a change.

Americans have been notoriously poor judges of their contemporary leaders. Those who arrogantly and with complete certainty cast doubt about the patriotism of Presidents Eisenhower and Kennedy would do well to read with humility what their counterparts of 1863 said about President Lincoln.

Ask any American today to name our two greatest President, and he will surely name Lincoln as one. Yet Lincoln was bitterly denounced in his own era by many intelligent leaders of the day as ignorant, prejudiced, corrupt, utterly incompetent, atheistic, and insane. In 1863 Richard Dana, a respected writer and political figure, concluded a typical attack by declaring:

"The President has no admirers, no enthusiastic supporters * * * he is an unutterable calamity to us where he is."

Ask any American to name the greatest pronouncement of an American leader, and he is likely to name the Gettysburg Address. Yet the correspondent who covered that speech for the influential Chicago Times sent a description of the speech which ended on this note:

"The cheek of every American must tingle with shame as he reads the silly, flat, and dish-watery utterances of the man who has to be pointed out to intelligent foreigners as the President of the United States."

THE JUST END TO PUBLIC LAW 78

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

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

There was no objection.

Mr. COHELAN. Mr. Speaker, I take this minute to call our colleagues' attention to two newspaper articles and a letter which bear directly on the affirmative action taken by the House to terminate the Mexican farm labor importation program.

Contrary to the arguments raised by its supporters, the ending of Public Law 78 will not cause great damage to Mexico's economy. Rather, as the Mexican Agronomy Society stated in an article appearing in the New Mexican:

The Government had been anticipating the eventual end of the program and the men who had been working as braceros could be placed in other jobs.

At the same time, domestic farmworkers to harvest our crops are available. As Arthur Ross, director of the Institute of Industrial Relations at the University of California, stated in an interview appearing in the Berkeley Daily Gazette:

We must remember there are 500,000 unemployed workers in California alone. Many of them are members of minority groups whom farmers are accustomed to employing in particular crops. Many are young men with limited education but strong physiques. Thus there is no shortage of a potential labor supply. What is needed is to recruit and utilize it more effectively.

Such a recruitment and utilization program is possible; it has been incorporated in H.R. 4518 and similar bills. And this legislation has the support of such farm organizations as the National Farmers Union. As its president, James Patton, stated in his letter of June 10:

I feel this is the time, already too long delayed, for raising our own domestic farmworkers and family farmers out of poverty, at the same time giving many of our unemployed youth job opportunities. To this end I strongly urge you to give all-out support to quick passage of the domestic farm labor recruitment bill, H.R. 4518.

Mr. Speaker, I submit the two newspaper articles and the National Farmers Union letter in their entirety for they speak directly and constructively to this matter.

Mr. Speaker, I join in urging early and favorable consideration of this legislation.

[From the New Mexican, Sante Fe, (N. Mex.), June 3, 1963]

PROGRAM END WON'T HURT

MEXICO CITY.—Mexico's economy would not be greatly damaged if the United States ended the bracero program, a spokesman for the Mexican Agronomy Society said Sunday.

The U.S. House last week voted down a measure to extend the program under which Mexican workers can be hired by U.S. farmers.

A society spokesman said the Government had been anticipating the eventual end of the program and that the men who had been working as braceros could be placed in other jobs.

[From the Berkeley (Calif.) Daily Gazette]

BRACERO PROGRAM HALT MAY AID UNEMPLOYED

BERKELEY.—The halt to importing Mexican contract farmworkers was halted today as a measure of hope for the growing number of California unemployed.

Arthur M. Ross, director of the Institute of Industrial Relations at the University of California, noted that there now are a half million unemployed Californians, many of them only able to do farmwork.

The U.S. House of Representatives last week decided against extension of the bracero program, with the California congressional delegation splitting 19–13 in favor of continuation.

California growers employed almost 80,000 Mexican workers at the height of the 1962 harvest. The State administration is now seeking Federal aid for housing and transportation of domestic farmworkers, to fill the gap.

Ross admitted that elimination of the braceros would create major problems of adjustment involving such crops as tomatoes, strawberries, lettuce, lemons, and asparagus, which had been harvested by the Mexicans.

"A large part of the answer will be to provide steadier work for domestic farmworkers," Ross said.

"A recent study of farmworkers in Kern County showed that heads of households were obtaining an average of 138 days of work in 1961, little more than half time. Experience shows that with careful attention to scheduling and sharing of crews, at least 250 days of work could be provided annually. If this were done for a substantial proportion of the domestic seasonal workers, the loss of braceros would be compensated."

Ross added that "we must remember there are 500,000 unemployed workers in California alone. Many of them are members of minority groups whom farmers are accustomed to employing in particular crops. Many are young men with limited education but strong physiques.

"Thus there is no shortage of a potential labor supply. What is needed is to recruit and ultilize it more effectively. This will call for close collaboration between agriculture and labor groups and the employment service, so as to provide the steadiest possible work. Undoubtedly, it will also require substantial improvements in housing, sanitation, and wage levels."

NATIONAL FARMERS UNION,
Washington, D.C., June 10, 1963.

DEAR CONGRESSMAN: I wish to thank you for your recent vote opposing extension of the Mexican labor importation program. Our organization supports you in this stand and urges you to also oppose a 1-year extension of the program.

Instead, I feel this is the time, already too long delayed for raising our own domestic farm workers and family farmers out of poverty at the same time giving many of our unemployed youth job opportunities.

To this end I strongly urge you to give all-out support to quick passage of the domestic farm labor recruitment bill, H.R. 4518, now in the House Education and Labor Committee. A companion bill, S. 527 will be the subject of hearings starting June 10 before the Senate Subcommittee on Migratory Labor, headed by Senator HARRISON WILLIAMS, of New Jersey.

We wish to make clear our position.

First, we in Farmers Union have always felt that low-income (sometimes subsidized) agricultural workers are unfair competition to family farmers and their wives and older children.

Second, we feel that farmers who are required to pay fair wages and maintain good working and living conditions should have their income from farming protected sufficiently so that they can well afford to pay good wages and maintain adequate working and living conditions.

Kindest personal regards.

Sincerely,

JAMES G. PATTON,
President.

THE TIME HAS COME TO ESTABLISH A PERMANENT COMMITTEE ON SMALL BUSINESS WITH LEGISLATIVE AUTHORITY

Mr. KYL. Mr. Speaker, I ask unanimous consent to extend my remarks in the body of the RECORD and to include additional pertinent information.

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

Mr. JONES of Missouri. Mr. Speaker, reserving the right to object, the reason I reserve the right to object, and I have no objection to a reasonable amount of matter, but I think the Member asking for unanimous consent to include certain additional matter should indicate what it is and indicate its approximate length. There is a limitation on the amount of material to be inserted in the Appendix of the daily RECORD, but that limitation does not apply to the body of the RECORD. One day last week, one of these extensions in the body of the RECORD cost $5,400 just for one extension of extraneous material. That is what I am objecting to. I am not going to object in this particular case because the gentleman from Iowa has indicated to me before making the request that it is rather short. So I am not going to object and I withdraw my reservation of objection.

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

There was no objection.

Mr. KYL. Mr. Speaker, the time has come to establish a permanent Committee on Small Business with legislative authority to develop and recommend to the House of Representatives germane amendments to the following acts of the Congress:

First. The Small Business Act, which established the Small Business Administration.

Second. The Small Business Investment Act of 1958.

Third. The Robinson-Patman Act.

The Small Business Act—Public Law 536, 85th Congress—provides, in section 10(b) that—

(b) The Administration shall make a report to the President, the President of the Senate, and the Speaker of the House of Representatives, to the Senate Select Committee on Small Business, and to the House Select Committee To Conduct a Study and Investigation of the Problems of Small Business, on December 31 of each year, showing as accurately as possible for each such period the amount of funds appropriated to it that it has expended in the conduct of each of its principal activities such as lending, procurement, contracting, and providing technical and managerial aids.

Again, in section 10(e) the Small Business Act provides the following:

(e) The Administration shall retain all correspondence, records of inquiries, memorandums, reports, books, and records, including memorandums as to all investigations conducted by or for the Administration, for a period of at least one year from the date of each thereof, and shall at all times keep the same available for inspection and examination by the Senate Select Committee on Small Business, and the House Select Committee To Conduct a Study and Investigation of the Problems of Small Business, or their duly authorized representatives.

Pursuant to these sections which I have quoted, the Small Business Administration presents its annual report to the Senate Select Committee on Small Business, and to the House Select Committee To Conduct a Study and Investigation of the Problems of Small Business and makes all correspondence, records, reports, and books open and available to them. This covers, of course, the Small Business Investment Division of the Small Business Administration which was established by the Small Business Investment Act of 1958.

The protections for business provided in the Robinson-Patman Act are more important to small business than are many other aspects of the antitrust laws, and the Robinson-Patman Act is in a very real sense a "Magna Carta" for the protection of the vital interests of small business, and is so regarded by small businessmen, as is shown by a letter I have received from George Burger, vice president, National Federation of Independent Business.

HOUSE RESOLUTION 370 WOULD ESTABLISH A PERMANENT SMALL BUSINESS COMMITTEE WITH LEGISLATIVE AUTHORITY

Mr. Speaker, I have introduced House Resolution 370 which would establish a permanent Committee on Small Business with legislative authority to develop and recommend to the House of Representatives germane amendments to the Small Business Act, the Small Business Investment Act of 1958, and the Robinson-Patman Act.

It is my confident belief that this measure implements the intent of the Congress as expressed in the Small Business Act, the Small Business Investment Act of 1958, and the Robinson-Patman Act.

In addition, House Resolution 370 provides that the permanent Committee on Small Business which it would create would have authority to conduct studies and investigations of the problems of all types of small business existing, arising, or that may arise with particular reference to (a) the factors which have impeded or may impede the normal operations, growth, and development of small business; (b) the administration of Federal laws relating specifically to small business; and (c) whether Federal departments and agencies adequately serve and give due consideration to the problems of small business.

I introduced House Resolution 370 because I am convinced that small business, along with farming, is the backbone of the American economy. Our history shows that as small business prospers so our Nation prospers and is strong, steady, and self-reliant, and able to meet all emergencies during both war and peace.

In addition, I was moved to develop and introduce House Resolution 370 because it has become increasingly clear to everyone concerned that the House Select Committee to Conduct a Study and Investigation of the Problems of Small Business is terribly hampered in its efforts to serve the needs of the Nation's 4½ million small businessmen. This select committee of the House is prevented from making the full contribution it should to small businessmen because, as a study committee, it cannot legislate but can only refer its studies to other committees of the House of Representatives.

These committees generally take these studies, file them, and then make their own studies of the problems.

This process results in unnecessary delays, frustration, duplication, and waste.

Furthermore, it is obvious that the other committees of the House, which are not directly charged with the problems of small business, and which do not, for instance, have the Small Business Administration reporting directly to them, cannot possibly be as well informed regarding the difficulties which small businessmen must cope with to stay in business as the House Small Business Committee is.

As a member of the House Committee on House Administration, I have had to listen many times over the past several years to chairmen of the standing committees of the House relate their need for funds in order to carry on their constantly growing workload, a large share of which is concerned with small business and simply duplicates, or overlaps, the work which the House Select Committee To Conduct a Study and Investigation of the Problems of Small Business has already done but cannot, in the present situation, legislate on.

House Resolution 370 would cut out the waste and redtape that for so long have cluttered up the machinery established by the Congress to serve the needs of business.

It would help assure our country's small businessmen that they would get a dollar's worth of service for each dollar they paid to support the work of the Congress.

My measure would save money, end confusion, improve the processes of government, and, in addition, would add to the confidence which the taxpaying small businessmen of our country have in themselves and in the great destiny of this free people.

I include as part of my remarks a letter from George J. Burger, vice president, National Federation of Independent Business, endorsing my House Resolution 370 and its objective which is the full recognition which small business deserves of the Federal Government.

Mr. Burger wrote in part:

To the everlasting credit of the membership of the National Federation of Independent Business, carrying out their mandate instruction in our appearances before both the Democratic and Republican platform committees in convention in 1948, 1952, 1956, and 1960, we have repeatedly urged this recognition to small business.

It is our hope that the rules committee will give early consideration in this Congress and report the resolution out as there are similar resolutions also pending sponsored by Congressmen GROSS, WIDNALL, and MOORE.

I include also a letter from Mr. Burger in which the Robinson-Patman Act is described as the "Magna Carta" of small business; and the text of my House Resolution 370.

NATIONAL FEDERATION OF INDEPENDENT BUSINESS,
San Mateo, Calif., May 28, 1963.

Hon. JOHN KYL,
House Office Building,
Washington, D.C.

MY DEAR CONGRESSMAN KYL: I noted with considerable interest your splendid action of the 27th in introducing a measure that would provide for the present House Small Business Committee to be a permanent committee of the House and giving it full legislative authority.

This is a very constructive action on your part and should be welcome news not alone to small business in your own congressional district but even more important to all small business in your State of Iowa and finally, of tremendous interest to small business throughout the Nation which includes more than 191,000 federation members, all individual members comprising all types of small business in the 50 States.

What is more important in your action is that it was spontaneous on your part.

Furthermore, you are to be congratulated for the detailed statement that you made as to the need for this action by the House.

With over a quarter of a century background on Capitol Hill in behalf of small business, plus a 54-year background in small business itself, you present a constructive statement of the need which I honestly believe is not debatable.

To the everlasting credit of the membership of the National Federation of Independent Business, carrying out their mandate instruction in our appearances before both the Democratic and Republican platform committees in convention in 1948, 1952, 1956, and 1960, we have repeatedly urged this recognition to small business.

It is our hope that the Rules Committee will give early consideration in this Congress and report the resolution out as there are similar resolutions also pending sponsored by Congressmen GROSS, WIDNALL, and MOORE.

Sincerely,

GEORGE J. BURGER,
Vice President.

NATIONAL FEDERATION OF INDEPENDENT BUSINESS,
San Mateo, Calif., June 11, 1963.

Hon. JOHN KYL,
House Office Building,
Washington, D.C.

MY DEAR CONGRESSMAN KYL: In your release of May 27 at the time you introduced a resolution that would provide for a permanent Small Business Committee in the House, with full legislative authority, I noted that the third recommendation you made for the need for this action by the House was relating to the field of the Robinson-Patman Act, which, in our opinion should be the No. 1 action in the Small Business Committees of both branches of the Congress.

It will be found from the record of the proposed agendas of the respective Small Business Committees at the start of any congressional year, on behalf of the membership of the federation, carrying out their mandate urging fullest enforcement of the antitrust laws, which includes the Robinson-Patman Act, we have repeatedly urged such

action by the committees—that is as to the enforcement of the act, and as to whether there is any deficiency in the present law, and if so, corrective amendments to be made.

The truth of the matter is, with over half a century background in small business, I have come to the conclusion that the increasing problems facing small business nationwide originate in the production end of our economy and then in the distribution end. Let me follow this thought a little further in an attempt to justify our action.

Due to the strong opposition from large corporate interests, including large merchandising chains when the Robinson-Patman Act was under consideration before the Congress, when finally the act became a law in 1936 it was our opinion, and we have so stated publicly, that small business looked upon this constructive action of the Congress in their behalf as their "Magna Carta."

In the early part of 1936—to be exact, on or about March 4—a large gathering of independent businessmen took place in Constitution Hall, Washington, D.C. About 1,500 or more were present that day. The gathering was addressed by the sponsors of the legislation, the late Senator Joe Robinson of Arkansas and the Honorable WRIGHT PATMAN. I was also privileged to address that group in my official capacity at that time as secretary-general manager of the National Association of Independent Tire Dealers.

A day or two later we were honored to meet with the then President of the United States at the White House, the Honorable Franklin D. Roosevelt. We urged the President, in behalf of small business, that if the legislation was finally approved by the Congress, that he would affix his signature—which he did.

It is to be noted that shortly after the enactment of the Robinson-Patman Act the views that we held as to the "Magna Carta" for small business were confirmed in the action taken in the first instance by the Goodyear Tire & Rubber Co. in canceling its contract relationship with Sears, Roebuck & Co. in the manufacture of Sears tires by the Goodyear Co.

This was due to a cease and desist order by the Federal Trade Commission issued March 5, 1936, FTC docket No. 2116. It goes without saying that that contract relationship would not have been canceled except due to the action of the Robinson-Patman Act under which the producer apparently believed and which he so stated in canceling, that they couldn't justify the price under the new law.

It is significant to note that this was one of the first "cost-plus" contracts of its kind in all industry.

Bear in mind the Commission's findings in that contract were that the quality of tires furnished to Sears was equal in every way to Goodyear's trademarked tire—first line.

Within a month or two later the B. F. Goodrich Co., having similar contract relationship with the Atlas Supply Co. (Standard Oil of New Jersey)—Atlas tires, canceled their portion of the contract with the Atlas Co., the statement coming from the president of the Goodrich Co., stating they couldn't justify the price under the new law.

Shortly after the enactment of the Robinson-Patman Act certain store managers in the employ of tire companies owning and operating retail stores stated to me: "Burger, find me a job as under the Robinson-Patman Act our company cannot keep these stores operating."

Shortly after the cancellation of the Goodrich contract with the Atlas Supply the Goodrich portion of that contract was taken up by the U.S. Rubber Co. (1936). U.S. Rubber Co. at that time in a published statement announced a new national sales policy in keeping with the full provisions of the Robinson-Patman Act.

It is to be noted a few years later, to be exact 1939, the FTC issued a cease and desist order against the U.S. Rubber Co. on this new sales plan, charging violation of the Robinson-Patman Act. It is to be noted, in my private and official capacity we have questioned if and when that order was ever vigorously enforced by the FTC. (Refer to United States versus Economic Concentration and Monopoly—staff report to the House Small Business Subcommittee, then headed by the Honorable ESTES KEFAUVER).

As it applies to that major industry, rubber tires, in recent published statements appearing in the press as late as May of 1963 it is stated that there are now 110 or more private label tires on the market. In 1936, for practical purposes there was possibly less than a dozen.

Now what we are leading up to—the action prevailing in that particular industry apparently was noted by other factors in industry who have shaped their overall national sales policy accordingly—all tending to destroy efficient independent business at the production and distribution level.

Therefore, Congressman KYL, for these Small Business Committees to extensively check into the operations of the Robinson-Patman Act, and have the legislative authority to act when needed—this in itself would be a major obligation upon the part of the Small Business Committees; and Congress should recognize this and give them the authority to act in the same official capacity as any other standing committee which in the long run will preserve at least 4½ million small business institutions and, without a question of doubt, in preserving those institutions would ease the employment situation nationwide.

Finally, it is our opinion the Robinson-Patman Act was honestly conceived to bring about fair competition, particularly as it relates to the distribution of equal quality merchandise. That was its principal purpose and apparently something happened along the wayside to nullify the importance of the act in our economy.

Sincerely,

GEORGE J. BURGER,
Vice President.

H. RES. 370

Resolved, That (a) clause 1 of rule X of the Rules of the House of Representatives is amended by inserting immediately after subparagraph (q) the following new subparagraph:

"(r) Committee on Small Business, to consist of thirteen members."

(b) Clause 1 of rule X of the Rules of the House of Representatives is further amended by redesignating subparagraphs (r), (s), and (t) (relating to the Committees on Un-American Activities, Veterans' Affairs, and Ways and Means) as subparagraphs (s), (t), and (u), respectively.

SEC. 2. (a) Rule XI of the Rules of the House of Representatives is amended by redesignating clauses 18 through 30 as clauses 19 through 31, respectively, and by inserting immediately after clause 17 the following new clause:

"18. Committee on Small Business.

"(a) Germane amendments to the Small Business Act, the Small Business Investment Act of 1958, and the Robinson-Patman Act.

"(b) The Committee on Small Business, as a whole or by subcommittee, is authorized from time to time to conduct studies and investigations of the problems of all types of small business, existing, arising, or that may arise, with particular reference to (1) the factors which have impeded or may impede the normal operations, growth, and development of small business; (2) the administration of Federal laws relating specifically to small business to determine whether such laws and their administration adequately serve the needs of small business; and (3) whether Government agencies adequately serve and give due consideration to the problems of small business.

"The Committee on Small Business shall report to the House (or to the Clerk of the House if the House is not in session) the result of any such investigation, together with such recommendations as it deems advisable.

"For the purpose of any such investigation, the Committee on Small Business, or any subcommittee thereof, is authorized to sit and act at such times and places within or outside the United States, whether or not the House is sitting, has recessed, or has adjourned, to hold such hearings, to require the attendance of such witnesses, and the production of such books, papers, and documents, and to take such testimony as it deems necessary. Subpenas may be issued under the signature of the chairman of the committee of any subcommittee, or by any member designated by any such chairman, and may be served by any person designated by any such chairman or member."

(b) Clause 26 (j) of rule XI of the Rules of the House of Representatives is amended by striking out "paragraph 26" and inserting in lieu thereof "paragraph 27".

(c) Clause 2 of rule XIII of the Rules of the House of Representatives is amended by striking out "clause 21 of rule XI" and inserting in lieu thereof "clause 22 of rule XI".

PHILADELPHIA NEGRO MINISTERS

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

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

There was no objection.

Mr. NIX. Mr. Speaker, in this time of racial crisis in our country which arises because some of our citizens deny the constitutional guarantees to the Negro, pervert the Christian precepts they profess to hold, disregard the legal mandates of our courts, invoke fanciful concepts of law to justify illegal acts and cynically appeal to the ignorance and prejudice of their fellow citizens for political advantage, it is of the utmost importance to pay the highest tribute to a different breed of men—I refer to the Negro ministers of Philadelphia who, without hornblowing or name calling, but with a deep sense of responsibility, have set a standard for racial progress in that city. These men have made 22 demands for the employment of Negroes in specified numbers and categories upon 22 separate business establishments and in every instance their demands have been met.

Mr. Speaker, these men of good will have the respect and the confidence of the people of Philadelphia. Every one of these men has shown courage and a high degree of intellect. Each one of them has borne the burden of the fight for Negro equality through the years, and they stand collectively and individually for equal rights now, not tomorrow.

I bring this sane, and outstanding approach to racial problems to the attention of the country because it stands out as a directive to all fighters for Negro equality that methods necessary in Alabama and Mississippi may not be required in other cities.

Mr. Speaker, the Negro has fought for equal rights and human dignity; he has

hoped that his fellow citizens and his elected officials would include him in the democratic circle; he has lived on hope and believed in promises; but I say to this House with utter finality that the Negroes of the United States of America know hope to be an illusion and a snare, and after 95 years that promises are worthless. The time is now.

Mr. Speaker, the only other ray of light in our dark night of racial conflict is the stand and the speech by President Kennedy, but even this noble effort has been answered by the murder of an innocent Negro freedom fighter in Jackson, Miss. I assure this House that no force on earth can defeat the Negroes' fight for full freedom now.

In furtherance of our fight, I am today introducing legislation "to provide that the representation in the House of Representatives of each of the several States shall be reduced in proportion to the number of adult inhabitants of such State whose right to vote is denied or abridged."

Mr. Speaker, by introducing this legislation, I focus attention directly on section 2 of the 14th amendment, about which *nothing* has been done by the Congress of the United States during the 90-odd years since its enactment:

SEC. 2. Representatives shall be apportioned among the several States according to their respective numbers, counting the whole number of persons in each State, excluding Indians not taxed. But when the right to vote at any election for the choice of electors for President and Vice President of the United States, Representatives in Congress, the executive and judicial officers of a State, or the members of the legislature thereof, is denied to any of the male inhabitants of such State, being 21 years of age, and citizens of the United States or in any way abridged, except for participation in rebellion, or other crimes, the basis of representation therein shall be reduced in the proportion which the number of such male citizens shall bear to the whole number of male citizens 21 years of age in such State.

FLAG DAY/ARMY BIRTHDAY

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

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

There was no objection.

Mr. SIKES. Mr. Speaker, I rise to remind my distinguished colleagues that this day has a twofold historical significance. On this date 186 years ago, the Second Continental Congress resolved:

That the flag of the United States shall be 13 stripes of red and white, with a union of 13 stars in a blue field, representing the new constellation.

Today—by proclamation of the President—Americans everywhere are paying special tribute to our national colors.

Approximately enough, Mr. Speaker, Flag Day is also the official anniversary of the organization which has insured that the American constellation could rise to its present apogee of unparalleled radiance, and could shine in the eyes of the world as the symbol of hope and of strength. Today is the birthday of the U.S. Army, for 188 years the bulwark of the Republic, the defender of the Star-Spangled Banner.

It is fitting that the Members of the House should pause to note this occasion, and to recall for a moment the proud history of our flag and our Army.

In mid-April 1775, the embattled farmer-patriots of Massachusetts met the British regulars at Lexington Green. I need not remind you that here was fired "the shot heard round the world." From Concord to Boston, the British were engaged by the brave but poorly organized New England militiamen. Boston lay beseiged. These inital hostilities marked the beginning of the long struggle for independence. Our historic predecessors in the Continental Congress had convened in the old State House in Philadelphia under the influence of an aroused populace. On June 14, 1775, the Congress determined to establish a regular Army that would later prove superior to the well-trained Redcoats. It resolved:

That six companies of expert riflemen be immediately raised in Pennsylvania, two in Maryland, and two in Virginia.

On the following day the Congress designated a Commander in Chief, the incomparable Washington, for the Regular Army and the volunteer militia.

Thus, over a year before the Declaration of Independence and exactly 2 years before the creation of our national flag, the U.S. Army was established.

On June 14, 1777, when the Continental Congress adopted Old Glory, Washington himself is said to have described the symbolism of the newly created flag: "We take the stars from heaven, the red from the mother country, separating it by while stripes, thus showing that we have separated from her, and the white stripes shall go down to posterity representing liberty."

The Continental Army embodied the spirit of the Revolution. And, for 188 years the basic mission of the Army has remained the same—the preservation of our ideals and the defense of our homeland. Indeed, the U.S. Army, born to give strength to the people's desire for independence, baptized in its own red blood of devotion to America, has demonstrated to every generation its strength of being and purpose.

That bleak winter Washington and his men suffered at Valley Forge was the first of many trials for the American soldier. I need only remind you of Anthony Wayne at Fallen Timbers, of Jackson at New Orleans, of Scott at Chapultepec. Or of Old Glory flying throughout the land, symbolic of a nation indivisible.

Throughout the last century, the Army served as the Nation's arm of authority in the untamed West. Torturous frontier fighting and unbelievable hardships were the soldier's lot, as new stars were added to the field of blue bunting. A veteran of Monterrey and Veracruz, he again fought on foreign soil, crossing the waters to Cuba and the Far East in support of national ideals and policies.

In the First World War, names only vaguely familiar to many Americans took on new and fearful meanings: Argonne Forest, Chateau Thierry, St. Mihiel—all became synonymous with the roar of gunfire and the struggles of men. The world saw the Stars and Stripes raised victoriously alongside the British Union Jack and the French Tricolor.

Then World War II came, and the American soldier carried our flag over four continents. He fought in sun-baked deserts, humid jungles, and frozen fields. At Normandy and at Okinawa he died so that the ideals of Old Glory might be preserved.

And Korea—where Heartbreak Ridge, Pork Chop Hill, and the 38th parallel became new landmarks on our soldier's map. This time the Stars and Stripes joined the blue and white banner of the United Nations whose wreath and globe symbolize our Nation's determined quest for the grail of universal freedom and eternal peace. And here again, our soldiers displayed the same indomitable will that has always been the hallmark of our Army.

At this very hour American fighting men are serving in the cause of freedom throughout the world, opposing the Communist aggression that threatens the self-determination of our friends and, ultimately, our own security. Acutely conscious of its foundation in the enduring and patriotic spirit of Washington's Continental force, of its own birth in freedom, the U.S. Army stands today—as it has for 188 years—squarely astride the tyrant's path.

Mr. Speaker, 7 years ago, in a ceremony here at the Capitol, the new Army flag was unfurled. This flag bears 145 battle streamers, commemorating campaigns fought in defense of our freedom, our homes, and the freedom and homelands of others dedicated to the principle of self-determination.

On this occasion, then, as Americans salute their national flag, let us honor also the Army flag, and express the appreciation of a grateful nation for the bright record of unfailing service that this distinguished organization has so long rendered our country. The Army has guarded the American constellation as it grew from 13 Colonies to 50 States. And its emblem's motto, "This We'll Defend," carries us with confidence and security into the future.

FEDERAL-AID HIGHWAY NEEDS STUDY AND RECOMMENDATIONS FOR A 10-YEAR HIGHWAY PROGRAM COMMENCING WITH FISCAL YEAR 1972 WHEN THE PRESENT INTERSTATE AND DEFENSE HIGHWAY PROGRAM ENDS

Mr. CRAMER. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

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

There was no objection.

Mr. CRAMER. Mr. Speaker, on June 10, 1963, I introduced House Joint Resolution 464, to authorize and direct the Secretary of Commerce, acting in cooperation with all other interested Federal departments, agencies, and instrumentalities, and with the States—acting

through their highway departments—to make a comprehensive investigation and study of the types and volumes of estimated highway traffic projected for 20 years after completion of the current Federal-aid highway program, which is scheduled to terminate in 1972. As ranking minority member on the Roads Subcommittee of Public Works, I believe attention must be focused on this problem now. This investigation and study would include, among other things, any changes—including the construction, reconstruction, and improvement of highways—which may be necessary in the Federal-aid highway systems to accommodate traffic forecast for 20 years or 1992, the cost of such changes, the extent of Federal participation in such costs, methods for financing such Federal costs, methods of apportioning Federal-aid highway funds among the States, examination of the possible creation of a new Federal-aid highway system or systems, examination of possible extension of the National System of Interstate and Defense Highways, examination of toll road problems including the extent to which toll facilities have been or may be established on existing Federal-aid highway systems and whether or not other toll facilities should be established on these systems. This joint resolution would require the Secretary of Commerce to submit to Congress within 10 days after January 2, 1966, the results of the investigation and study, together with a recommended Federal-aid highway program for the fiscal year ending June 30, 1972, and for each of the 9 succeeding fiscal years, including recommendations as to the financing of such program.

The current accelerated highway program was launched by the Federal-Aid Highway Act of 1956 and provides for completion of the 41,000-mile Interstate System with appropriations authorized through fiscal year 1971. The Congress is also carrying out the intent expressed in connection with enactment of the 1956 act to add $25 million annual incremental increases to the authorizations for the Federal-aid primary highway system and the Federal-aid secondary highway system, and extension of these systems in urban areas—known as the A–B–C program—until it reaches a $1 billion total yearly authorization. The financing of this current program has been provided for by enactment of the Highway Revenue Act of 1956, as amended, which created the Highway Trust Fund and appropriated to such Fund amounts equal to certain highway user taxes and fees to be collected prior to October 1, 1972.

Federal-aid highway funds have been apportioned to the States for the fiscal years through 1964, and the States are utilizing their apportionments of both Interstate and A–B–C funds at an acceptable rate. The highway trust fund is in sound condition to support the current program. Twelve thousand two hundred miles of the 41,000-mile Interstate system have been improved and are opened to traffic, in addition to the 2,368 miles of toll facilities incorporated into the system. The improved nontoll mileage includes over 9,000 miles completed to acceptable standards for 1975 traffic, in accordance with the present requirements of law; 5,000 more miles are under construction, and engineering or right-of-way acquisition is underway on 11,300 miles of the system. The goal of the U.S. Bureau of Public Roads and the State highway departments is the completion of the total 41,000-mile system by October 1, 1972.

To meet this goal, the Federal Highway Administrator recently pointed out that the final construction contracts under the present program should be awarded in 1970, that the final design work and right-of-way acquisition should be underway no later than 1968, and that right now the last of the studies on route locations should be winding up.

On that basis, the necessary and orderly continuation of the highway program after fiscal year 1971 requires that construction planning, traffic surveys, and route location studies be commenced in the near future, so that there will be a firm program for continuation of highway improvement to take up where the present program leaves off.

The undertaking of such construction planning, surveys, and studies is dependent, to a great degree, upon prior determination by the Congress of the nature and extent of a program for continuing improvement of the Federal-aid highway systems and the authorization of appropriations therefor. To avoid the adverse impact upon the Nation's economy which would result from an abrupt substantial reduction in the amounts expended annually for the improvement of Federal-aid highways; to avoid the slow and costly replacement of staffs and equipment inventories again to accelerate the Federal-aid highway program at a later time; and to continue the effort commenced by enactment of the Federal-Aid Highway Act of 1956 to meet the growing transportation requirements of the Nation, it is essential that a study be made of the needs for further improvement of the Federal-aid highway systems after completion of the current program to enable the Congress to make timely provision for continuation, to the extent and as determined necessary, of the Federal-aid highway program after fiscal year 1971.

The American Association of State Highway Officials has recognized the necessity for an early reappraisal by the Congress of the Nation's highway needs to determine whether it is in the national interest to extend the Interstate System and, if so, to what extent, and to further evaluate the size of the A–B–C program, and the justification for Federal aid to these highway systems. Such expressions were included in the 1963 policy statement of AASHO, adopted at its annual meeting at Bal Harbour, Fla., in December 1962. Mr. John C. Mackie, State highway commissioner for the State of Michigan, and president of AASHO, in testifying before the House Roads Subcommittee on May 28, 1963, pointed out that it is the considered opinion of AASHO that the currently authorized interstate and A–B–C programs have progressed to where the Congress should direct the Secretary, in cooperation with the State highway departments, to study the continuing and future highway needs and report back to the Congress in January 1967. Maj. Gen. Louis W. Prentiss, executive vice president of the American Road Builders Association, in testifying before the Roads Subcommittee on May 29, 1963, advised that his association considered it imperative that comprehensive studies be commenced in the near future to consider the highway construction needs of our Nation in the decade beginning in 1971.

The Kennedy administration has not submitted any recommendation to the Congress for the making of a highway needs study, and for the formulation of a program for highway improvement during the 1970's although it is understood that the Bureau of Public Roads has been planning such an undertaking for sometime. It may be more than coincidental that at the same time the President is recommending that essential interstate highway projects in the District of Columbia be deferred, pending a careful reexamination of the highway program in the District of Columbia in connection with the transit development program, the administration is making no effort to recommend to the Congress that a study be undertaken and a program developed for orderly continuation of needed highway improvement. There is growing concern that the New Frontier is following a carefully conceived plan to delay or stop needed highway construction in urban areas, so as to force people to use mass transit facilities and thereby making the construction of rapid transit appear more economically feasible. I sincerely hope that this is not the attitude of the administration, but since it has taken no action to request authority to make a highway needs study and to recommend a continuing highway improvement program nationally, it is up to the Congress to see that timely action is taken which is the purpose of House Joint Resolution 464.

A corrected copy of House Joint Resolution 464 follows:

H.J. RES. 464

Joint resolution to provide for a study of needed Federal-aid highway programs for ten years following the termination of the present interstate and defense highway program by requiring the Secretary of Commerce to make a comprehensive investigation and study of highway traffic and needs based upon twenty-year projections, and the changes determined necessary in the Federal-aid highway systems as a result thereof, and to report the results of such study and his recommendations for a ten-year highway program commencing June 30, 1971, to Congress

Whereas, by the provisions of section 101 (b) of title 23, United States Code, it is declared to be in the national interest to accelerate the construction of the Federal-aid highway systems, including the National System of Interstate and Defense Highways, hereinafter called the "Interstate System", and the Congress expressed its intent that the Interstate System be completed as nearly as practicable over the period of availability of the appropriations authorized for its construction, reconstruction, or improvement, and that the Interstate System in all States be brought to simultaneous completion; and

Whereas appropriations have been authorized through the fiscal year ending June 30, 1971, for the construction, reconstruction,

or improvement of the Interstate System; and

Whereas, to carry out the intent of Congress, final contracts for construction of the Interstate System should be awarded during the fiscal year ending June 30, 1971, and final design work and right-of-way acquisition should be underway no later than the fiscal year ending June 30, 1969; and

Whereas, for the necessary and orderly continuation of needed improvement of the Federal-aid highway systems after the fiscal year ending June 30, 1971, construction planning, traffic surveys, and new route location studies should be commenced not later than the fiscal year ending June 30, 1968; and

Whereas the undertaking of such construction planning, surveys, and studies is dependent upon prior determination by the Congress of the nature and extent of a program for continuing the improvement of the Federal-aid highway systems and the authorization of appropriations therefor; and

Whereas to avoid the adverse impact upon the Nation's economy which would result from an abrupt substantial reduction in the amounts expended annually for the improvement of Federal-aid highways; to avoid the slow and costly replacement of staffs and equipment inventories again to accelerate the Federal-aid highway program at a later time; and to continue the effort commenced by enactment of the Federal-Aid Highway Act of 1956 to meet the growing transportation requirements of the Nation, it is essential that a study be made of the needs for further improvement of the Federal-aid highway systems after completion of the current program to enable the Congress to make timely provision for continuation to the extent and as determined necessary of the Federal-aid highway program after the fiscal year ending on June 30, 1971: Now, therefore, be it

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) the Secretary of Commerce, acting in cooperation with all other interested Federal departments, agencies, and instrumentalities and with the States (acting through their highway departments) shall make a comprehensive investigation and study of—

(1) types and volumes of estimated highway traffic as projected for twenty years;

(2) any changes (including the construction, reconstruction, and improvement of highways) which may be necessary in the Federal-aid highway systems needed to accommodate such traffic;

(3) the cost of such changes;

(4) the extent of Federal participation in the cost of such changes;

(5) methods for financing such Federal costs; and

(6) methods of apportioning Federal-aid highway funds among the States.

(b) The investigation and study authorized by this section shall include, but not be limited to, the following:

(1) the estimated traffic and the required changes in each existing Federal-aid highway system on a State-by-State basis, as well as on a national basis;

(2) an examination of the present system of highway classification for the purpose of determining whether such highway classification should be continued or should be placed on a functional basis;

(3) an examination of the possible creation of a new Federal-aid highway system or systems;

(4) an examination of the possible extension of the Interstate System with particular reference to—

(i) additional mileage.

(ii) the use of such additional mileage to include in the System those highway links which should be supplied to more fully complete the System, and

(iii) revision of methods and standards for allocation of mileage and funds for such System; and

(5) an examination of toll road problems, the traditional policy that highways constructed with Federal funds should be toll free, the extent to which toll facilities have been or may be established on existing Federal-aid highway systems, and whether or not other toll facilities should be established on existing or future Federal-aid highway systems.

SEC. 2. The Secretary of Commerce shall submit to Congress within ten days after January 2, 1966, the results of the investigation and study authorized by this joint resolution. This report shall include his findings and recommendations on each specific item referred to in the first section of this joint resolution and shall contain a recommended Federal-aid highway program for the fiscal year ending June 30, 1972, and for each of the nine succeeding fiscal years, including recommendations with respect to the financing of such program.

SOCIAL SECURITY ACT AMENDMENTS INTRODUCED

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

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

There was no objection.

Mr. ASHLEY. Mr. Speaker, today, I have introduced a bill to amend title 2 of the Social Security Act to permit both men and women to retire with full benefits at age 62.

The purpose of this measure, of course, is to help meet the plague of persistent unemployment. All of us are aware of the technological revolution that is sweeping the world—a revolution which is both challenging and terrifying. The terror can be traced in part to the fact that we now have at our fingertips the means of destroying every vestige of civilization. But there is another terror connected with today's technology—the terror of being without work, of wanting to provide for one's self and one's family but being unable to find employment opportunity.

It is estimated that unemployment will increase during the next 19 months to more than 7 percent of the work force or more than 5 million people. Efforts of this administration, including tax reduction to pump new purchasing power into the economy, retraining, area redevelopment, and accelerated public works, to mention only a few, seek to bring about a full economy so that unemployment will decrease significantly after the early months of 1965.

I am sure all of us are aware that after each of the last four recessions the economy snapped back but employment did not. Each recovery found a higher rate of unemployment than following the previous recession. Economists advance many reasons for this but it is generally accepted that automation is an important factor and will become more so in the months ahead.

We also know that our economy must create somewhere in the neighborhood of 30,000 to 50,000 new jobs every week during the next decade for millions of new workers and millions of others whose jobs will be affected by technological change.

The question is whether these jobs can be manufactured fast enough to approach full employment, using the present definition of jobs and the present means of providing them.

I am afraid the answer is "no." Unemployment today cannot be regarded as a temporary situation that will be eliminated by the next turn of the business cycle or by the simple expedient of tax cuts. Involved in today's unemployment is a major national problem which the country has only begun to face up to. Between now and 1970, about half of the new openings in the labor force will go to those in the age bracket between 14 and 24. But as technology advances, it will be harder and harder for people in this age group to find jobs, so that between 1970 and 1975 only about a quarter of new additions to the labor force will be between 14 and 24, while the 25- to 44-year age bracket will expand rapidly to about 50 percent.

There is one other aspect to this problem that more people must understand in connection with automation and technology, and that is that the growth rate of new jobs just is not holding up. During the 10 years from 1947 to 1597 jobs increased at the rate of 1.9 percent a year, but since 1957 the rate has fallen by half, to less than 1 percent. And this has happened, as we all know, at a time of population explosion when the demand for more jobs for newcomers to the labor market has reached an all-time high.

All of these facts seem to me to point to one conclusion. If, in the face of changing technology and other factors of mid-20th century life, there simply are not enough jobs for our burgeoning population, then through a process of selectivity we must determine who works and who does not. There are those who say that everyone can work if he or she really wants to. This is patent nonsense. There are those who say that unemployment can be eliminated if we go to a shorter workweek. To my mind that represents the least efficient and most expensive alternative open to us.

Ideally the answer to unemployment is to improve our process of distribution and to meet hitherto unmet demands. Our goal should be to eliminate the poverty which cripples nearly 10 million American families so that these people can become productive citizens and consumers of the great variety of goods and services available. But this is a slow process. The hard fact we face is that steps must be taken now to limit our labor force to something close to the number of available jobs if unemployment is to be curbed, even if this means eliminating from the labor force those who are willing and able to work.

We know that voluntary retirement takes a long step in this direction. In 1956 the retirement age for women was reduced from 65 to 62 on a reduced benefits basis and as a direct result, 650,000 women retired from the labor market within a year's time. Similarly, when retirement at age 62 was made optional for men, again on a reduced benefits

basis, 525,000 men retired from the labor force within a year.

These were useful first steps, Mr. Speaker, but we know it simply has not been possible for substantial numbers of working people to retire at 62 on reduced benefits. By taking the step proposed in the bill I have introduced, I am confident that between 2 and 3 million men and women between the ages of 62 and 65 will choose to retire rather than remain on the job. I can think of no quicker way of creating this number of job opportunities. The cost, let me say, is anything but prohibitive. The Social Security Administration advised me that the benefits under my bill will call for an increase of 0.82 percent of current payroll—which of course would be divided equally between employer and employee. This is not a welcome expense, to be sure, but it is minimal compared to the staggering and persistent costs of unemployment.

POLICY FOR EXPENDITURE CONTROL

Mr. CURTIS. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD and include a letter written by the Republican members of the Joint Economic Committee pertaining to an expenditure policy which has been recommended to the President.

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

There was no objection.

Mr. CURTIS. Mr. Speaker, in the 1963 Annual Report of the Joint Economic Committee, the minority members, in their separate views, urged that a Presidential Advisory Commission on Federal Expenditures be appointed to undertake a thorough, objective, and nonpartisan examination of Federal expenditure policy. It was our belief that thoughtful and selective control of Federal expenditures—far from impairing the national interest—would increase our security and stimulate our economic growth.

The recent fiscal record of the Federal Government makes abundantly clear that the budget will not be balanced within the foreseeable future unless more hard thought and attention is given to controlling rapidly rising levels of Federal spending. From fiscal 1961 through the estimates for fiscal 1964, for example, the Kennedy administration will have increased Federal spending at an average annual rate of 7 percent, contrasted to an average annual increase of 2.2 percent from 1954 to 1960. Budget deficits from fiscal 1961 through the estimates for fiscal 1964 will total about $30 billion, or more than the net deficits of the previous 8 fiscal years combined.

Looking to the future, Dr. Arthur Burns told the Joint Economic Committee recently that his estimates showed that, if the Administration's tax program is approved and if expenditures continue to increase at the recent rate, the budget would not be in balance before 1972 and the public debt would rise about $75 billion above the level at the close of fiscal 1963.

In order to underscore our concern about the need for expenditure reform, the Joint Economic Committee minority members also wrote to the President, making the suggestion for an Advisory Commission on Federal Expenditures and specifically listing the tasks which such a Commission might usefully undertake. Because the President himself has made numerous statements about the importance of expenditure reform, it was felt that our suggestion would be welcomed by the administration both as a means to initiate a responsible and nonpartisan review of expenditure policy and, additionally, as a way to demonstrate its desire to make genuine progress in this area.

Regrettably, the administration has rejected the suggestion. Under unanimous consent I include a copy of the letter of the minority members of the Joint Economic Committee to the President and the reply by the Director of the Bureau of the Budget, Kermit Gordon, in the RECORD at the conclusion of my remarks.

Essentially, the administration gives three reasons for rejecting the suggestion. First, the claim is made that the administration already is exercising "expenditure discipline." It is said—and we have heard this many times before—that expenditures for other than defense, space, and interest will decline slightly from 1963 to 1964. The fact is that this illusory decline in civilian spending would be achieved by selling off assets of the Government to conceal increases in spending.

Senator WILLIAM PROXMIRE, in individual views to the Joint Economic Committee's 1963 Majority Report, makes clear that domestic spending will increase by $2 billion from 1963 to 1964. Senator PROXMIRE said:

> This year's budget by various bookkeeping transactions conceals the real increase in spending in the domestic sector.
>
> The reason the $2 billion increase doesn't show up is because the administration plans to sell $700 million of the cotton surplus, $423 million of Export-Import Bank holdings, $315 million of Federal National Mortgage Association and Federal Housing Authority mortgages, $300 million in Commodity Credit Corporation loans, $150 million in farm housing loans, and $150 million in college housing loans. This total of $2 billion of liquidated assets will be used to offset increased spending in almost every department of Government.

Senator PROXMIRE added that the surest index of expanded spending is the increase in Government employees planned for the coming fiscal year—36,492 in all. As Senator PROXMIRE said, every department of Government, except Defense, will increase its employees in the coming budget year.

If this is an example of the "rigorous expenditure control" claimed by the administration, then there is little hope—if any—of ever eliminating budget deficits short of taking bold and imaginative action along the lines which we have recommended to the administration.

The second reason given for the rejection of the Commission idea is that the President believes that the established procedure, with the administration submitting its budget estimates and legislative program for review and decision by Congress, is the most satisfactory approach for determination of sound and effective expenditure policies. As a matter of fact, it should be quite clear that our suggestion would not supplant the established budget procedure. Rather it would improve upon it.

When asked about the suggestion for a Commission on Federal Expenditures at his press conference on April 4, the President himself expressed his satisfaction with present procedures and professed to see no merit in suggestions to improve upon those procedures. The sanctity with which the bold thinkers of the New Frontier regard "established procedures" that have led to a steadily mounting series of large budget deficits is curious to behold.

Emerson P. Schmidt, a distinguished economist and the director of economic research of the U.S. Chamber of Commerce, told a subcommittee of the Joint Economic Committee on April 30 that the President apparently was not fully aware of the nature of the Republican proposal when he brushed it off so lightly at his press conference. As Mr. Schmidt said, the President clearly ignored the significant proposals in his response. Certainly, said Mr. Schmidt, many other individuals are not entirely satisfied with the budget system, or lack of system. He added that "such traditional thinking" as was represented by the President's reply—as well as by the Budget Bureau's recent letter—is not good enough with an annual budget of over $120 billion.

Finally, the suggestion for the organization of a Commission on Federal Expenditures was rejected because, in Mr. Gordon's words:

> We are not able to see how it could make a direct or significant contribution to the resolution of those issues of public policy which constitutionally and properly rest with the President and the Congress.

Mr. Gordon's letter goes on to say that such a Commission might have the opposite result by obscuring the public understanding of the "locus of responsibility for resolving such issues."

This statement totally ignores the highly useful service performed for the Nation by a large number of presidential advisory commissions through the years, including those set up by the present administration. While there are many such special commissions, I need mention only a few to make clear the contribution which such bodies can make to the development of sound public policy.

Most recently, the Commission to Strengthen the Security of the Free World—Clay Commission—was created by the President to make recommendations on our foreign-aid program. The President has also created an Advisory Commission on Labor-Management Policy, which has performed and is continuing to perform an important public service. We all know the vital contribution to improvements in the organization of the executive branch which was made by the two Hoover Commissions. In the field of foreign trade, the Commission on Foreign Economic Policy—Randall Commission — performed outstanding

service. Clearly, rejection of the commission approach for the reasons stated by the Bureau of the Budget is a lame excuse, indeed, to cover up the administration's apparent indifference to genuine and nonpartisan expenditure reform.

It is my hope and the hope of the other minority members of the Joint Economic Committee that the administration will not close the door on efforts to examine expenditure policy along the lines we have suggested. While the administration may not consider it appropriate to study all seven areas outlined in our letter at this time, a start should be made somewhere. We earnestly implore the President and his advisers to review our suggestion again in order that a beginning may be made in undertaking some of the urgent tasks which we outlined and which are in addition to those steps which the administration says it intends to pursue in order to realize budgetary savings.

The economic importance of expenditure policies has been forcefully emphasized by the Subcommittee on Fiscal Policy of the Joint Economic Committee in its unanimous report of January 23, 1958. In that report, the subcommittee, with Congressman WILBUR D. MILLS as chairman, said:

Increasing emphasis on economic growth necessarily focuses attention on Federal expenditure policies. The Federal Government is the largest industry in the United States. Its direct purchases of goods and services account for a substantial share of the economy's total output; its effects on the amount and character of economic activity are even greater than can be indicated by any such statistic.

In part, these influences stem from the means by which the Federal Government's activities are financed. This subject was extensively investigated in 1955 by the Subcommittee on Tax Policy of the Joint Economic Committee in its study of Federal tax policy for economic growth and stability. The character and extent of the Federal Government's spending activities, however, may be of even greater consequence.

With the growth of Government increasing steadily, the advice of the subcommittee is even more valid today than it was 5 years ago. It would be a serious misfortune, indeed, if the administration failed to grasp the opportunity to begin now the serious and wide-ranging examination of the Government's spending policies which is so urgently needed.

U.S. CONGRESS,
JOINT ECONOMIC COMMITTEE,
Washington, D.C., March 19, 1963.

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

MR. PRESIDENT: In response to your recent invitation for a continuing dialog on the major economic issues before the Nation, we should like to set forth some of our observations on your proposed 1963 tax program and to offer a suggestion for expenditure control which we believe would contribute to sound and stable long-term economic growth.

While we recognize that knowledge of the sources of economic growth and the means of accelerating it are limited, it seems clear that well-conceived incentive tax reduction and reform is a major and necessary step toward improving upon our Nation's rate of economic growth. We have long supported tax reductions and reform as a high priority objective of our economic policy. However, it is also clear that such a program will involve costs as well as benefits. These costs must be weighed and, if possible, offset.

One cost will be budget deficits higher than those which would have been incurred without the tax cut. These would follow 3 years of steadily mounting deficits which have totaled more than $19 billion, or more than the net deficits of the previous 7 fiscal years combined. Some opinion holds that budget deficits need not concern us. We do not share this view.

The experience of the past suggests that it would be reckless to ignore the inflationary dangers posed by persistent and increasing deficits. The state of economic learning is neither so advanced nor so precise as to safely admit any other conclusion as a guide to policymaking. Sound long-term economic growth cannot be based upon a foundation of budget deficits. Furthermore, we cannot ignore the adverse effects such deficits could have on our continuing balance-of-payment problem and on the entire free world trade and payments system.

Recognition of the potential dangers of chronic budget deficits is implicit in your proposed tax program. As one of its objectives, the program seeks to bring the budget into balance by stimulating economic activity and thus increasing revenues.

We should not, however, pin all of our hopes for ending our chronic deficits on the possibility of rapidly rising tax revenues. It is clear that hard thought must be given to the other side of the ledger—to controlling rapidly increasing Federal expenditures.

We do not suggest an across-the-board cut in Federal spending. In view of the Nation's domestic needs and international and security commitments, such an approach would be self-defeating. What we should seek, however, is a reform of Federal expenditure policy so as to effect important savings without impairing the national interest or retarding economic growth. Indeed, thoughtful and selective control of Federal expenditures can increase our national security and stimulate our economic growth.

In view of these considerations, we believe that Federal expenditure policy requires thorough, objective, and nonpartisan examination. Support for the principle of tighter control and more effective use of Federal expenditures is virtually unanimous; support for specific suggestions for achieving it is more difficult to attain. The difficulty of the task, however, should not deter us from making the attempt.

In our separate minority and additional views to the Joint Economic Committee's 1963 Annual Report, we made several specific suggestions which we believe offer a sound basis for a reform of Federal expenditure policy. At this time, we wish to call one of these recommendations to your attention and ask that you give it your serious consideration.

As an essential step to a reform of Federal expenditure policy, we suggest that you appoint a Presidential Advisory Commission on Federal Expenditures, composed of private citizens from business, labor, education, the professions and Members of Congress equally from both parties. The work of this Commission, assisted by a staff, should parallel the 3-year period over which your tax program is scheduled to take effect. During this period, the Commission should conduct studies and periodically make public its recommendations in the following areas:

(a) Establishment of spending priorities among Federal programs, separating the desirable from those that are essential, in order to serve as a guide to the administration in drawing up the budget, particularly in years of expected deficits.

(b) Appraisal of Federal activities in order to identify those programs which tend to retard economic growth and for which expenditures should be reduced or eliminated.

(c) Improvement of the Federal budgeting and appropriations process in order to increase the effective control of expenditures.

(d) Examination of responsibilities and functions which are now assumed by the Federal Government, but which could be better performed and with superior effectiveness by the private economy.

(e) Review of Federal responsibility and functions in order to determine which could be better performed at the State and local levels.

(f) Improvement of Government organization and procedures in order to increase efficiency and promote savings, including a review of the recommendations of the Hoover Commission in order to determine how those already implemented have worked out in practice and whether those not yet implemented should be given further consideration.

(g) Determination of policies with regard to the level of user charges and fees to be made for special services furnished to members of the public by the Government.

The recommendations of an objective and nonpartisan Commission of the kind described should command widespread support among the public and within the Congress. Its proposals would offer a sound basis upon which to begin the reform of Federal expenditure policy.

In view of the relevance which expenditure control has for the success of a tax reduction and reform program, we earnestly hope you will give this recommendation your early and favorable consideration.

Respectfully yours,

THOMAS B. CURTIS.
CLARENCE E. KILBURN.
WILLIAM B. WIDNALL.
JACOB K. JAVITS.
JACK MILLER.
LEN B. JORDAN.

EXECUTIVE OFFICE OF
THE PRESIDENT,
BUREAU OF THE BUDGET,
Washington, D.C., May 25, 1963.

Hon. THOMAS B. CURTIS,
House of Representatives,
Washington, D.C.

DEAR MR. CURTIS: The President has asked me to convey to you and your minority colleagues on the Joint Economic Committee his thanks for your thoughtful letter of March 19, concerning Federal tax and expenditure policies and the goal of a prosperous and growing economy.

We welcome your support for the view that a wisely-conceived program of tax reduction and reform will contribute to improving the rate of growth of our economy. We are pleased, also, to note that you dismiss an across-the-board cut in Federal spending as self-defeating—a view in which we fully concur. Finally, let me say that we welcome and appreciate your recognition that the President's fiscal program seeks to eliminate budget deficits by the method which we regard as most constructive and most promising—an expansion in economic activity and in Federal revenues stimulated by the realinement of our tax system.

The continued exercise of expenditure discipline is a vital part of the President's fiscal program. As you know, the President's administrative budget recommendations called for the total of all expenditures other than defense, space and interest to decline slightly from 1963 to 1964. Since the 1964 budget was submitted to the Congress in January, this continuing search for economies has enabled the President to reduce his appropriation requests by $615 million for fiscal 1964 and an additional $235 million for fiscal 1963.

Rigorous expenditure control will characterize future budgets as well. In his 1964 budget message, the President said:

"As the tax cut becomes fully effective and the economy climbs toward full employment, a substantial part of the revenue increases must go toward eliminating the transitional deficit."

This means that the transitional deficit is to be reduced by holding any necessary increase in expenditures to an amount substantially below the accompanying increase in revenues. To help in achieving this objective, we intend to pursue budgetary savings through (1) the further substitution of private for public credit; (2) the search for opportunities to reduce expenditures in existing programs whose relative urgency may have diminished with changing times and circumstances; (3) the further extension of the user charge principle; and (4) intensified emphasis on efficiency and cost reduction throughout the Government. In other words, we expect to intensify our efforts to include in the budget only those expenditures which meet strong criteria of fulfilling important national needs and to insure that those needs are met at the lowest possible cost.

Taking all of this into account, we believe that the established procedure, under which the President presents his budget estimates and legislative program for review and decision by the Congress, is the most satisfactory approach to determining sound Federal expenditure policies. While an advisory commission such as you suggest might perform a constructive collateral service through stimulating informed discussion of fiscal policy and program objectives, we are not able to see how it could make a direct or significant contribution to the resolution of those issues of public policy which constitutionally and properly rest with the President and the Congress. In fact, by obscuring public understanding as to the locus of responsibility for resolving such issues, its efforts might well lead to an opposite result. For these reasons, the President is unable to join you in recommending that such a body be established. We very much appreciate, however, the constructive and cooperative spirit in which your proposal was made.

Sincerely yours,

KERMIT GORDON,
Director.

BRACEROS NEEDED TO HARVEST PERISHABLE CROPS

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

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

There was no objection.

Mr. GATHINGS. Mr. Speaker, the gentleman from Texas [Mr. GONZALEZ] has just addressed the House with regard to the bracero program. He quoted one small part of an article that appeared in the Christian Science Monitor. I would like to ask the gentleman from Texas to quote the full article from the Monitor as it portrays both sides of the issue. I have that article in my office. I wish I had it here now to read it. But he picked out one part of it out of context. Now I want to say to the gentleman from Texas that his colleague, the gentleman from Texas, JOE KILGORE, sent me a file a day or two ago that was sent to him by Mr. Will Wallace, a constituent from Edinburg, Tex. Mr. Wallace had 500 acres of cantaloups that badly need to be harvested. He went to see a labor leader, Mr. Bob Sanchez, an attorney in the county seat where Edinburg is located. This labor attorney represented the Spanish-speaking people in that vicinity who did agriculture work.

The SPEAKER. The time of the gentleman has expired.

Mr. GATHINGS. Mr. Speaker, I ask unanimous consent to proceed for 1 minute.

The SPEAKER. All business being disposed of, if there is no objection, the gentleman may proceed.

There was no objection.

Mr. GATHINGS. After the two men had arrived at an understanding Mr. Wallace asked the labor leader to work up a contract to suit himself so that he could harvest the 500 acres of cantaloups. A contract was executed and agreed to. Here is what happened. Instead of 70 cents an hour which was the prevailing wage in the community, the contract called for 75 cents an hour with an additional 25 cents an hour if they stayed until the harvest was completed. He said in this letter to Joe, it just "could not miss," it was bound to work, "but miss we did." The result was it did not work. He did not get sufficient labor, although he bought 200 spot announcements in Spanish over the radio and distributed hand bills in quantity.

On the first day, May 15, 1963, only 34 turned out to work. On the next day it was 41. On May 17, 30 worked. On May 18 only 15 workers came to work. He needed about 200 or more workers to harvest the cantaloups. Starting on May 25 the school officials sent football players and they did well in the harvest. Our people do not like to do this back-breaking field work. Those who have opposed this Mexican program over the years have said constantly, "If you pay enough you will get the labor." Here is what happened in Edinburg, Tex. Thirty cents an hour in excess of the prevailing local rate was offered and the workers in sufficient number could not be found. Bracero labor is the only dependable source and there will be no law on the statute books authorizing a supplemental supply of labor from the Republic of Mexico unless the law is extended. Crops that cannot be cultivated and harvested by mechanical means will deteriorate and rot in the fields. Food prices will soar.

The SPEAKER. The time of the gentleman from Arkansas has expired.

Mr. WAGGONNER. Mr. Speaker, I ask unanimous consent that the gentleman from Arkansas [Mr. GATHINGS] may proceed for an additional minute.

The SPEAKER. The Chair will state that the Chair is permitting this request although the Chair does not consider this is to be the 1-minute period such as we have before proceeding with the regular business of the House.

Is there objection to the request of the gentleman from Louisiana?

There was no objection.

Mr. GATHINGS. I thank the Speaker and I am grateful to him. I also appreciate so much the gentleman from Louisiana asking for this additional minute.

Mr. Speaker, I would like to continue this little story and I want also to extend my remarks and to include the file that JOE KILGORE sent to me.

Mr. HAYS. Mr. Speaker, reserving the right to object, perhaps it ought to go into the Appendix of the daily RECORD or anyplace else. How big is this article? Would the gentleman withdraw his request at this time and continue with his talk at this time?

Mr. GATHINGS. I will withdraw the request and wait until I do have the article so that I can show it to the gentleman from Ohio.

But suffice to say, Mr. Speaker, cantaloups need harvesting when they are ripe and ready to harvest. That is the same situation that exists with reference to strawberries and citrus fruits and various vegetables. You have to have the labor to harvest these crops at the right time. I wish more of our folks would work at farm jobs but they are on relief and they are getting unemployment and other checks and commodities and they do not want to do this kind of work. That is understandable as it is hard work. We do need this law extended. It was only by a 16 vote margin that this House turned down the proposed extension for 2 years of the bracero law. When the facts are known, the legislation will pass as it benefits the farmer, consumer, the worker, and the economy of Mexico.

The SPEAKER. The time of the gentleman has again expired.

REQUEST FOR PERMISSION TO ADDRESS THE HOUSE

Mr. HAYS. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

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

Mr. BROMWELL. Mr. Speaker, I object.

MENTAL RETARDATION

Mr. FOGARTY. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and include bills pertinent thereto.

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

There was no objection.

Mr. FOGARTY. Mr. Speaker, in my opinion, Mr. Speaker, the administration bill to combat mental retardation and improve mental health will not adequately do the job intended. The omnibus approach to this type of legislation has been found to be ineffective and subject to considerable objection and delay.

Because of this and after much study and consultation, I am today introducing for appropriate reference three separate bills confined solely to the area of mental retardation. These three bills, taken together, comprise the essential components of a unified and effective program to combat the problem.

The first of these three bills relates to a greatly increased maternal and child health and crippled children's program. The second concerns the construction

of clinical and service centers for the mentally retarded in the community, and the construction of research centers and mental retardation facilities that are affiliated with university and medical school programs. The third contains provisions for the training of teachers of the mentally retarded and for research and demonstration projects relating to the education of mentally retarded children. I am including the bills and a summary of them at the end of my remarks.

Mr. Speaker, these bills contain many of the provisions in the bills previously introduced, to carry out President Kennedy's mental retardation program.

The first of these three bills is, in fact, identical with the maternal and child health and mental retardation planning bill, H.R. 3386. My motive for introducing an identical bill is this: I wish to leave no doubt in anyone's mind as to where I stand in relation to the provisions of these bills. I am for these provisions, and I consider their adoption by this House to be of critical importance.

However, despite the similarities between the other two bills I am introducing today and the bills that were previously introduced, I consider the differences between these bills to be essential to the successful enactment of the President's general proposals and the implementation of his goals.

The essential differences are these:

Unlike H.R. 3689, entitled "The Mental Retardation Facilities Construction Act of 1963," my bill contains a separate title to provide grants for the construction of university-affiliated facilities for the mentally retarded. These grants are to be made whenever or wherever a university or medical school is ready to develop a suitable facility, quite apart from the readiness—or lack of readiness—of the State to develop community mental retardation facilities under the State formula mechanism described in H.R. 3689.

H.R. 3000, entitled "The National Education Improvement Act of 1963," is the administration's omnibus education bill. It consists of six titles, and contains provisions for such educational matters as modern foreign language training and research, student work-study programs, public community libraries, and adult basic education. Of the 182 pages of the printed bill, less than 4 pages relate exclusively to the educational problems of the mentally retarded.

Mr. Speaker, I maintain that the educational problems of the mentally retarded are too important a matter to be buried in the center of an omnibus bill.

I would like, too, to reaffirm the fact that my interest in providing for appropriate educational opportunities for the mentally retarded has not decreased since I introduced in this House the bill which later became the act of September 6, 1958—Public Law 85-926—and which H.R. 3000 seeks to amend.

Mr. Speaker, I consider this a suitable occasion on which to refocus the attention of this House upon the goals of the President's proposals relative to mental retardation.

As stated in his message of February 5, these include, first, the prevention of the occurrence of mental retardation; second, the providing of facilities and programs for research and for early diagnosis and continuous and comprehensive care, in the community, of those suffering from mental retardation; third, the restoration and revitalization of the lives of the mentally retarded in the community through better health programs and strengthened educational services; and fourth, the reinforcing of the will and capacity of our communities to meet the problems of mental retardation, in order that the communities, in turn, can reinforce the will and capacity of individuals and individual families to meet these problems.

The President emphasized in this message that if our Nation is to live up to its own standards of compassion and dignity and achieve the maximum use of its manpower, we must, as a Nation, seek to bestow the full benefits of our society on those who suffer from mental retardation.

Mr. Speaker, though the Congress and the executive branch have done much, in the past decade and a half, to help the mentally retarded, they have remained victims of the ancient but persistent belief that mental retardation is a hopeless, incurable affliction.

As a result of the persistence of this belief and the negative attitudes that accompanied it, this Nation has never launched a full-scale attack on the problems of mental retardation.

Consequently, mental retardation continues as a major national health, social, and economic problem. Over 5 million persons are thus afflicted—twice as many as blindness, polio, cerebral palsy, and rheumatic heart disease combined.

Because, under our present system of care, many of our mentally retarded are not properly trained and educated to achieve their maximum productivity, the losses to our economy are great. In addition, States and localities spend over $500 million for care and services for the mentally retarded—for the 200,000 who are cared for in residential institutions, most at public expense, and for others of the 400,000 of the mentally retarded who require constant care or supervision.

Yet it may be said that for the 5 million Americans who suffer from some degree of mental retardation, our present system of care could better be called our system of "don't care."

In our public institutions for the mentally retarded, conditions are no better—they are sometimes worse—than they are in our State mental hospitals. But it is among the millions of retarded who remain in our communities that our "don't care" system has been most vicious.

Time and time again our dedicated scientists and professional workers have found these relationships functioning in our society: Where people are impoverished, there is poor health; where there is poor health, mental illness and mental retardation are prevalent. Where families are weak, community ties tenuous, educational and employment opportunities lacking, there you will find the mentally retarded clustered. Among expectant mothers who do not receive prenatal care—a disproportionate number of whom reside in city tenements and rural slums—premature births occur two or three times as frequently as they do among women who receive adequate prenatal care; further, among premature infants, the incidence of birth defects and mental retardation is high.

In city tenements and rural slums, the intellectual blight that characterizes these neighborhoods is associated with the higher incidence of mental retardation found among schoolchildren coming from these neighborhoods.

Yet in our communities, rich or poor, urban or rural, we have done little to help the mentally retarded. Less than 30,000 mentally retarded individuals were served by our psychiatric outpatient clinics in 1959, and only 20,000 received clinical services in programs supported by the Children's Bureau in 1961.

Out of five mentally retarded schoolage children, one is enrolled in special education programs in public schools. We need 75,000 specially prepared teachers to instruct the mentally retarded—we have less than one-third that number now.

These findings—and many others reported by the President's Panel on Mental Retardation—are the facts that undergird current proposals in this field. They indicate that if we are to prevent the occurrence of preventable mental retardation, we must allocate more resources for health, for education, and training.

Furthermore, if we are to bestow the benefits of our society upon those who are already retarded, they must receive special services, in the community, that will actively foster the development of each individual's maximum capacity, and his maintenance in the community at the highest level of social responsibility of which he is capable.

If, as is apparent, providing adequate medical care to expectant mothers and their infants prevents mental retardation, then adequate medical care must be made available to each mother, and to each child.

If the mentally retarded need special educational opportunities, then we must make special efforts to insure that there are enough classroom teachers to instruct each mentally retarded child. For the retarded child does not differ from the normal child in his need to be properly educated for adult responsibilities.

If, as we know, many of the retarded will require special services over a long period of time, and that some of the more severely retarded will require a sheltering environment for an indefinite period of time, then provisions for these must be made in the community.

Mr. Speaker, time does not stand still for the mentally retarded while those who control his destiny quibble about what proportion of his total needs they are going to provide: whether he will get 10 percent of the services he needs, or 25 percent, or 50 percent. The passage of time will make only more desperate the needs of the retarded that are not being met today. For it is now that the infant's mother needs care. It is now that the toddler needs a careful diagnostic workup. It is now that the child

needs special education. And it is now that millions of the retarded need special facilities in their communities, near their own homes.

For a long time, I have known that the needs of the mentally retarded were great and complex. I have consistently brought these needs to the attention of this House. As chairman of the subcommittee of the Committee on Appropriations that annually considers the administration's budget for the Department of Health, Education, and Welfare, I have, year after year, urged that adequate funds be appropriated to mount truly effective programs in this field.

The Appropriations Committee was pleased that the President gave this problem the recognition he did when he appointed the President's Panel on Mental Retardation. While that Panel made an excellent report, there are certain aspects of the problem that could have been given attention if the Panel had had a little more time. The following are a few exciting possibilities for new programs that appear to have been overlooked.

PERINATAL RESEARCH

The report of the Panel makes references to some of the early findings of the collaborative perinatal project of this Institute. It points to some of its results as "illustrative of research findings which have led to prevention of a significant number of cases of mental retardation." However, the Panel makes no recommendation for continuation or extension of this important undertaking—an undertaking which has mobilized vast resources in 15 university centers, and has created a national resource with continuing capability for an organized and concerted drive against the causes of retardation, cerebral palsy, and other neurological and sensory disorders. The potential of this resource is largely unexplored, but numerous requests from many agencies indicate that this unique program is in a position to make broad contributions to many facets of the problem of mental retardation.

At the present time, a wealth of research information is already assembled in the collaborative project. The Institute is now exploring with other agencies the most profitable directions for the further extension of this program and should be in a position to present such a broad plan for fiscal year 1965.

ROLE OF VIRUSES IN PREGNANCY

The Panel points out that a "number of viruses and other infectious agents have already been identified or are strongly suspected of producing damage to the fetal brain when the mother is infected during pregnancy." No specific recommendation for an attack on this problem is made, however.

Within the institute's collaborative perinatal project, every woman is receiving serological examinations for the detection of viral infection. Preliminary studies show that about 7 percent of these women experience infection by a known virus during pregnancy. Within this program, the virus of German measles—an agent known to produce mental retardation—has been isolated. The human disease has been produced experimentally for the first time. The effectiveness of a vaccine has been demonstrated, and its usefulness in preventing fetal injury is under investigation in monkeys.

These studies should be extended to other viruses. The place to search for such viruses is in abortions or premature births because those agents which in mild instance cause mental retardation, lead to death and miscarriage of the fetus in severe cases.

The methods for culturing such viruses have now become routine, but they are laborious and time consuming. Such work does not provide challenge for the university-based scientist whose interest lies in the search for new approaches. It would be possible, however, through industrial contracts, to establish a large screening program to search for viruses among a number of specimens. Within such a program it is almost certain that additional viruses responsible for fetal injury would be found.

A NATIONAL NEUROSENSORY INSTRUMENTATION CENTER

Because of the complexity of the nervous system, the development of precise instruments is an essential aid to investigation. For example, a statement frequently quoted is that "in 75 percent of instances of mental retardation no structural abnormality of the brain has been demonstrated." A thorough review of the literature suggests one probable explanation for this impression: brains of retarded individuals after death have not been studied with the precise methods required to demonstrate detailed and deep-lying deformities.

The studies of Dr. Windle and his associates in Puerto Rico indicate that asphyxiated newborn monkeys undergo extensive cell loss in the brain. Such loss, however, is demonstrable in later life only as a reduction in the number of cellular elements present. One cannot see what is absent, and without the use of precise cell-counting techniques, up to 25 percent of the neural elements of a nucleus of the brain may be lost without this being evident to the neuropathologist.

Studies in the Institute's Laboratory of Perinatal Physiology also indicate that the effects of such deleterious agents as asphyxia and kernicterus are highly selective, leading to serious impairment of some parts of the brain while sparing others. Exact quantitation of cell loss in various nuclei of the brain is thus essential if we are to understand the structural basis of the varied forms of intellectual impairment in mental retardation. However, the brain comprises several billions of nerve cells. It has been the lifework of a few dedicated scientists to attempt such quantitative studies of even one or two specimens. However, technology has now reached the stage where much of this arduous task could be accomplished automatically by the use of instruments. The development of an automatic cell-counting microscope is now well within the realm of attainment. The specific technological problems which must be overcome in the production of such an instrument have been defined.

A central planning group, empowered to use grants or contracts to recruit the technical and industrial resources required, is needed to make this possibility a reality. The availability of a cell-counting instrument to scan the brains of mentally retarded individuals dying of intercurrent diseases, and of animals with comparable experimentally induced neurosensory defects, would constitute a major contribution in our efforts to define with accuracy the organic abnormalities responsible for mental retardation.

Particular concern has been expressed regarding the complex problem presented by the blind and the deaf retarded. Especially where multiple handicaps are present, the mobilization of the individual's intellectual resources may be completely blocked by failure of communication. Fundamental investigations, well underway, are exploring the use of patterned sensory stimuli, applied to the skin by electronic devices, as a means of establishing a meaningful communication. In a similar way, Helen Keller learned the meaning of sound through feeling with her fingertips the vibrations of the larynx of her teacher. The time is ripe for an all-out investigation of the various alternative sensory pathways through which visual and auditory information may be made available and meaningful to those whose normal channels are destroyed.

An even greater challenge exists in explorations directed toward the substitution of electronic devices for the eye and the ear—devices which might be keyed into the human nervous system directly in such a fashion as to provide substitute stimuli within the visual and auditory systems. The problems to be overcome are awesome but not insurmountable.

In vision, for example, one first must have precise knowledge of the coding process of the eye whereby the light impulse falling on the retina—composed of some 100 million computer cells—is converted into patterns of nerve impulses. When this knowledge is available, it will be necessary to develop computers and other instruments capable of interpreting the impulses. Finally, means must be found to key the coded messages into the nervous system in a way which will not destroy the delicate nerve fibers to be stimulated.

A committee of competent scientists is actively engaged in the consideration of this entire problem of substitutions for vision. The financial and logistical resources required to transform into reality the ideas of this committee, and of other related groups, should be established within a national neurosensory service center.

A COOPERATIVE HEAD INJURY STUDY

The most common single cause of hospitalization of children is accident and injury. Of a group of injured hospitalized children, 30 percent were found to be suffering from injuries of the head and brain. Head injury is not ordinarily thought of as a cause of mental retardation. However, in approximately 10 percent of institutionalized retarded, a

postnatal condition is held responsible for the retardation. Among these, a significant number result from head injury. Automobile accidents account for a large portion of such accidents, but sports, various play activities, and home accidents are also causes. As pointed out by the President's Panel, the obvious solution is prevention. However, as is the case with asphyxia, many of the serious permanent residuals of head injury appear to develop after the event during a postconcussion reactive phase. Therefore, effective management of this delayed reaction could materially reduce the severity of the permanent neurological damage in many instances of head injury.

A cooperative head injury program should investigate many problems: the logistical problems of providing prompt, definitive surgical management of accident victims from cities and highways; the fundamental characteristics of the reaction of the brain to injury; the classification and evaluation of the injured; and the evaluation of the therapeutic measures now being carried out on a largely empirical basis.

CENTERS TO STUDY DISEASES OF THE NERVOUS SYSTEM IN INFANCY AND CHILDHOOD

The problem of mental retardation is one of broad scope to which a diversity of skills and talents must be addressed. The Chairman of the President's Panel has made it clear that it has been the intent of that Panel to mobilize, for the attack on this problem, individuals having the widest possible variety of skills. Important among these is the scientist whose life is devoted to the study of the brain. The mobilization of the field of neurology to attack this vast problem requires a clear definition of the role and responsibility of clinical neurologists, neuropathologists, neurophysiologists, neurochemists, and neuroanatomists. The importance of this aspect of the problem of retardation requires that it receive specific focus. The development of centers specifically to study diseases of the nervous system in infancy and childhood, is essential if such people are to be drawn into active participation in research in this field.

It is believed that the above-mentioned special activities are in line with the thinking and objectives of the President's Panel and could appropriately have been included within their report.

This year we face an unprecedented opportunity. First, as a result of the work of the President's Panel on Mental Retardation, the facts regarding mental retardation have been clarified as never before. Second, the President of the United States, in a historic message to Congress, has used the weight of his great Office to lead the Nation into better ways of dealing with the medical, social, and econmic burdens caused by mental retardation. Third, the people have indicated by their response to the President's message, that it is their will, as well as their desire, that the mentally retarded be given appropriate care, treatment, and education in their home communities.

I therefore urge that this great legislative body act on the opportunities currently available to us, and enact an effective mental retardation program.

I am submitting for the RECORD a summary of the three bills I now introduce:

SUMMARY OF MATERNAL AND CHILD HEALTH AND MENTAL RETARDATION PLANNING AMENDMENTS OF 1963

Increase in maternal and child health and crippled children's services: Sections 2 and 3 of this bill would increase the authorizations for existing programs for maternal and child health and crippled children's services under title V of the Social Security Act from the present $25 million each, by steps of $5 million, to $50 million each by the fiscal year 1970. For each program the present matching requirements and basis for apportioning funds would be continued.

Special project grants for maternity and infant care: Section 4 of the bill would establish as a part of title V of the Social Security Act, a 5-year program of project grants to assist in meeting the costs of maternity and infant care for high risk groups. The appropriations authorized would be $5 million for fiscal year 1964, $15 million for fiscal year 1965 and $30 million for the next 3 fiscal years. Grants would be available to State health agencies or, with their consent, to local health agencies, to pay up to 75 percent of the cost of projects for the provision of all necessary health care to prospective mothers (including, after childbirth, health care to mothers and their infants) who have or are likely to have conditions associated with childbearing which increase the hazards to the health of the mothers or their infants (including those which may cause physical or mental defects in the infants) and who are from low-income families or are otherwise unlikely to receive all necessary health care.

Research projects relating to maternal and child health and crippled children's services: Section 4 would also authorize under a new part 4 of title V of the Social Security Act, appropriations for grants or jointly financed cooperative arrangements or contracts for research projects relating to services for maternal and child health and crippled children which show promise of making a substantial contribution to the advancement of knowledge relating to maternal and child health and crippled children's services. With respect to this provision, the Congress would be authorized to appropriate such sums as it may determine to be necessary beginning with the fiscal year 1964.

Grants for planning comprehensive action to combat mental retardation: Section 5 of the bill would add a new title, title XVII, to the Social Security Act to authorize the appropriation of $2.2 million for project grants to be used by the States to: (1) determine the action necessary to combat mental retardation and the resources available for this purpose; (2) develop public awareness of the problem of mental retardation; (3) coordinate State and local activities relative to the various aspects of mental retardation; and (4) to plan other activities leading to comprehensive State and community action to combat mental retardation.

SUMMARY OF MENTAL RETARDATION CONSTRUCTION FACILITIES ACT OF 1963

Grants for construction of centers for research on mental retardation and related aspects of human development: Title I of this bill authorizes a 5-year program of Federal grants to assist in the construction of centers for research on mental retardation and related aspects of human development; this program would be contained in a new part B to be added to the health research facilities title (title VII) of the Public Health Services Act. The total appropriation for the period July 1, 1963, to June 30, 1968, is $30 million.

In acting on applications for grants, the Surgeon General would be required to take into consideration relative effectiveness of the proposed facility in expanding the Nation's capacity for research and related purposes in the field of mental retardation and related aspects of human development.

The Federal share of the project could be up to 75 percent of necessary costs of construction.

Grants for construction of facilities for the mentally retarded: Title II of the bill authorizes the Secretary of Health, Education, and Welfare to make grants to States for the construction of facilities especially designed for the diagnosis, treatment, education, training, or custodial care of the mentally retarded, including facilities for training specialists, and including sheltered workshops for the mentally retarded, if such workshops are part of facilities which provide comprehensive services for the mentally retarded.

Appropriations of such sums as Congress may determine would be authorized during the period July 1, 1964, through June 30, 1969. The funds appropriated would be allotted among the States on the basis of population, extent of need for facilities for the mentally retarded, and the financial need of the States, with a minimum of $100,000 for any State. States would be given the alternative of varying the Federal share of the cost of construction of projects, on the basis of standards set by the State, between 45 percent and 75 percent or of choosing a uniform Federal share—which would not be less than 45 percent and could go as high as 75 percent for some States—for all projects in the State.

Applications would be submitted to the Secretary after approval by the State agency designated by the State to administer the State plan.

A State advisory council, composed of representatives of State agencies concerned with planning, operation, or utilization of facilities for the mentally retarded and of non-Government organizations or groups concerned with education, employment, rehabilitation, welfare, and health, as well as representatives of consumers of the services involved, would consult with the State agency in carrying out the State plan. The plan would have to set forth a construction program based on a survey of need for facilities and provide for construction in accordance with relative need for facilities insofar as permitted by available financial resources. The plan would also have to meet several other requirements set forth in the bill, including provision for methods of administration necessary for proper and efficient operation of the plan, hearings for unsuccessful applicants, and standards of maintenance and operation of facilities constructed.

Priority of projects to be approved under the State plan would be based on relative need of the different areas in the State, with special consideration for those facilities which will provide comprehensive services for a particular community or communities.

Project grants for the construction of university-affiliated facilities for the mentally retarded: Title III of the bill authorizes appropriation of such sums as Congress may determine for a 5-year period beginning July 1, 1964, for the purpose of assisting in the construction of clinical facilities providing, as nearly as practicable, a full range of inpatient and outpatient services for the mentally retarded and facilities which will aid in demonstrating provision of specialized services for the diagnosis and treatment, education, training, or care of the mentally

retarded or in the clinical training of physicians and other specialized personnel needed for research, diagnosis and treatment, education, training, or care of the mentally retarded.

The sums so appropriated would be used for project grants for construction of public and other nonprofit facilities for the mentally retarded which are associated with a college or university.

In the development of this aspect of the program for the mentally retarded, special provision will be made for the construction of the service facilities described in this title in association with the grant program covered in title I, which provides for the construction of research centers. The association of research centers with the full range of inpatient and outpatient services would provide for the maximum exchange amongst the research, training, and service functions of these centers. In this manner the very best standards of care can be achieved. Research will proceed in the context of the teaching and care problems and the quality of training will be of the highest.

The maximum Federal share of the cost of construction of these facilities would be 75 percent.

SUMMARY OF MENTAL RETARDATION EDUCATION RESEARCH ACT OF 1963

The bill would amend the act of September 6, 1958 (Public Law 85-926), which authorizes grants to institutions of higher learning for training personnel who can, in turn, train teachers of mentally retarded children, and grants to State educational agencies to assist them in providing training of teachers of mentally retarded children and supervisors of such teachers.

The grants to the institutions would be expanded to include grants for training teachers of mentally retarded children and supervisors of such teachers, and for training other specialists and research personnel for work in this area.

The present limitation of $1 million per year for payments under the law would be replaced by an authorization of appropriations of $5 million for fiscal 1964 and such sums as Congress may determine for the next 4 fiscal years.

This bill also authorizes $1 million annually for fiscal 1964 and the next 4 years for grants to States, State or local educational agencies, institutions of higher learning, and other public or nonprofit private educational or research organizations for research and demonstration projects relating to education of mentally retarded children. Grants under this authority would be made after securing the advice of panels of experts.

AMENDMENT TO SECTION 366 OF THE IRC

Mr. KEOGH. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

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

There was no objection.

Mr. KEOGH. Mr. Speaker, in the decisions of the U.S. Supreme Court in *Groman* v. *Commissioner* (302 U.S. 82 (1937)) and *Helvering* v. *Bashford* (302 U.S. 454 (1937)), and in a number of subsequent decisions in lower courts, it was held that the reorganization provisions of the Revenue Act of 1928 and their successor provisions in subsequent revenue acts did not apply where a corporation acquired the assets or stock of another corporation, and, pursuant to the plan, transferred such assets or stock to a wholly owned subsidiary. Also, the reorganization provisions were held inapplicable where the stock or assets were acquired directly by a subsidiary, and stock of its parent corporation was issued in exchange therefor.

In enacting the 1954 code, the Congress sought to overturn the results of those decisions. However, this was actually accomplished only with respect to statutory mergers and consolidations under section 368(a)(1)(A) and stock for asset acquisitions under section 368(a)(1)(C). The Congress failed to give consideration to the need for also extending the rule to cover stock-for-stock acquisitions under section 368(a)(1)(B), which were also affected by the Groman and Bashford cases. The proposed amendment to code section 368 would correct this oversight. This would be accomplished by amending the definition of a so-called "B" reorganization to permit the use of a parent corporation's stock in making the acquisition of the stock of the other corporation; by amending section 368(a)(2)(C) to permit the parent corporation to transfer acquired stock to its subsidiary without destroying the reorganization; and by amending the definition of a party to a reorganization to make clear that the shareholders and corporations making the exchange will qualify for tax-free treatment under sections 354(a) and 361(a), respectively. The substance of these proposed amendments was included among the recommendations of the subchapter C advisory group submitted to the Ways and Means Committee in December 1958.

As contemplated, the proposed amendment also would permit the corporation acquiring the assets of another corporation in exchange for the stock of a corporation in control of the acquiring corporation to transfer such acquired assets to a corporation controlled by such acquiring corporation without disqualifying the transaction as a reorganization under section 368(a)(1)(C). This result, however, would be obtained only where both the acquiring corporation and its controlled subsidiary, to which are transferred the acquired assets, are members of the affiliated group and file a consolidated tax return for the taxable year in which the acquisition occurs. Thus, where corporation B acquired the assets of corporation X in exchange for the stock of corporation A, which is in control of corporation B, corporation B could transfer the acquired assets to its controlled subsidiary, corporation C, without disqualifying the transaction as a reorganization under paragraph (1)(C), provided corporations B and C are members of the same affiliated group and file a consolidated return for the taxable year in which the acquisition and transfer occur.

The amendment would be made effective for taxable years beginning after December 31, 1963, in order to avoid problems of administration that might otherwise be incurred.

The proposed amendment to code section 368 would ease the unduly restrictive distinctions under existing law which defeat acquisitions of the type described above. Such acquisitions encourage business diversification and expansion, stimulating greater economic activity which is presently needed and being sought by the President. The proposed amendments should not cause any loss of Government revenues and most likely would result in increased revenues since economic activity would be stimulated, resulting in greater profits and the payment of more income tax.

EXTENSION OF REMARKS

By unanimous consent, permission to extend remarks in the CONGRESSIONAL RECORD, or to revise and extend remarks, was granted to:

Mr. ROYBAL.

Mr. MOORHEAD.

Mr. BURKE.

Mr. O'NEILL.

Mr. YOUNGER and to include extraneous matter.

Mr. LLOYD.

Mr. MCCORMACK (at the request of Mr. MADDEN) on the subject "Inquest of Freedom: The Enslaved Peoples of the Baltic States."

Mr. PELLY and to include extraneous matter.

Mr. HALPERN.

Mr. LIPSCOMB and to include extraneous matter.

Mr. MURPHY of Illinois.

ENROLLED BILLS SIGNED

Mr. BURLESON, from the Committee on House Administration, reported that that committee had examined and found truly enrolled bills of the House of the following titles, which were thereupon signed by the Speaker:

H.R. 1286. An act for the relief of Lt. Claude V. Wells;

H.R. 1561. An act for the relief of Melborn Keat;

H.R. 2439. An act to authorize the Secretary of Defense to lend certain Army, Navy, and Air Force equipment and provide certain services to the Boy Scouts of America for use in the 1964 National Jamboree, and for other purposes;

H.R. 3626. An act for the relief of Ronnie E. Hunter; and

H.R. 4349. An act for the relief of Robert O. Nelson and Harold E. Johnson.

ADJOURNMENT

Mr. ALBERT. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 3 o'clock and 11 minutes p.m.), under its previous order, the House adjourned until Monday, June 17, 1963, at 12 o'clock noon.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

930. A letter from the Secretary of the Army, transmitting a letter from the Chief

of Engineers, Department of the Army, dated May 15, 1963, submitting a report, together with accompanying papers and an illustration, on a letter report on Sturgeon Creek, Middlesex County, Va., authorized by the River and Harbor Act, approved July 14, 1960; to the Committee on Public Works.

931. A letter from the Secretary of the Army, transmitting a letter from the Chief of Engineers, Department of the Army, dated May 1, 1963, submitting a report, together with accompanying papers and an illustration, on a letter report on Back Bay of Biloxi and Bayou Bernard, Miss., requested by a resolution of the Committee on Public Works, House of Representatives, adopted April 21, 1953; to the Committee on Public Works.

932. A letter from the Secretary of Commerce, transmitting a draft of a proposed bill entitled "A bill to amend section 131 of title 23, United States Code, relating to the control of outdoor advertising along the National System of Interstate and Defense Highways"; to the Committee on Public Works.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. ROGERS of Colorado: Committee on the Judiciary. H.R. 2838. A bill to amend section 753(f) of title 28, United States Code, relating to transcripts furnished by court reporters for the district courts; without amendment (Rept. No. 384). Referred to the Committee of the Whole House on the State of the Union.

Mr. CELLER: Committee on the Judiciary. H.R. 2985. A bill to amend section 1391 of title 28 of the United States Code, relating to venue generally; without amendment (Rept. No. 385). Referred to the House Calendar.

Mr. PATMAN: Committee on Banking and Currency. House Joint Resolution 467. Joint resolution amending section 221 of the National Housing Act to extend for 2 years the broadened eligibility presently provided for mortgage insurance thereunder; without amendment (Rept. No. 386). Referred to the Committee of the Whole House on the State of the Union.

Mr. MURRAY: Committee on Post Office and Civil Service. H.R. 5795. A bill to repeal the provisions of law relating to the fixing by the Postmaster General, with the consent of the Interstate Commerce Commission, of rates of postage on fourth-class mail, and for other purposes; with amendment (Rept. No. 387). Referred to the Committee of the Whole House on the State of the Union.

PUBLIC BILLS AND RESOLUTIONS

Under clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. BURTON:

H.R. 7027. A bill to adjust wheat and feed grain production, to establish a cropland retirement program, and for other purposes; to the Committee on Agriculture.

By Mr. BONNER (by request):

H.R. 7028. A bill to amend section 21 of the Merchant Marine Act, 1920, as amended (46 U.S.C., sec. 887), and for other purposes; to the Committee on Merchant Marine and Fisheries.

By Mr. CASEY:

H.R. 7029. A bill to provide for a comprehensive, long-range, and coordinated national program in oceanography, and for other purposes; to the Committee on Merchant Marine and Fisheries.

H.R. 7030. A bill to amend the Internal Revenue Code of 1954 to provide that where a substantial part of an estate consists of a contract right to receive annual payments over a period of years, the Federal estate tax attributable to such contract may be paid in annual installments over such period; to the Committee on Ways and Means.

By Mr. CELLER:

H.R. 7031. A bill to improve judicial procedures for serving documents, obtaining evidence, and proving documents in litigation with international aspects; to the Committee on the Judiciary.

By Mr. FOGARTY:

H.R. 7032. A bill to amend the Social Security Act to assist States and communities in preventing and combating mental retardation through expansion and improvement of the maternal and child health and crippled children's programs, through provision of prenatal, maternity, and infant care for individuals with conditions associated with childbearing which may lead to mental retardation, and through planning for comprehensive action to combat mental retardation, and for other purposes; to the Committee on Ways and Means.

H.R. 7033. A bill to assist in combating mental retardation through grants for construction of research centers, grants to States for construction of facilities for the mentally retarded, and grants for construction of university-affiliated facilities for the mentally retarded; to the Committee on Interstate and Foreign Commerce.

H.R. 7034. A bill to assist in providing training of teachers of mentally retarded children, to authorize grants for research relating to education of such children, and for other purposes; to the Committee on Education and Labor.

By Mr. HAGEN of California:

H.R. 7035. A bill to adjust wheat and feed grain production, to establish a cropland retirement program, and for other purposes; to the Committee on Agriculture.

By Mr. KEITH:

H.R. 7036. A bill to provide for a comprehensive, long-range, and coordinated national program in oceanography, and for other purposes; to the Committee on Merchant Marine and Fisheries.

By Mr. KEOGH:

H.R. 7037. A bill to amend section 368 (relating to corporate reorganization definitions) of the Internal Revenue Code of 1954 to provide for the use of the stock of a corporation in control of the acquiring corporation in a section 368(a)(1)(B) reorganization and to allow the acquiring corporation acquiring assets in a section 368(a)(1)(C) reorganization solely for voting stock of a corporation in control of the acquiring corporation to transfer such assets to a corporation controlled by the acquiring corporation; to the Committee on Ways and Means.

By Mr. PRICE:

H.R. 7038. A bill to amend the Internal Revenue Code of 1954 with respect to the period during which an individual citizen of the United States must be present in a foreign country or countries in order to exclude his earned income for such period from gross income; to the Committee on Ways and Means.

By Mr. RHODES of Pennsylvania:

H.R. 7039. A bill to amend title II of the Social Security Act to provide that an individual may qualify for disability insurance benefits and the disability freeze with only four quarters of coverage; to the Committee on Ways and Means.

By Mr. ROGERS of Florida:

H.R. 7040. A bill to provide for a comprehensive, long-range, and coordinated national program in oceanography, and for other purposes; to the Committee on Merchant Marine and Fisheries.

By Mr. ROSENTHAL:

H.R. 7041. A bill to provide under the social security program for payment for hospital and related services to aged beneficiaries; to the Committee on Ways and Means.

By Mr. RYAN of New York:

H.R. 7042. A bill to amend section 203 of the Social Security Act to provide that the amount of an individual's medical, dental, and related expenses shall be subtracted from his outside earnings before determining under such section the amount of any reduction in his benefits by reason of such earnings; to the Committee on Ways and Means.

By Mr. SECREST:

H.R. 7043. A bill to amend the act of March 2, 1931, to provide that certain proceedings of the Veterans of World War I of the United States, Inc., shall be printed as a House document, and for other purposes; to the Committee on House Administration.

By Mr. SELDEN:

H.R. 7044. A bill to amend Public Law 193, 83d Congress, relating to the Corregidor-Bataan Memorial Commission; to the Committee on Foreign Affairs.

By Mr. STEED:

H.R. 7045. A bill to amend section 203(j) of the Federal Property and Administrative Services Act of 1949 so as to provide that certain surplus property of the United States shall be offered for sale to the States; to the Committee on Government Operations.

By Mr. STUBBLEFIELD:

H.R. 7046. A bill to provide assistance to certain States bordering the Mississippi River in the construction of the Great River Road; to the Committee on Public Works.

By Mr. TUPPER:

H.R. 7047. A bill to provide for a comprehensive, long-range, and coordinated national program in oceanography, and for other purposes; to the Committee on Merchant Marine and Fisheries.

By Mr. FRELINGHUYSEN:

H.R. 7048. A bill to authorize assistance to the States for surveying the needs of elementary and secondary education, and for other purposes; to the Committee on Education and Labor.

By Mr. GOODELL:

H.R. 7049. A bill to authorize assistance to the States for surveying the needs of elementary and secondary education, and for other purposes; to the Committee on Education and Labor.

Br. Mr. ELLSWORTH:

H.R. 7050. A bill to amend section 301 of the Foreign Assistance Act of 1961 to limit contributions and other payments by the United States to programs and activities of the United Nations to 33.33 percent of the cost thereof; to the Committee on Foreign Affairs.

Br. Mr. ASHLEY:

H.R. 7051. A bill to amend title II of the Social Security Act to permit both men and women to retire thereunder with full benefits at age 62; to the Committee on Ways and Means.

By Mr. GALLAGHER:

H.R. 7052. A bill to amend the Immigration and Nationality Act; to the Committee on the Judiciary.

By Mr. McMILLAN:

H.R. 7053. A bill to place the position of Superintendent of Insurance of the District of Columbia in an appropriate grade in the General Schedule of the Classification Act of 1949, as amended; to the Committee on Post Office and Civil Service.

By Mrs. MAY:

H.R. 7054. A bill to amend section 104 of Public Law 480, 83d Congress, as amended; to the Committee on Agriculture.

By Mr. PUCINSKI:

H.R. 7055. A bill to amend the Federal Coal Mine Safety Act so as to provide further for the prevention of accidents in coal mines; to the Committee on Education and Labor.

H.R. 7056. A bill to amend the War Claims Act of 1948, as amended, to provide compensation for certain additional losses; to the Committee on Interstate and Foreign Commerce.

By Mr. MARTIN of Nebraska:

H.J. Res. 475. Joint resolution to authorize the President to proclaim December 7, 1966, as Pearl Harbor Day in commemoration of the 25th anniversary of the attack on Pearl Harbor; to the Committee on the Judiciary.

By Mr. NYGAARD:

H.J. Res. 476. Joint resolution to authorize the President to proclaim October 9 in each year as Leif Erikson Day; to the Committee on the Judiciary.

By Mr. HORAN:

H.J. Res. 477. Joint resolution relating to Father's Day; to the Committee on the Judiciary.

By Mr. MACGREGOR:

H.J. Res. 478. Joint resolution proposing an amendment to the Constitution of the United States providing for the election of President and Vice President; to the Committee on the Judiciary.

By Mr. RYAN of New York:

H. Con. Res. 178. Expressing the sense of the Congress with respect to discrimination against U.S. citizens by foreign nations; to the Committee on Foreign Affairs.

By Mr. FALLON:

H. Con. Res. 179. Concurrent resolution extending the appreciation of Congress to the American Association of State Highway Officials for its service to this Nation; to the Committee on Public Works.

MEMORIALS

Under clause 4 of rule XXII,

Mr. FASCELL presented a memorial of the Legislature of the State of Florida to the Congress of the United States to authorize the construction of a highway from the Florida Keys through the Everglades National Park to the west coast of Florida, which was referred to the Committee on Public Works.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. FASCELL:

H.R. 7057. A bill for the relief of Eduardo J. Whitehouse; to the Committee on the Judiciary.

By Mrs. GRIFFITHS:

H.R. 7058. A bill for the relief of Alisa Welner; to the Committee on the Judiciary.

By Mr. O'BRIEN of Illinois:

H.R. 7059. A bill for the relief of Vassiliki Tsitsou; to the Committee on the Judiciary.

By Mr. PUCINSKI:

H.R. 7060. A bill for the relief of Dr. Isabelo Remedio Lim; to the Committee on the Judiciary.

By Mr. BOB WILSON:

H.R. 7061. A bill for the relief of Joanna Stavropoulos; to the Committee on the Judiciary.

By Mr. WRIGHT:

H.R. 7062. A bill for the relief of Murray Moritz Jacobson; to the Committee on the Judiciary.

PETITIONS, ETC.

Under clause 1 of rule XXII,

158. The SPEAKER presented a petition of Mr. Anthony Maurovich and others, San Francisco, Calif., requesting preservation of the Monroe Doctrine; to the Committee on Foreign Affairs.

EXTENSIONS OF REMARKS

Mass Deportations From the Baltic States

EXTENSION OF REMARKS
OF
HON. SEYMOUR HALPERN
OF NEW YORK
IN THE HOUSE OF REPRESENTATIVES
Thursday, June 13, 1963

Mr. HALPERN. Mr. Speaker, I would like to join the Baltic States Freedom Committee in commemorating the 22d anniversary of criminal deportations from Lithuania, Latvia, and Estonia, which were conducted by the Soviet Union. The martyrdom of thousands of citizens of the Baltic States in 1941 remains on the consciences of all who believe in the ideals of freedom and independence. The anniversary of this event should be noted by every American who believes in the ultimate victory of the free world.

The Soviet Union has imposed the harsh rule of an alien dictatorship on the Baltic peoples since June 1940, when Lithuania, Estonia, and Latvia were forcibly and cruelly incorporated into the Soviet Union. The peoples of the Baltic States have resisted the efforts of the Soviet Union to impose a foreign way of life and prevent the continued practice of traditional Baltic customs. Those who resisted these efforts were subjected to exile, deportation, imprisonment, and even execution. When they found difficulty in imposing dictatorial rule on these ancient peoples, the Soviets made plans to transplant all the people of the Baltic States to Russia.

The fact that these plans were not carried out is surely due in part to the resistance of the Baltic peoples. The Russian answer to Baltic opposition was deportation. The outrages which I would like to commemorate today reached their peaks on June 14, 15, 16, and 17, 1941. During these few days thousands of Lithuanians, Latvians, and Estonians were expelled from their homelands under the most primitive conditions.

As we join in commemorating the mass deportations from the Baltic States in June 1941, we reaffirm our dedication to the cause of freedom for the Baltic peoples.

Latvia, Lithuania, Estonia: Their Freedom Must Be Returned

EXTENSION OF REMARKS
OF
HON. THOMAS P. O'NEILL, JR.
OF MASSACHUSETTS
IN THE HOUSE OF REPRESENTATIVES
Thursday, June 13, 1963

Mr. O'NEILL. Mr. Speaker, 22 years ago the troops of Red Russia marched into three independent and self-governing nations with but one intent, to occupy and control. This invasion was made in spite of the fact that each country had a treaty of friendship and nonintervention with the Russian Government.

The rest of Europe, already embroiled with Hitler's grasping for political hegemony for Germany over the entire area could do little as those three brave nations went under—when their freedom was destroyed. Latvia, Lithuania, Estonia, small nations along the Baltic Sea were absorbed by force into the Soviet Union.

Born out of the hopes and dreams at the end of the First World War, all three had obtained independence as a result of the Allied victory, and for 20 years enjoyed the fruits of this independence within the world community of nations. Twenty years is short in the average lifetime of any nation, yet it is a sad fact of recent years, though that such a life expectancy seems about average for those nations and peoples bordering the Soviet Union.

Stalin's Russia—nor for that matter Khrushchev's either—could not allow a nation representing a political doctrine of liberty and freedom for its citizenry to taint its border areas. Such a "revolutionary" philosophy spreads quickly, especially amongst people who know nothing but the extreme opposite. So, crying subversion against his state, the Communist master of the Kremlin gave the order to move forward. His troops marched in, and that was the end of freedom.

It took more than military control to defeat these people—their countries may have been small in size, but their peoples were not small in bravery or spirit. The Russians intended to establish puppet governments, but in order to do so all possible opposition had to be done away with. This really presented no problem, as the wasteland of Siberia had long been a Russian dumping ground for political elements not taking kindly to Moscow domination. This was again the policy followed. In the week subsequent to June 13, 1941, alone, some 60,000 men, women, and children were deported to Siberia and, for most, almost certain death.

This number represented but one period in the deportation schedules that were interrupted only by the arrival of another invader—Nazi Germany.

Yet not even the victory of the democracies after the Second World War could bring succor to the citizens of these countries. For included amongst the victors was imperialistic Russia, still determined upon her policies of domination and conquest. The Baltic States slipped easily back under Communist control, and

there was a new series of deportations, with political control from Moscow ever stricter.

Today, 22 years after the first great deportations the situation remains the same. It is therefore our just and rightful duty to give recognition to the peoples of Latvia, Lithuania, and Estonia in their dedication to overcome all opposition and to again see freedom in their respective homelands.

Baltic Freedom Days

EXTENSION OF REMARKS
OF
HON. JAMES A. BURKE
OF MASSACHUSETTS
IN THE HOUSE OF REPRESENTATIVES
Thursday, June 13, 1963

Mr. BURKE. Mr. Speaker, one of the ironies of modern times is the "progress" which mankind has made in developing weapons of mass terror and conquest. The barbaric practices of antiquity have given way to the more efficient methods of the gas chamber, slave labor camp, and cattlecar deportation. It is the last technique in particular which the observance of Baltic Freedom Days on June 14–16 brings to mind, for it was 22 years ago this week that the Soviets ruthlessly executed a mass deportation in the three conquered Republics of Lithuania, Latvia, and Estonia.

The goal of these mass deportations, along with mass arrests and exterminations, was the complete physical and spiritual destruction of these three small nations. The figures are staggering. During one night alone—June 14—about 10,000 Estonian men, women, and children were arrested and shipped in cattle cars to Siberia and northern Russia. From Latvia, 15,600 were transported to Siberia on June 13–14. During the week of June 14–21, Lithuania lost 34,260 souls to the remote areas of Siberia and the Arctic. The week's total for the Baltic area was 59,860 deportees.

What happened to these ill-fated people. Most of them died or went insane as a result of Soviet brutalities and inhuman living conditions. There were few survivors, but the testimony of some of these has documented one of history's most heinous crimes.

It would be wrong to assume that these deportations are a thing of the past, to regard them as simply an excess of Stalinism. The mass deportation has continued throughout the postwar era to be an instrument of sovietization and coercion. The specific techniques have shifted from mass arrests and cattle-car shipments to the more subtle one of job and housing controls which force segments of the population to move from one area to another. These methods may be less offensive, but the hardship and disruption which they cause the Baltic peoples have not been lessened. Thus it is an illusion to believe that these peoples have any more freedom under Khrushchev's so-called liberalized regime. It is well to be reminded of these hard facts of the cold war, lest we forget the human misery and suffering caused by Soviet imperialism. It is our fervent hope that the Baltic peoples will again be able to observe an occasion such as Baltic Freedom Days in their native land.

A Peaceful, Prosperous Middle East

EXTENSION OF REMARKS
OF
HON. EDWARD R. ROYBAL
OF CALIFORNIA
IN THE HOUSE OF REPRESENTATIVES
Thursday, June 13, 1963

Mr. ROYBAL. Mr. Speaker, recent events in the Middle East have again given rise to fears of aggressive action in this extremely important and highly volatile area.

There are so many conflicting interests at work and so much internal instability evident that no one can predict with certainty what may happen next.

But it should be borne in mind by all leaders of the nations located in that cradle of civilization that the interest of all demands the maintenance of peace. Wars and threats of war disturb the tranquility of the area and prevent it from developing its resources for the benefit of all its inhabitants.

As one of the leaders of the free peoples of the world, the United States has a strong and vital interest in keeping the peace among all the countries of the Middle East.

This continuing interest was sharply emphasized in 1958, when President Eisenhower, at the request of the local government, sent American troops into Lebanon to assist the constituted authority in maintaining its democratic heritage and tradition in a stable atmosphere.

In view of this past history, it is well to note the statement made recently by President Kennedy in answer to a question at one of his press conferences. I believe Mr. Kennedy's statement should be taken at face value by those contemplating aggression in this area, now or at any time in the future—for it certainly has the support of all Americans, and it certainly will serve as the basis for any American action, should such action become necessary.

The President's statement follows:

> The United States supports social and economic and political progress in the Middle East. We support the security of both Israel and her neighbors. We seek to limit the Near East arms race which obviously takes resources from an area already poor, and puts them into an increasing race which does not really bring any great security.
>
> We strongly oppose the use of force or the threat of force in the Near East, and we also seek to limit the spread of communism in the Middle East which would, of course, destroy the independence of the people. This Government has been and remains as strongly opposed to the use of force or the threat of force in the Near East. In the event of aggression or preparation for aggression, whether direct or indirect, we would support appropriate measures in the United Nations, adopt other courses of action on our own to prevent or to put a stop to such aggression, which, of course, has been the policy which the United States has followed for some time."

In short, the President has expressed the traditional U.S. position favoring a peaceful and prosperous Middle East, but, at the same time, he has reiterated our firm determination to support with all our strength the forces of peace in that strategic region.

The Massive Youth Program of the Latter-day Saints Church

EXTENSION OF REMARKS
OF
HON. SHERMAN P. LLOYD
OF UTAH
IN THE HOUSE OF REPRESENTATIVES
Thursday, June 13, 1963

Mr. LLOYD. Mr. Speaker, the citizens of our entire country could profitably take note of an occasion soon to transpire during the lovely spring evenings in Salt Lake City, Utah. Some 50,000 spectators will gather in the stadium on the University of Utah campus to witness a dance festival unduplicated anywhere in the world. Six thousand young dancers assembled from all parts of the United States will apppear in costumed dances to climax a conference to which 25,000 youth leaders will be gathered. These leaders will return to give continued guidance, inspiration, and encouragement to more than 300,000 people enrolled in the Mutual Improvement Association, an auxiliary of the Church of Jesus Christ of Latter-day Saints.

It was 50 years ago that the Latter-day Saints Church became the first religious body in the United States to sponsor the Boy Scout program. It simultaneously established a corresponding Beehive program for the girls of comparable age, which has matched in success the wonderful results of the scouting program.

As the name of this auxiliary suggests, it is geared to personal improvement through mutual participation in activities designed to build character, develop each participant's talents, and provide wholesome entertainment for youthful energies. In a day when we are plagued with increasing juvenile delinquency, charges of a corrupted youth, and are urged to enact massive Federal programs to occupy the time and energies of our young people, it is indeed refreshing to note the great success of such a youth program in our Nation.

Its success is accomplished voluntarily as a service of love and appreciation, being carried out enthusiastically by those who have benefited from the program during their growing years. Hundreds of thousands of our youth have been reached by this activity, and at absolutely no cost to the Federal or State Governments.

I am sure my colleagues in the House of Representatives join me in offering sincere congratulations to the dedicated leaders and teachers in the MIA program on the forthcoming annual con-

ference, and in expressing the hope that their continued efforts will provide healthy and constructive achievement for many thousands more of our Nation's youth.

Baltic Freedom Day; Our Duty To Remember

EXTENSION OF REMARKS
OF
HON. WILLIAM T. MURPHY
OF ILLINOIS
IN THE HOUSE OF REPRESENTATIVES
Thursday, June 13, 1963

Mr. MURPHY of Illinois. Mr. Speaker, we remember today the people of three small nations, Latvia, Lithuania, and Estonia. They were cruelly overrun by Communist Russia 22 years ago, yet the people of these countries have not forgotten, even today, the joys of the freedom they once knew. They still work and hope for the day when they will know it again.

We can best understand the plight of these Baltic peoples by realizing the blessings that we in the United States of America often take too much for granted. Perhaps one of the greatest benefits which we have had was well over a hundred years of relative isolation from the rest of the world. In this position of isolation, after our Declaration of Independence, we were able to work out our destiny within the confines of our national interest and a national unity, with relatively few outside influences with which to contend. We also had vast unsettled lands into which our expanding population could move. In spite of a Civil War, we were able to maintain a detachment from the divisive influences of foreign involvements which allowed a great degree of our attention to be directed toward national problems during our most formative stages. Thus, when the full force of outside struggles for power was introduced into our country with the coming of the First World War, we were strong and united internally, with a dedication to self-preservation and great faith in the ideals upon which this Nation was founded and governed. By these unifying strengths we have been able to stand up and defeat those who would pull us down.

Not so with too many of those small nations on continental Europe, surrounding its large central land mass. Though the peoples of these areas are ethnically separate and have at various times in history been able to form themselves into self-governing States, a continuance of this state of existence was in direct relationship to the centralization of power in the land mass center controlled from Moscow, and Moscow's relationship within the European balance of power. The independence of smaller States surrounding Russia depended too much on the particular pressures of the moment within the stronger States bordering them. We have then, as with Latvia, Lithuania, and Estonia, brave, strong, and hardworking peoples of different ethnic and cultural backgrounds, formed into viable democracies of their own choosing, yet unable to stand up to more powerful outside influences, both of fascism and communism, that would do them ill. It is a sad mark of our times that many nations, from the Balkans to the Baltic, have found themselves in a like position, too close to a power-mad nation that would adopt any means to subvert adjoining nations to their particular brand of government and political control.

It is for us in the Western World, especially in this country of ours, continually to call attention to the plight of so many millions of people not so fortunate as to enjoy the fruits of political freedom and independence with which, due in many ways to our geographical position, we have been blessed.

Twenty-two years ago the Soviets, from Moscow, set about the consolidation of their conquest of the three free Baltic States through a policy of mass deportations to slave-labor camps in faraway Siberia of so-called antisocial elements within each nation. It was the Soviet intention to subject the remaining population to their own imperialistic control, and to allow them the most minimal degree of self-government and autonomy within the monolithic Soviet state.

But in following this course of action the Soviets forgot one extremely important factor: people have an inborn urge for freedom to live within societies of their own making, and to determine their own future under leadership of their own choosing. This spirit cannot be killed in slave-labor camps, by brainwashing, and by harsh political control through threat and use of force.

The peoples of Latvia, Lithuania, and Estonia, in spite of the persecutions of the Soviet Union, have not given up their thirst for freedom. Their spokesmen in the free world, and clandestinely from within the countries themselves, remind us constantly of the plight of their fellow citizens. They look to this country, the United States, as the absolute antithesis of what is represented by Soviet dictatorship, and to the action taken by us in bringing about a return of freedom to these unfortunate nations. On this 22d anniversary of the first cruel Soviet deportations of free peoples from the Baltic States, let us rededicate ourselves to the task and goal of seeing their freedom returned.

Baltic Freedom Day

EXTENSION OF REMARKS
OF
HON. GLENARD P. LIPSCOMB
OF CALIFORNIA
IN THE HOUSE OF REPRESENTATIVES
Thursday, June 13, 1963

Mr. LIPSCOMB. Mr. Speaker, June 14 marks the 22d anniversary of the mass deportations by the Communists from three Baltic States: Lithuania, Latvia, and Estonia.

For 20 years these nations and their leadership knew the fruits of a hard-earned independence that came after the First World War. During this period each of these countries exhibited to the world at large the abilities of their leaders and peoples to assume with dignity and correctness the obligations of independent national status. These three Baltic States, giving to their peoples a democratic rule in cooperation with the Western World, knew economic, political, and social stability remarkable for the time and surrounding conditions.

Most unfortunately for the hopes of these nations, they had a powerful neighbor with urgent designs on the territory of each; not only could imperialist Soviet Russia not allow a nation knowing political freedom to contaminate her borders, but Latvia, Lithuania, and Estonia controlled a major portion of the Baltic Sea, a vital trade and shipping route the Russians felt they must have.

How to gain control of these countries, each of which had a treaty of friendship and a guarantee of sovereignty with Russia, was an easy problem for the masters of the Kremlin. Quickly overpowering each weakened government, the Russians established Soviets in each country, and began a campaign of mass deportations of all antisocial elements that was halted only by the subsequent German invasion of Russia in 1941, with eventual conquest of the three Baltic States.

First the Russian conquest, then the Nazi conquest—still the spirit of freedom was not killed among these brave peoples. With the confusion following the breakup of the Nazi war machine in 1945, resistance leaders in the Baltic area sought to reestablish their national independence. They were in for a sorry disappointment. As victory against Germany was assured, the Russians quickly moved against Latvia, Lithuania, and Estonia, snuffing out any move toward independence, and reestablishing their strict prewar control.

Again the deportations began. All enemies of the State—that meant all who aspired after some sort of freedom from outside political control—were packed off to Siberia, and almost certain death. Thus during a 5-year period, through two mass deportation moves, untold thousands of free people were driven from their homelands. National independence was no more, it died through Russian power, that began with brute force 22 years ago this month, and is still going on today.

I would like to discuss in this connection a measure I have introduced in the House, House Concurrent Resolution 43, which calls on Congress to request the President to bring up the Baltic States question in the United Nations and ask the U.N. to request the Soviets to withdraw from Lithuania, Estonia, and Latvia and return Baltic exiles, and that the U.N. conduct free elections in Lithuania, Estonia, and Latvia under its supervision. In my view it is important not only to the Baltic people but to the free world to work diligently to bring about freedom for the Baltic people and

I would urge that this resolution be approved by the Congress.

Under leave to extend my remarks, I submit for inclusion in the RECORD a memorandum prepared by an organization known as "Americans for Congressional Action To Free the Baltic States" discussing the struggle for freedom by Lithuania, Latvia, and Estonia and commenting on the resolutions introduced in the House and Senate designed to help bring this about.

The memorandum follows:

WASHINGTON, D.C.,
June 12, 1963.

LITHUANIA, LATVIA, AND ESTONIA HAVE A RIGHT TO BE FREE AND INDEPENDENT

The period following World War II was notable for the emergence of certain newly independent nations. It also saw other free nations drawn behind the Iron Curtain by the cruelest colonialism of this modern day.

Lithuanians, Latvians, and Estonians have inhabited the lands along the shores of the Baltic Sea for many centuries. They had rejoiced in their freedom and independence.

In June of 1940 Soviet armed forces invaded and occupied Lithuania, Latvia, and Estonia. The Moscow-appointed emissaries set up puppet governments; the parliaments were dissolved; heads and higher officers of governmental agencies were dismissed and replaced by Soviet agents; civil liberties were suspended. The Soviet puppet governments took over all newspapers, printing establishments, and broadcasting systems.

The desire for freedom has not been crushed

These are outright annexations of territories of Lithuania, Latvia, and Estonia whose people are as enamored of freedom and as fully entitled to their rights as are the people of Africa, Asia, and the Americas. Even more shocking was the series of deportations undertaken by the Soviets following their ruthless subjugation of Lithuania, Latvia, and Estonia. In June of 1941, more than 200,000 persons were deported from the Baltic States, and the total now approaches 1,500,000.

The people of Lithuania, Latvia, and Estonia are today a silenced people, unable to speak their mind, practice their religion. Despite their long enslavement, we know that their desire for freedom has not been crushed. They may be waiting silently and grimly, but also hopefully for the future.

We must help the Baltic people to get rid of the Communist regimes in their countries

The Government of the United States of America has refused to recognize the seizure and forced "incorporation" of Lithuania, Latvia, and Estonia by the Communists into the Union of Soviet Socialist Republics. Our Government maintains diplomatic relations with the former free Governments of the Baltic Republics of Lithuania, Latvia, and Estonia. Since June of 1940, when the Communists took over Lithuania, Latvia, and Estonia, all the Presidents of the United States (Franklin D. Roosevelt, Harry S. Truman, Dwight D. Eisenhower, and John F. Kennedy) have stated, restated and confirmed our country's nonrecognition policy of the occupation of the Baltic States by the Kremlin dictators. However, our country has done very little, if anything, to help the suffering Baltic peoples to get rid of the Communist regimes in their countries.

The case of the Baltic States is not a question about the rights of self-rule of Lithuania, Latvia, and Estonia, since this is established beyond any reasonable doubt, but the question is how to stop the Soviet crime and restore the freedom and independence of these countries. The Select Committee of the House of Representatives To Investigate the Incorporation of the Baltic States into the U.S.S.R., created by the 83d Congress, after having held 50 public hearings during which the testimony of 335 persons was taken, made a number of recommendations to our Government pertaining to the whole question of liberation of the Baltic States. According to the findings of this House committee, "no nation, including the Russian Federated Soviet Republic, has ever voluntarily adopted communism." All of them were enslaved by the use of infiltration, subversion, and force. American foreign policy toward the Communist enslaved nations, the committee stated, must be guided by "the moral and political principles of the American Declaration of Independence." The present generation of Americans, the committee suggested, should recognize that the bonds which many Americans have with enslaved lands of their ancestry are a great asset to the struggle against communism and that, furthermore, the Communist danger should be abolished during the present generation. The only hope of avoiding a new world war, according to the committee, is a "bold, positive political offensive by the United States and the entire free world." The committee included a declaration by the Congress which stated that the eventual liberation and self-determination of nations are "firm and unchanging parts of our policy."

Thirty-two Senate and House concurrent resolutions pending before Senate and House committees

Thirty-five Members of the U.S. Congress have taken concrete steps in seizing the offensive from the Soviet Union and the Communist world. These Senators and Congressmen have introduced 32 concurrent resolutions in the Senate and the House since January 9, 1963, when the 88th Congress convened for its 1st session, that call for freedom for the captive peoples of Lithuania, Latvia, and Estonia.

Following are the resolutions and their authors:

In the U.S. Senate

1. Senate Concurrent Resolution 4, introduced by Senator JACK MILLER, Republican, of Iowa, and Senator BOURKE B. HICKENLOOPER, Republican, of Iowa.

2. Senate Concurrent Resolution 15, introduced by Senator THOMAS H. KUCHEL, Republican, of California, Senator THOMAS J. MCINTYRE, Democrat, of New Hampshire, and Senator HUGH SCOTT, Republican, of Pennsylvania.

3. Senate Concurrent Resolution 17, introduced by Senator HARRISON A. WILLIAMS, JR., Democrat, of New Jersey.

4. Senate Concurrent Resolution 18, introduced by Senator KENNETH B. KEATING, Republican, of New York.

5. Senate Concurrent Resolution 20, introduced by Senator ROMAN L. HRUSKA, Republican, of Nebraska.

6. Senate Concurrent Resolution 33, introduced by Senator FRANK J. LAUSCHE, Democrat, of Ohio.

In the House of Representatives

1. House Concurrent Resolution 15, introduced by Representative CHARLES B. HOEVEN, Republican, of Iowa.

2. House Concurrent Resolution 38, introduced by Representative EDWARD J. DERWINSKI, Republican, of Illinois.

3. House Concurrent Resolution 43, introduced by Representative GLENARD P. LIPSCOMB, Republican, of California.

4. House Concurrent Resolution 54, introduced by Representative JAMES ROOSEVELT, Democrat, of California.

5. House Concurrent Resolution 55, introduced by Representative ABNER W. SIBAL, Republican, of Connecticut.

6. House Concurrent Resolution 59, introduced by Representative GLENN CUNNINGHAM, Republican, of Nebraska.

7. House Concurrent Resolution 62, introduced by Representative WILLIAM T. MURPHY, Democrat, of Illinois.

8. House Concurrent Resolution 63, introduced by Representative JOHN J. ROONEY, Democrat, of New York.

9. House Concurrent Resolution 66, introduced by Representative JOHN J. RHODES, Republican, of Arizona.

10. House Concurrent Resolution 80, introduced by Representative ALPHONZO E. BELL, JR., Republican, of California.

11. House Concurrent Resolution 96, introduced by Representative PETER W. RODINO, JR., Democrat, of New Jersey.

12. House Concurrent Resolution 97, introduced by Representative WILLIAM L. ST. ONGE, Democrat, of Connecticut.

13. House Concurrent Resolution 103, introduced by Representative ROBERT TAFT, JR., Republican, of Ohio.

14. House Concurrent Resolution 106, introduced by Representative CARLETON J. KING, Republican, of New York.

15. House Concurrent Resolution 126, introduced by Representative EDWARD A. GARMATZ, Democrat, of Maryland.

16. House Concurrent Resolution 127, introduced by Representative F. BRADFORD MORSE, Republican, of Massachusetts.

17. House Concurrent Resolution 128, introduced by Representative JAMES A. BURKE, Democrat, of Massachusetts.

18. House Concurrent Resolution 130, introduced by Representative CLARENCE D. LONG, Democrat, of Maryland.

19. House Concurrent Resolution 132, introduced by Representative STANLEY R. TUPPER, Republican, of Maine.

20. House Concurrent Resolution 133, introduced by Representative HAROLD R. COLLIER, Republican, of Illinois.

21. House Concurrent Resolution 135, introduced by Representative THADDEUS J. DULSKI, Democrat, of New York.

22. House Concurrent Resolution 138, introduced by Representative RICHARD E. LANKFORD, Democrat, of Maryland.

23. House Concurrent Resolution 139, introduced by Representative SILVIO O. CONTE, Republican, of Massachusetts.

24. House Concurrent Resolution 140, introduced by Representative CLIFFORD G. MCINTIRE, Republican, of Maine.

25. House Concurrent Resolution 151, introduced by Representative AUGUSTUS F. HAWKINS, Democrat, of California.

26. House Concurrent Resolution 153, introduced by Representative MARTHA W. GRIFFITHS, Democrat, of Michigan.

The aforesaid resolutions request the President of the United States to bring up the Baltic States' question before the United Nations and to ask that the United Nations should request the Soviets:

1. To withdraw all Soviet troops, agents, colonists and controls from Lithuania, Latvia and Estonia;

2. To return all Baltic exiles from Siberia, prisons and slave labor camps; and

3. To conduct free elections in Lithuania, Latvia and Estonia under the United Nations direct supervision.

All these resolutions have been referred to the Senate Committee on Foreign Relations and the House Committee on Foreign Affairs respectively.

Our Government must act now without a further delay

At a time when the Western nations have granted freedom and independence to many nations in Africa, Asia and other parts of the world, we must insist that the Communist colonial empire likewise extend freedom and independence to peoples of Lithuania, Latvia, and Estonia whose lands have been unjustly occupied and whose rightful place among the nations of the world is being denied. Today and not tomorrow is the time to brand the Kremlin dictators as the largest colonial empire in the world. By

timidity, we invite further Communist aggression.

A. This organization, the Americans for Congressional Action to Free the Baltic States, embracing thousands of freedom-loving Americans throughout our Nation, states:

(1) The liberation of the Baltic nations is no political gambit. It is a proposition that all Americans should embrace if they are to be true to the ideals upon which this Nation was founded.

(2) The Baltic question must not become an object of international compromise. The plight of Lithuania, Latvia, and Estonia must be brought to the attention of the world. The United Nations must act to restore the rights of the Baltic peoples, and it is an obligation of the United States to initiate such action.

B. This organization respectfully urges the Congress of the United States:

(1) To request the Senate Committee on Foreign Relations and the House Committee on Foreign Affairs to act favorably and without any further delay on the aforesaid resolutions;

(2) To act on these resolutions, when reported out of the committees, promptly and overwhelmingly.

The sufferings and subjugation of Lithuania, Latvia, Estonia and other captive nations must, if we are to survive in liberty, spur free peoples to the preservation of man's inalienable rights. By maintaining the rights of others to be free, we confirm our own unyielding will to survive in freedom and in peace.

LEONARD VALIUKAS,
President, Americans for Congressional Action To Free the Baltic States.

Who Are the Real Fright Peddlers?

EXTENSION OF REMARKS
OF

HON. J. ARTHUR YOUNGER

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 13, 1963

Mr. YOUNGER. Mr. Speaker, on Friday evening, June 7, my colleague from California, JAMES B. UTT, delivered a speech at the Indiana War Memorial Auditorium under the sponsorship of "We the People."

The address was entitled "Who Are the Real Fright Peddlers?" and the text follows:

WHO ARE THE REAL FRIGHT PEDDLERS?

(By Hon. JAMES B. UTT, of California)

Mr. Chairman, distinguished guests, and my fellow Americans, it is a privilege and an honor to be invited to participate in this important and historic occasion. Meetings and discussions such as this can have an important bearing on the future of this Republic. I am, as you all know, a controversial figure. I have been called an "alarmist" by those who want America to sleep. To that I will plead guilty, even as Paul Revere was an alarmist in his day, and traveled the countryside to warn the sleeping villagers that the British were coming. I have been called "inflammatory" because I will not subscribe to the slogan of "Better Red Than Dead." More recently I have been referred to by a few of my colleagues in the House and the Senate as a "fright peddler." It is apparent that we who have a patriotic devotion to this Republic are supposed to lie down and play dead while the pseudoliberals not only permit but assist in the extension of communism in every part of the globe; and those who wish to resist the appeasement in Laos, the surrender in Cuba, and the abandonment of freedom fighters throughout the world, as well as the suicidal unilateral disarmament program, are termed "fright peddlers." The truth is, I am frightened, and I would be a coward if I did not raise my voice in protest, and to tell the American people the truth about the International Communist Conspiracy and its interwoven relationship to the Communist Party, U.S.A.

As J. Edgar Hoover said in an address to law enforcement officials on March 1, 1960: "It is indeed appalling that some members of our society continue to deplore and criticize those who stress the Communist danger. What these misguided 'authorities' fail to realize is that the Communist Party, U.S.A., is an integral part of international communism * * * Public indifference to this threat is tantamount to national suicide. Lethargy leads only to disaster."

Our Founding Fathers were well aware that man's eternal enemy was government, whether that government was a dictatorship, a benevolent monarchy, a democracy, or a republic. Usurpation of power is the natural trend of every government. George Washington expressed it in these words: "Government is like a fire, which if it is properly controlled, will light your homes and cook your food and run your factories, but if it is not controlled, it will destroy you."

A hundred years ago, a great Civil War was being fought to test whether a nation conceived in liberty could long endure. Today, we are engaged in another civil war testing the same premise. It is not a hot war, but a cold war, which can be just as deadly. During that hundred years, the poles of the compass have swung in a 180° arc. At that time it was a question of whether or not the sovereignty of a State or a group of States transcended the sovereignty of the Union. That conflict was resolved in favor of the Union. The conflict today is whether or not the sovereignty of the Union transcends the sovereignty of the States which created the Union. That conflict has yet to be resolved.

Free enterprise and capitalism have long been the American way of life. One hundred years ago, Karl Marx completed his blueprint for the destruction of the capitalistic society and his proposal to establish a universal Socialist-Communist society. We have been following this blueprint for many years, and the pseudoliberals embrace that doctrine 100 percent. It is well known that the seeds of death are implanted in every human being before he draws his first breath. So also are the seeds of destruction implanted in the body politic of every nation at birth. Just as the life of an individual can be extended beyond its three score years and ten, by proper care, attention and prudent living, so also can the life of a nation be prolonged beyond the normal cycle; but as wanton and careless living will cut down the span of a human life, so also may our national life be cut down. If this Republic, which was conceived in liberty, is to survive, the American people must demand that we return to the basic concepts of our forefathers and declare again that we are a nation under God.

It was not until dozens of patriotic organizations throughout this Nation began to alert the American people to the dangers of the Socialist-Communist ascendency to power in this country, that the hierarchy of the Communist international conspiracy decided that it was high time to destroy the anti-Communists. To this end, they called a meeting in Moscow, which was attended by 80 Communist organizations from all parts of the world. The delegates to this meeting were instructed to return to their respective countries and begin a massive program to destroy all anti-Communists. Gus Hall, president of the Communist Party, U.S.A., returned from Moscow and inaugurated that program of destruction. The first to feel the ax was General Walker, who was indoctrinating his troops so that they would recognize the dangers of communism as a conspiracy and so that they would not be brainwashed as they were in Korea. For this bit of patriotism he was dismissed, degraded, demoted, and deprived of his rights under the Constitution.

This served only to accelerate and intensify the work of patriotic anti-Communist organizations. The administration was frantic because the New Frontier was being equated with socialism and socialism with communism, and something had to be done. Who was to do it? None other than Walter and Victor Reuther, who came to Washington in the fall of 1961 and had a strategy conference. At this conference Walter Reuther promised to write a memorandum for Attorney General Robert Kennedy. That memo was a 24-page blueprint for the destruction of the anti-Communists. The memo was actually written by Victor Reuther, whom you remember as being the Soviet devotee, who in his earlier days spent some time in Russia writing glowing reports on the Soviet socialist program, and in a moment of reverie wrote a letter to his colleagues in America urging them to "keep up the fight for a Soviet America." This man, then became the chief adviser to the administration on how to deal with the anti-Communists. In his note, which accompanied the memo, he said, "We are hopeful that this memorandum may have some value to you in focusing attention upon possible administration policies and programs to combat the radical right."

Now it must be understood that the "radical right" refers to any and all patriotic organizations which stand opposed to the Socialist-Communist doctrine as set forth in the Communist manifesto of 1848 and restated by the Moscow Communist Convention in 1960. That, of course, means you as well as me.

"Liberty cannot exist where government takes care of the people, but it can only thrive where the people take care of the government." Woodrow Wilson said that many years ago. He might just as well have spelled it out more clearly by saying that liberty and socialism cannot coexist, that they are incompatible and only one can survive. In 1937, Pope Pius XI asked a searching question: "How is it possible that such a system long since rejected scientifically and now proved erroneous by experience, how is it, we ask, that such a system could spread so rapidly in all parts of the world?" If Pope Pius XI was shocked in 1937, what would he say today after seeing an additional 750 million human beings swept behind the Iron Curtain? Pope Pius XI also said in 1931 that the Socialist state cannot exist without an obviously excessive use of force. We are seeing that excessive use of force not only in the Communist countries, such as East Germany, Hungary, and Cuba, but also in our own country.

Now let us examine the recommendations of the Reuther brothers to be used for your own destruction. The first recommendation was that "The radical right inside the Armed Forces poses an immediate and special problem requiring immediate and special measures." Under this heading, he recommended that Secretary McNamara investigate the extent of the radical right in the military. The memorandum claimed that it was widespread pressure from rightwing generals and admirals in the Pentagon which brought about the recall of Gen. James Van Fleet to active duty. What was wrong with General Van Fleet? Simply this, he was a member of the board of For America, he endorsed the Florida Coalition of Patriotic Societies, and he was on the board of advisers of H. L. Hunt's Life Lines. The memorandum complained that all that Van Fleet accomplished was to embarrass Adlai Stevenson by saying that Stevenson was to

blame for the U.S. failure to provide air support in the Bay of Pigs invasion and that General Van Fleet would have fired Stevenson. Had I been President, I would not have fired Adlai Stevenson for the simple reason that I would never have hired him in the first place.

The No. 2 complaint in the Reuther memorandum was that the Attorney General's list of subversive organizations is lending aid and comfort to the radical right. (That's you.) The memo goes on to state, "Although the radical right poses a far greater danger to the success of this country in its battle against international communism than does the domestic Communist movement, the latter has been branded subversive by the Government, and the former (radical right) has not." The memo goes on to state, "The list today is almost like a Good Housekeeping seal for the radical right and as long as it exists" (indicating it should be abolished) "it should not remain one sided and permitted to work in favor of the radical right." It is interesting to note that the adjective "radical" precedes any mention of "right." You see, radicalism has always been an offensive word to the American people, and, if the brothers Reuther can implant the word "radical" in connection with conservatism or rightwing movements, it would prove destructive.

The memo continues that "It might be advisable for the Attorney General to announce at this time that he is going to investigate one or more of these organizations with a view of determining whether charges will be filed and hearings held on the question of listing one or more of these organizations. The mere act of indicating that an investigation will be made will certainly bring home to many people something they have never considered—the subversive character of these organizations and the similarity to listed groups on the left."

Now that is really something. Many of these organizations to which Reuther refers have requested an investigation, and I can assure you that if one is held there will be no witness who will take the fifth amendment.

One specific proposal in the memo was that FBI agents infiltrate ultraconservative organizations to determine whether they should be classified as subversive or not. My dear friends, the FBI does not have to infiltrate these organizations. They have an open invitation to join with any of them.

The third suggestion was "The flow of big money to the radical right should be dammed to the extent possible." You should note that the word "dammed" is spelled with two m's although their direct intent was to spell it the other way. The proposal further stated "As funds are a source of power to the radical right, action to dam up these funds may be the quickest way to turn the tide now running in their favor." At least that is an admission never before heard, that the tide is running in our favor. The memo suggested that tax exemptions be carefully checked and that the list of major donors to the far right be made public and that the Federal Communications Commission check radio and television stations carrying far-right propaganda, but listing their programs as religious, news analysis, or public service, and that the program, "Know Your Enemy," emanating from Washington, would be a good place to start.

Incidentally, immediately after the memo was circulated, the income tax reports of Walter Knott of Knott's Berry Farm, one of the greatest exponents of free enterprise, and a true patriot, were examined and he was found liable for deductions which he had taken on contributions to support the California Free Enterprise Association. It is amazing how easy it is to deduct money for contributions to the Fund for the Republic and other leftwing organizations which support the socialistic Communist ideology, but when you attempt to educate people on the free enterprise capitalistic system, you are then dispensing political propaganda. When you consider the massive political propaganda spewed forth by the National Education Association, the Rural Electrification outfit, and even the National Council of Churches, the double standard becomes so apparent that a schoolchild would recognize it.

Skipping one recommendation, I go to the fifth, which was that "The domestic Communist problems should be put into proper perspective for the American people, thus exposing the basic fallacy of the radical right." What we are doing here tonight is putting the domestic Communist problem in its proper perspective for the American people, and in so doing we are not exposing any basic fallacy of the conservative right.

Now we come to the real "meat and potatoes" of what seems to be bothering the liberals, and that is that the Director of the FBI, J. Edgar Hoover, "exaggerates the domestic Communist menace at every turn, and contributes to the public's frame of mind upon which the radical right feeds." The memo further charges that Assistant Attorney General J. Walter Yeagley, who continues in charge of internal security matters, has always maximized the domestic Communist menace. "There is no need," the memo continues, "of a further effort to dramatize the Communist issue, the need now is to rein in those who have created the unreasoned fear of the domestic Communist movement in the minds of American people and to slowly develop a more rational attitude toward the strength of this movement." In other words, the rational attitude which the pseudoliberals want is that we should appease and even embrace the international Communist menace. The memo suggests that it would not be well to forbid dissenting officials from expressing a contrary view for fear of the charge that the administration was attempting to muzzle J. Edgar Hoover, but that "any effort to take a more realistic view by the leaders of this administration would probably cause most of the administration officials to fall in line, and even some legislators might be affected thereby."

This, then, is the key to the recent attacks upon our patriotic conservatism by some Members of the U.S. Senate and some Members of the House, and, if you will read these attacks appearing in the CONGRESSIONAL RECORD, you will be amazed to see how closely they have followed the substance and the language used in the 24-page memo of Victor Reuther.

The authors of the book, "The Far Right," Donald Janson and Bernard Eismann, state that, "No formal action was taken on the suggestions, although the document was read by key members of the administration and circulated to sympathetic Congressmen." With that statement I completely disagree, for sympathetic Congressmen and Senators have been following the directions of this memorandum, and many TV and radio station licenses are being withheld. These charges by sympathetic Congressmen are replete with the charge of guilt by association and similar techniques, and anyone who disagrees with these so-called sympathetic Congressmen becomes anti-Semitic, anti-Negro, and is charged with being a greater menace to American security than is the domestic Communist establishment.

I, as a dedicated conservative patriot, resent being charged with radicalism and as a member of the "lunatic fringe." However, these charges will not alter my course nor the course of you patriots, who intend to continue exposing communism wherever it rears its ugly head. As Daniel Webster said, "I was born an American, I expect to die as an American, and in between I intend to live as an American."

We have been in a steady retreat from Moscow, which is more humiliating to me than Napoleon's retreat from Moscow 150 years ago. The difference is that Napoleon was forced to retreat, while we retreat by reason of weakness, fear, and design. We have the greatest military force in the world, but its Commander in Chief does not know when to use it, where to use it, or how to use it. High military decisions, including the selection of armaments, are made by the "whiz kids" in the Pentagon over the objections of the Joint Military Chiefs of Staff.

Paul Nitze, one of the planners in the Pentagon, and now the leading candidate to be Under Secretary of Defense, stated years ago that our military power should be divided among the nations of the world, and we are proposing to do just that. How can we have a win policy with such men directing our defenses? Why should not the American people be frightened over our steady retreat because of a threatening bully in Moscow? Why should we not be concerned over the establishment of a Soviet military base in the Western Hemisphere? Why should we not be concerned over the suggestion that we give up Guantanamo Bay? In spite of the President's denial of this, it was the administration that asked for money to acquire land in Puerto Rico and money to build additions to the naval base at Roosevelt Roads. The only thing that stopped it was the Committee on Armed Services. There was ample opportunity to set up a representative government in Cuba when Batista offered to resign, warning our Ambassador in Havana of the Castro threat, but there were people in the State Department who were bound and determined to set up a Communist government in Cuba, with full knowledge that Castro was a dedicated Communist. The two men responsible for this were William Wieland and Roy Rubottom, and the Senate report is replete with their treachery. These two men were not even reprimanded by the administration, but were advanced to higher positions of security, just as Alger Hiss and Harry Dexter White were moved upward into places of greater authority after their treachery was common knowledge.

It is only human that some mistakes should be made, but when none of them is in favor of America, I cannot help but recognize a design for surrender. The Bay of Pigs fiasco is a good example of this, along the route of our retreat. Following that, the Soviet military buildup was well known by the administration, but denied by them until a national election seemed certain to swamp the New Frontier. Then dramatic action was taken which lasted less than 48 hours during which time this administration made concessions to Khrushchev, all of which have not yet come to light. These concessions played into the hands of the Communists, for they actually accomplished exactly what they set out to accomplish, and that was a Communist satellite within the Western Hemisphere, protected by the force and might of the U.S. Navy.

In exchange for the removal of a few offensive missiles from Cuba, we would dismantle our foreign bases in the Mediterranean and other places. At this point, I would like to say that I have seen a lot of missiles, and I have yet to see one designated as offensive and another designated as defensive. It depends on which way the gun is pointed. Khrushchev promised to remove an undisclosed number of troops from Cuba, with March 15 of this year as a deadline. According to the count, nearly 3,000 troops were removed, but no count was made of the troops on the incoming ships. As of last month, the Senate Committee on Military Preparedness disclosed that there are now a minimum of 17,500 Russian troops in Cuba. But for the token removal of troops in March, our President hailed Mr. Khrushchev as a

statesman for keeping his word. How silly can you get?

Castro is exporting communism by propaganda, as well as military equipment and men, to several Latin American countries. From this we will reap a whirlwind, and not in the too far distant future. What happened to our demand for on-site inspection of Russian military might in Cuba? The answer is, nothing. We even go so far as to summarily dismiss a marine captain who caught a Communist spy redhanded on our naval base at Guantanamo and had to shoot him in self-defense. This same captain has been told that he will be fined $10,000 and imprisoned if he even talks about the incident. What has happened to our first amendment of free speech? The same pattern by which we lost Cuba to the Communists is being followed with regard to the Republic of Haiti.

I would like to submit just two examples of misstatement of facts by the administration with reference to the Cuban situation, and compare them with the interim report of the Senate Military Preparedness Subcommittee. On February 6, 1963, on page 47 of the special Cuba briefing, R. S. McNamara, Secretary of Defense, said, "I have no evidence that Cuba is being used as a base for subversion directed against other Latin American countries. It is a matter that is of constant interest to us and one we are monitoring continuously." Now this is what the Senate Preparedness Subcommittee said on page 7 of the interim report: "The evidence is overwhelming that Castro is supporting, spurring, aiding, and abetting Communist revolutionary and subversive movements throughout the Western Hemisphere and that such activities present a grave and ominous threat to the peace and security of the Americas."

At his press conference on August 29, 1962, President Kennedy said, "We have no evidence of troops * * * we do not have information that troops have come into Cuba." And this is what the Interim Report said on pages 10 and 11 (speaking of the July-August period, 1962): "Human source reports also alleged that the nature and character of the arriving Soviet personnel had changed significantly. It was reported that some of the arriving personnel during this period were primarily young, trim, physically fit, suntanned and disciplined, and that they formed in ranks of fours on the docks and moved out in truck convoys. Refugee, exile, and other human source reports suggested that, in contrast to the earlier arrivals, the new arrivals were Soviet combat troops. However, the intelligence community adhered to the view that they were military instructors, advisers. and trainers, plus a number of civilian technicians and advisers associated with improving the Cuban economy."

These are just two examples of the inconsistencies between statements of the administration and the actual facts.

Walt Rostow went to Moscow to ask Mr. Khrushchev what we could do to lessen tensions. Mr. Khrushchev's reply was that we should eliminate our first-strike capabilities, and Mr. Rostow returned to Washington to implement that suggestion. That is why the Skybolt was canceled and the RS–70 program is at a standstill. It is the Strategic Air Command, with its capabilities of striking first, that has prevented Khrushchev from attacking us, and, while we phase out our first-strike capabilities, the Soviets continue to build the counterpart of the RS–70, capable of carrying warheads on a 25,000-mile mission at speeds up to 2,000 miles an hour, at altitudes in excess of 70,000 feet.

The fuzzy-minded planners surrounding the President have the idea that if we disarm unilaterally the Russians will do so, as a gesture of good will. That is just like hoping that if you let a ball player steal second base, he will be a good boy and not try to steal third. It is just as foolish, but far more deadly. We can no more unilaterally disarm and have peace, than you can disarm the police force of a big city, in hopes that the underworld will respond by abandoning their criminal careers. There is nothing but force or the threat of force that will deter the Communists from destroying us.

There has recently been some discussion of a memorandum by Walt Rostow and McGeorge Bundy (political advisers to the President) which stated in part that it should be the policy of the administration to refuse aid to freedom fighters in any part of the world and that, if a Communist government took over, the United States should do all within its power, short of war, to see that such a government should survive. This is shocking, but when inquiry was made to the State Department regarding this memorandum, the State Department replied that there was such a memo, part of which was leaked to the press, but that it had been taken out of context and was misquoted. The only possible answer to that is, "Let's look at a copy of that memorandum to see what it really said." Upon requesting a copy of this memo from the State Department in order that the matter might be clarified, the reply came that the memorandum was prepared for the Security Council and was "classified and top secret." So the public will never know the truth. However, to give credence to the Rostow-Bundy memo, it should be noted that, when a resolution was introduced to provide for a Captive Nations Week and thereby hold out some hope to the enslaved peoples in the captive nations, the Secretary of State, Dean Rusk, filed an objection with the Rules Committee against the passage of this resolution on the grounds that it would create tensions and displease Mr. Khrushchev. All I can say is that it is about time we began to offend Mr. Khrushchev.

Because your organization and others like it, as well as individuals, including me, are attempting to alert and warn the public of the serious consequences of these successive retreats, compromises, and accommodations, we are called "fright peddlers." Let's see who are really the fright peddlers. President Kennedy threatened this nation with a depression if Congress failed to pass his tax program "in toto." Nothing can be more frightening than a depression. Secretary Freeman threatened the farmers (and when I say threatened I mean threatened) with a farm depression if they refused to buy his farm program of rigid controls. He even indicated that he would go so far as to dump our grain surplus on the market and ruin the farmer. To many, that is fright peddling.

Why is it that those, who make eloquent outbursts on the floor of the House and Senate, ignore the fright peddlers such as Khrushchev who says that he will bury us? Recently, Khrushchev said he would pulverize us if we interfere with Castro's Cuba. Why do they ignore Castro's frightening demands and threats to our security?

Why, also, do they ignore the frightening requests of the State Department that American department stores should display in their show cases goods made by Communist countries?

Those who ignore these threats are the real fright peddlers by their very silence in this area. This is a sin of omission which is as great as the sin of commission.

President Kennedy continues to ignore the bilateral agreements with Latin American countries, calling for the enforcement of the Monroe Doctrine; which, by the way, has recently been adopted by Mr. Khrushchev, in reverse, by demanding that America stay out of Western Hemisphere affairs, and, moreover, the President has promised Mr. Khrushchev that our Navy will protect the sovereignty of Fidel Castro. To me, that is truly frightening. The President agreed to remove our missile bases and to call home many of our Army personnel, now located in strategic points around the world, with the exception, of course, of Oxford, Miss.

It is high time that the American people stop looking for fallout shelters and begin looking for "sell out" shelters. If this administration, as suggested by the Assistant Secretary of Defense, Paul Nitze, turns over our Strategic Air Command to NATO and the United Nations, there must be an accounting by men in high places. The creation of an international "peace force," under the control and direction of an organization controlled by the Afro-Asian bloc in concert with the Russian satellites, would certainly be giving aid and comfort to the enemy and should be dealt with accordingly.

The administration's effort, to promote civil rights by riot, strife, and revolution, is doing much to implement the Communist manifesto of 1848, wherein Karl Marx declared that capitalism and all property rights must be abolished. No one can deny that people are entitled to their civil rights, but what they fail to comprehend is that with each civil right there is an equal and corresponding civil responsibility. And that responsibility is that the civil rights of others cannot be destroyed by illegal application of the civil right in point. Civil rights must be a two-way street. The recent decisions of the Supreme Court are leading us down the road to the complete destruction of property rights and the law of trespass held sacred since the Magna Carta.

The high emotional stress to place human rights above property rights is a false concept. Let me say here and now, and most emphatically, that the highest human right of man is the right of private property and its protection against trespass and confiscation as provided in the Fifth Amendment. In fact, all human rights are based on property rights, and, if you question this statement, I suggest that you examine the situation in all Communist countries which have destroyed property rights, and you will find that human rights followed them down the drain. In this emotional atmosphere, it is apparently easy to convince the people that we should carry out the Communist Manifesto and destroy the right of private property. Of course, much of this is being done under a highly graduated personal income tax and inheritance tax, as recommended so clearly by Karl Marx, as the main weapon in the arsenal of socialism.

People are good not because they are white or black or yellow or red. They are good because they accept the moral and spiritual laws, and apply them in their daily lives. They simply want to be good people. And people are bad not because of their race, creed or color, but because they refuse to accept and apply the moral and spiritual laws.

Men, as well as governments, do good things in order to entice others and to then perform their evil deeds. The child molester always entices a child with candy or some other gift before he performs his evil deed. Likewise, governments promise something for nothing in order to extend their control and dominion over the people whom they are supposed to govern by the consent of the governed. I have seen a lot of free cheese in a mouse trap, but I have never yet seen a happy mouse that ate the cheese. Likewise, our liberties are contracted with each extension of dominion and control. This is the short road to slavery.

Beyond the constant attacks of the anti-anti-Communists, there is a concurrent and massive attack against religion which is the foundation upon which this Nation was built. This attack comes not only from the

atheists, but from other people and organizations, including the U.S. Supreme Court, under the guise of sophistication. We are attempting not only to maintain a separation of church and state, but a separation of state from God.

If this Nation ever turns its back on the God who created us and made us free, we will be destroyed as surely as God destroyed Sodom and Gomorrah. You will find these words in Second Chronicles, chapter 7, verse 14: "If my people who call me by my name, will humble themselves and pray, and forsake their wicked ways, then will I hear from heaven and forgive their sins and will heal their land."

Ladies and gentlemen, if there was ever a land that needed healing, it is this glorious America of ours. Let us then unite in that high purpose, that the design of liberty etched upon the fabric of our American life shall continue to shine brightly upon us, our children and our children's children for generations to come. "To Him all majesty ascribe and crown Him Lord of all."

The 1963 Questionnaire Results

EXTENSION OF REMARKS
OF
HON. THOMAS M. PELLY
OF WASHINGTON
IN THE HOUSE OF REPRESENTATIVES
Thursday, June 13, 1963

Mr. PELLY. Mr. Speaker, early in the year when I began preparations for polling my constituents with my annual questionnaire I determined that I would use a new and fresh approach in obtaining their views, giving them an opportunity to express their opinions with more than just a simple "yes" or "no" answer. Therefore, at the request of the entire seven-member Washington State congressional delegation the Political Science Department of the University of Washington prepared a questionnaire which would give the respondent the choice of expressing himself in varying degrees as to his feelings.

I was pleased to accept the assistance of the University in preparing this opinion poll and consequently in early April I mailed it to approximately 45,000 registered voters in the First Congressional District.

The response to this poll was gratifying in that the return was roughly the same percentage as last year—to wit, about 22 percent. Many different conclusions can and probably will be drawn from the tabulation of this questionnaire, which I believe will be of interest. Inasmuch as the language used was totally prepared by a disinterested group of political science professors there is no question of bias.

Mr. Speaker, believing that the Members of the House and other readers of the RECORD will be interested in the views of the residents of the First Congressional District of Washington I include hereafter the tabulation as prepared by IBM:

THE 1963 QUESTIONNAIRE RESULTS

I. MOST IMPORTANT ISSUE

The six most frequently indicated important issues before the country today were named in the following order of importance with all other issues being tabulated as miscellaneous:

	Percent
National Economy and Unemployment	32
Foreign Affairs and Cuba	30
Big Government	14
Communism	11
Education	5
Peace and Disarmament	3
Miscellaneous	5

II. YOUR OVERALL VIEWS

1. In your opinion, how good a job is the President doing now? (1) 8.7 percent excellent, (2) 19.0 percent good (3) 28.9 percent fair, (4) 36.1 percent poor, (5) 4.3 percent I just don't know.

How strongly do you hold this view? (1) 62.6 percent very strongly, (2) 33.9 percent fairly strongly, (3) 1.0 percent don't care too much.

2. In your opinion, how good a job is the Congress doing now? (1) 1.7 excellent, (2) 21.5 percent good, (3) 45.1 percent fair, (4) 24.0 percent poor, (5) 4.3 percent I just don't know.

How strongly do you hold this view? (1) 46.0 percent very strongly, (2) 49.3 percent fairly strongly, (3) .7 percent don't care too much.

III. ISSUES BEFORE THE CONGRESS

These questions give you a chance to express your general feeling about certain issues. You should answer the question about the tax cut, for example, on the basis of your general feeling about the desirability of a tax cut. Do not answer on the basis of your view about some specific kind of tax cut, such as a tax cut combined with a reduction in spending. Of course different things are important to different people, so we don't expect everyone to have an opinion on all these issues.

[In percent]

	No opinion (1)	Very much in favor (2)	Somewhat in favor (3)	Neutral (4)	Somewhat opposed (5)	Very much opposed (6)	Total in favor (7)	Total opposed (8)
1. One issue before Congress is the question of a tax cut. Supporters argue that an immediate tax cut is a "must" to stimulate a lagging economy. Opponents argue that a tax cut will lead to deficits if spending isn't cut at the same time. How do you feel about a tax cut?	0.6	35.1	18.0	3.5	16.1	23.2	53.1	39.3
2. Another question is Federal aid to education. Supporters argue that the funds would help relieve crowded classrooms and that we must educate our children now if we are to remain strong in the long run. Opponents argue that such a program would lead to Federal control of education and raise difficult questions about aid to parochial schools. How do you feel about Federal aid to education?	.5	21.6	10.1	2.7	13.9	49.1	31.7	63.0
3. The creation of a Department of Urban Affairs has been proposed. Supporters argue that cities need help to deal with such problems as housing, transportation, and delin quency. Opponents argue that an Urban Affairs Department would lead to more Federal involvement in local affairs. How do you feel about a Department of Urban Affairs?	1.8	12.1	7.8	6.2	13.5	56.8	19.9	70.3
4. The medicare program is before Congress again. Supporters argue that retired persons need help to meet high medical costs, and that the program would use the reliable social security system. Opponents argue that the needy aged already have some help, and that the social security deduction is too high now. How do you feel about the medicare program?	.5	20.7	11.5	3.4	10.3	45.8	38.2	56.1
5. The foreign aid program is an important foreign policy issue. Supporters argue that new nations need help to avoid falling to communism, and that military aid is important to U.S. security. Opponents argue that the program has been badly administered and that we have been throwing money down "ratholes." How do you feel about foreign aid?	0.4	15.0	20.6	3.5	24.8	31.8	35.6	46.6
6. Some people say Congress needs to be reorganized. Supporters argue that the present system gives too much power to a few old men. Opponents argue that the present system prevents "railroading" a bill through without necessary debate. How do you feel about congressional reorganization?	6.9	24.4	17.6	13.2	14.2	20.0	42.0	34.2

IV. OPTIONAL FACTUAL INFORMATION

It is helpful to have some background information for tabulation: Sex, (1) 72.6 percent male, (2) 21.6 percent female. Age (1) 6.5 percent under 30, (2) 47.1 percent 30 to 50, (3) 44.9 percent over 50. Marital status, (1) 5.8 percent single, (2) 84.1 percent married, (3) 2.4 percent divorced, (4) 6.3 percent widowed. Political preference, (1) 14.9 percent Democrat, (2) 51.8 percent Republican, (3) 27.5 percent independent.

Note: Each column does not necessarily add up to 100 percent inasmuch as some persons did not answer all questions.

Inquest of Freedom: The Enslaved Peoples of the Baltic States

EXTENSION OF REMARKS
OF
HON. JOHN W. McCORMACK
OF MASSACHUSETTS
IN THE HOUSE OF REPRESENTATIVES
Thursday, June 13, 1963

Mr. McCORMACK. Mr. Speaker, 22 years ago this month saw the enforced deportation to Siberian slave labor camps of thousands of free and innocent peoples, being slowly crushed under the heel of Soviet Russian imperialism. We speak today in memory of this sad occasion, yet call attention to the heroism of the peoples and nations involved—Latvia, Lithuania, and Estonia.

Here we have three small countries that grew into respectable and ably administered independence after the horrors of the First World War—an independence guaranteed by the Allied

Powers and confirmed by treaty with a powerful neighbor, Soviet Russia.

These between-the-war years were well used by the governments and peoples of the Baltic States to develop economically and politically within the range of their domestic interests and within the confines of their own nationality. Yet at the same time the three countries made able and appreciated contributions to the world at large and fulfilled with all proper qualifications the obligations of nationhood. Liberal, advanced and economically able, the contributions made by each to the period between 1920 and 1940 were well conceived and well accepted.

Yet, as an immediate neighbor to these nations there grew in strength and power the Soviet imperialist military machine. To have a nation of political liberty hard against the borders of a state dedicated to political dictatorship was intolerable—that three such states existed hard against Soviet Russia could not be allowed to continue.

It was not difficult for the masters of Kremlin strategy to figure out a method of gaining control over those three small bastions of liberty in what was becoming a dark area as far as political and personal freedoms were concerned.

Though secretly negotiating with the Nazi Germans, the Russians used as an excuse that there were pro-German elements within the governments of the three States working against the interests of Soviet policy. In spite of a declaration of neutrality by each of the governments concerned, and a nonaggression pact with the Soviet Union itself, the Russians marched against each nation in turn, using the excuse that the security of Russia herself was endangered by the continued presence of anti-social elements within the nations in question.

With the rest of Europe already plunged into Hitler's war, there was nowhere to turn or no way out for the unfortunate victims of the latest in Soviet expansion—and all three countries capitulated to the force of Communist armies. Liberty was at an end.

To insure that there would be nothing left of some of the social elements within each country possibly demanding or working toward freedom and against the interests of the Russians, a policy of mass deportations was instigated that saw a swelling of the populations in the Siberian slave labor camps; this was only halted with the German invasion of Russia and the Baltic, and the passing of control over these countries from Russian to German hands.

For a brief moment after the fall of Hitler, Germany hoped there might be a chance for a return of freedom to the Baltic States, but that hope was nipped quickly in the bud by an immediate return of Soviet troops to the Baltic area, and an immediate reinforcement of the Communist rule of terror to keep the people under.

Yet the people have not stayed under—they, if not in fact, in spirit and mind are fighting back. We must, on our part, continue to give fuel to that spirit burning so brightly for a return of the dignity of freedom and independence. We will keep that spirit high for peace will not come to this world until all conquered peoples are liberated, and it is the greatest desire of this Nation to know peace.

Promise or Performance—Tax Cut Needed Now

EXTENSION OF REMARKS
OF
HON. WILLIAM S. MOORHEAD
OF PENNSYLVANIA
IN THE HOUSE OF REPRESENTATIVES
Thursday, June 13, 1963

Mr. MOORHEAD. Mr. Speaker, the new tax proposals can help close the gap between promise and performance in the field of economic growth. Some recent remarks by the Honorable Douglas Dillon before the National Coal Association Convention stress the importance of an overall tax cut.

His remarks follow:

There comes an hour in the life of every nation when the gap between promise and performance must be closed. Such an hour is striking now in the field of economic growth.

Several months ago, the gap between our economic performance and our potential was more readily apparent than it is today, when we see the pace of business activity picking up, and the business outlook seemingly bright. But we cannot let present prospects blind us to the fact that the current upturn in our economy holds out little hope of giving us the momentum we need to achieve our goal of full employment.

Last month, more than four million Americans actively seeking work could not find it. Even more disturbing, unemployment among teenagers climbed from 16 percent in April to 18 percent in May. That was the highest jobless figure for teenagers since the Labor Department began recording its figures on a seasonal basis in 1949. The young people born in 1946—the first year of the postwar baby boom—have begun to enter the labor force. They will continue to enter it in increasingly large numbers. During the mid-sixties, our labor force will have to absorb an inflow of nearly three million young people each year, compared to less than two million during the midfifties—an increase of 50 percent.

This prospect alone presents us with a formidable problem. And it will be compounded as automation and modernization displace greater numbers of workers and lessen the demand for unskilled and semiskilled labor.

As measured by output per man-hours, the productivity of American business has risen by more than 10 percent over the past 2 years. Like other industries, the coal industry has been helped considerably by the two tax measures of last year—the investment credit, and the liberalized guidelines for depreciation. Those tax changes—and even more, the new tax proposals made by President Kennedy—will give added impetus to the striking advances in productivity that have made the U.S. coal industry one of the most competitive in the world. It has been estimated, for example, that American mines which produce coal for export average about 12 tons per man per day—as compared with 1½ tons per man per day for West German mines. And some of the newer U.S. mines produce as much as 40 to 50 tons per man per day.

Unfortunately, the pace-setting productivity increases that have long been a hallmark of the American coal industry have not been consistently reflected in rising coal exports. Last year, those exports increased for the first time since 1957. I hope last year's rise may be a portent of things to come—not only because of the benefits higher exports would bring to you, but because increased coal exports would be of considerable help in easing the imbalance in our international payments.

It is essential that we continue to encourage in every American business the kind of progress that has placed the coal industry in the forefront of our march toward great productivity. But even as we do so, we cannot forget that productivity increases can also be accompanied by less welcome increases in unemployment.

As a nation, therefore, we face the difficult and double challenge of not only sustaining and encouraging the upswing in productivity, but at the same time providing the millions of new jobs we will need to replace obsolete ones and to absorb our new workers. If our economy is to provide those jobs, it will have to grow at a considerably faster pace than has been the case during the present upturn. Our total output will have to increase by far more than the $25 to $30 billion that appears in sight for 1963.

Look, for example, at what has happened over the past 12 months: One year ago, we had a gross national product of $552 billion and an unemployment rate of 5½ percent. Yet, while today GNP has risen to $580 billion—$28 billion higher than a year ago—unemployment is verging on 6 percent. To put it another way, we would need an average rise in GNP of $14 billion a quarter—beginning now—to close the gap between output and employment by the end of 1964. Yet, since last fall, our economy has been growing by only a little more than $8 billion a quarter. At that rate, and assuming that our potential output grows at its present pace, it would take us 10 long years to reach our interim full employment target of 4 percent unemployment.

We simply cannot tolerate that kind of delay—and that is why the President has submitted tax proposals designed to achieve the more rapid, sustained, and balanced growth we must have. Let us consider them briefly.

The proposed reduction from 52 to 47 percent in the corporate tax rate—combined with last year's investment credit and depreciation reform—would cut business taxes by a total of $5 billion. That total would give business 40 percent of the overall tax reduction, provide a strong and continuing stimulus toward accelerated economic growth, and increase the profitability of new business investment by almost 30 percent.

Anyone who is skeptical about the effect of corporate rate cuts should take a hard look at the results of last year's tax changes. A recent survey of capital spending by the Commerce Department and the Securities and Exchange Commission estimates that expenditures for plant and equipment in 1963 will rise to more than $39 billion from a level of some $37 billion for 1962. And, as an earlier McGraw-Hill survey pointed out, businessmen gave credit to last year's tax reforms for at least 43 percent of their increased capital expenditures.

Reducing business taxes alone, however, cannot do the whole job. For we need not only to increase business productivity, but to expand—and expand dramatically—the overall markets for business output. No company will produce more goods, or new goods, without markets to absorb them. The best way to assure those markets is to assure that consumer purchasing power expands as our capacity to produce expands. The President's tax proposals would accomplish this by reducing personal income tax rates from the present range of 20 to 91 percent to a

much lower range of 14 to 65 percent. Such a cut in individual rates, combined with the proposed corporate rate reduction, would total $13.6 billion. The rate cuts may, of course, be somewhat revised in the bill that emerges from the House Ways and Means Committee. But I am confident that the net tax reduction will not be far from the proposed $10.3 billion.

The impact of that overall tax cut will be felt throughout the economy far faster than most people realize. If the President's program were to receive final approval by October 1st, the entire $10 billion in tax relief would be released into the economy within the following 15 months. The ultimate effect would be several times $10 billion—as evidenced by the report of the Joint Economic Committee of the Congress, which estimated that it would eventually increase our annual Gross National Product by as much as $40 billion.

It would be a mistake, however, to measure the effectiveness of the overall tax program in dollar terms alone. For in the final analysis, what it will mean is more and better job and educational opportunities for millions of our citizens, greater profitability, productivity, and incentives for business and business investment, and increased Government revenues to provide for our growing national needs without risking large deficits.

The question of Federal expenditures and deficits has loomed large in public discussion of the President's tax proposals. I would like to devote some time to it today, for it is a question that has too often been beclouded with misunderstanding.

First of all, let me say that the reason we have had large deficits in recent years—either in this or in preceding administrations—is not because of excessive or unnecessary spending by the Federal Government. The real reason is simply that our economy has not been operating at levels high enough to produce the revenues we need to meet the demands of our rapidly growing population and the increased costs of defense and space.

Let us look at some of the facts involved in the issue of expenditure control: One very elementary point—which too many choose to ignore—was made by President Eisenhower in his 1960 budget message, and I quote:

"We must not forget that a rapidly growing population creates virtually automatic increases in many Federal responsibilities."

The Director of the Budget, Kermit Gordon has provided some very telling examples of this population rise and of its impact on Federal services: By the end of fiscal 1964, the budget year on which we are now working, there will be 10 million more Americans than there were the day President Kennedy took office. Between fiscal years 1962 and 1964, the volume of mail will rise by more than 6 percent, the number of veterans or survivors receiving pensions by 10 percent, beneficiaries under the old-age and survivors insurance program by 16 percent. Those are by no means all the figures one could cite, but they are enough to make the simple point that we are a growing nation which requires growing national services to meet the needs of its people and of its business and its industry.

President Kennedy, without neglecting essential national needs, has exercised, is exercising, and will continue to exercise a firm control over expenditures. Our budget has increased rapidly over the past 3 years, but fully 70 percent of the total increase from 1961 through 1964 has been in the areas of defense, space, and the inescapable interest on the public debt. When you include the 1964 Budget as submitted by the President, then—apart from defense and space—the total increase in all expenditures during the first 3 years of his administration will be $800 million less than the similar increase during the preceding 3 years from 1958 to 1961.

The facts are there for those who are willing to recognize them. I have no quarrel with those who do scrutinize the facts and who, after intelligent examination, pinpoint where they think cuts can be made. But seldom has any single issue generated so much loose and spend-thrift oratory as this matter of Government expenditures. It is hardly responsible, fiscally or otherwise, to pluck from the blue air—or from the nostalgic past—some arbitrary figure and proclaim it as the magic limit expenditures must never exceed, or as the exact amount expenditures must be cut.

Some who are seriously and honestly concerned with fiscal integrity are currently suggesting that fiscal 1964 expenditures should not exceed the fiscal 1963 level. That suggestion, I am afraid, is completely out of touch with the realities of fiscal life and national needs. The truth is that the entire $4.5 billion budget increase from 1963 to 1964 can be accounted for by increases in only three areas; defense, space, and interest on the public debt. The total of all other expenditures is being held below 1963 levels.

To reduce the total fiscal 1964 budget to the 1963 level would call for cutting defense and space expenditures by $4.5 billion, or cutting a similar amount from all other programs—which have already been held below their 1963 level—or some combination of the two.

The impracticality of such an arbitrary cut becomes apparent when one realizes that while the administration presents the budget and Congress considers it on an annual basis, the programs whose cost is expressed in the budget are in large part continuing programs which involve not only plans but commitments for years ahead. For example, over 40 percent of the fiscal 1964 expenditure budget involves payments from unspent authorizations enacted in previous years, most of which are already obligated. And there are other items—such as veterans pensions—which, while they are in a somewhat different category, are inherently contractual in nature.

Let us look at specifics: Where would you cut the budget to reduce fiscal 1964 expenditures by $4.5 billion?

The $4.5 billion increase was in space, defense, and interest on the public debt. Suppose you tried to cut the defense budget by $4.5 billion, where would you look first? Research and development costs $7.1 billion, so you would have to cut that more than in half. Procurement costs $16.4 billion, most of which represents payments on contracts already far along and funded out of earlier appropriations. Therefore, budget cuts here would have little effect in 1964, but rather in 1965 or even later. To reduce procurement expenditures in fiscal 1964 we would have to severely stretch our programs already underway and funded by appropriations which have already been made.

Expenditures for maintaining our standing defense forces at home and abroad total $25.9 billion. This amount is funded from the current budget, so it is here that we must cut if we wish to hold 1964 expenditures to 1963 levels. A cut of one-sixth in this area would provide almost $4.5 billion. But it would mean reducing the Army by more than two divisions—more than twice the total increase in manpower since this administration took office, reducing the Navy by more than 140 ships, reducing the Air Force by 14 combat wings, and so on right down the line. I doubt if there are many Americans who would favor such a course.

The same thing applies to the space budget. Here, the National Association of Manufacturers has suggested a cut of $1.4 billion in the $5.7 billion of new spending authority requested by the President. But even if such a drastic cut were made, it would only reduce actual 1964 expenditures by a little over $500 million.

My point is not that the budget cannot be cut, but simply that it cannot be cut arbitrarily or fitted into a fixed mold such as the 1963 expenditure total. We must not forget either that the fiscal 1964 budget is an extremely tight budget—one of the tightest ever proposed. It has already been cut—and hugely—by the administration itself. Since January, the President has reduced his fiscal 1964 requests by some $615 million. Before that, a full $19 billion was trimmed from agency requests.

In the final analysis, the only real solution for our recent large budget deficits is to increase our economic growth to the point where it will produce enough revenues to finance, within the context of a balanced budget, the minimum programs required to meet our national needs at home and abroad. Not only will substantial tax reduction in 1963 help generate that growth, but—as the President has repeatedly pledged—a large portion of the increased revenues that result will be applied toward eliminating the current deficit.

This is the positive approach to the budget issue—the approach that can help us to achieve our potential as a Nation, both in economic and human terms. Prompt and substantial tax reduction will, of course, greatly increase the potential for American business. Even more important, it will greatly increase opportunity for all Americans. Finally, and perhaps most important of all, by strengthening our economy, it will increase the ability of our entire Nation to provide a better and more secure life for this generation and the generations to come.

HOUSE OF REPRESENTATIVES

MONDAY, JUNE 17, 1963

The House met at 12 o'clock noon.

The Chaplain, Rev. Bernard Braskamp, D.D., offered the following prayer:

Luke 11: 28: *Come unto Me, all ye that labor and are heavy laden, and I will give you rest.*

Almighty God, how gracious are Thy words of welcome, inviting us to come unto Thee and how precious are Thy promises unto all who call upon Thee in the fellowship of prayer.

In penitence we confess our sins and seek Thy pardoning grace; in heartfelt gratitude we praise Thee for our many blessings; in humility we renew our vows to serve Thee in love and loyalty.

Grant that in these strange and strenuous days the mind and heart of mankind may be redeemed from pride and prejudice and be restored to compassion and charity, to good will, and mutual trust.

Inspire and constrain us to look upon bruised and broken humanity with insight and sympathy and show us how we may give help and healing to all who