President Eisenhower congratulated Mrs. Roosevelt on her work in the United Nations, thanking her for her "sincere concern for the less fortunate, and skill in the discharge of unique and important duties."

She received many honors in a long and productive life. She held honorary degrees from several colleges, was an honorary member of Phi Beta Kappa, received the 1939 Award of Humanitarians, the Churchman's Award, the first annual Nation Award, the first annual Franklin Delano Roosevelt Brotherhood Award in 1946, the Award of Merit of the New York City Federation of Women's Clubs in 1948, the Four Freedoms Award, the Prince Carl Medal of Sweden, and the Irving Geist Foundation Award, all in 1950.

When she died she was honored for her character and her deeds throughout the world. Here at home President Kennedy said:

> One of the great ladies in the history of this country has passed from the scene. Her loss will be deeply felt by all those who admired her tireless idealism, or benefited from her good works and wise counsel. Since the day I entered this office, she has been both an inspiration and a friend.

The world has lost one of its greatest women, and we have all lost a friend.

HOUSE OF REPRESENTATIVES

WEDNESDAY, JULY 10, 1963

The House met at 12 o'clock noon and was called to order by the Speaker pro tempore, Mr. BOGGS.

DESIGNATION OF SPEAKER PRO TEMPORE

The SPEAKER pro tempore. The Chair lays before the House a communication from the Speaker.

The Clerk read as follows:

THE SPEAKER'S ROOM,
July 10, 1963.

I hereby designate the Honorable HALE BOGGS to act as Speaker pro tempore today.

JOHN W. MCCORMACK,
Speaker of the House of Representatives.

Rev. Stanley Kiehl Gambell, minister, the Woodland Presbyterian Church, 42d and Pine Streets, Philadelphia, Pa., offered the following prayer:

Our Father, whose quietness settles upon us with the rest of the night and whose movement surges again within us in the brightness of day; whose inspired conviction abides that the wise man should not glory in his wisdom, nor the mighty man in his might, nor the rich man in his riches but rather, every man should be pleased in knowing Thee, God of love and judgment both; in the fear of the living Lord, in the trembling of human enthusiasm, and in the will of the angel's heaven, we come to Thee.

Be merciful unto us, or no right have we to speak; be watchful of us lest, asking without believing, we make a farce of all our faith.

Lord, while we tell each other how to do more and more things, wilt Thou not tell us what ought to be done; when we have stood looking upon the world at its worst, command then to kneel and to seek that the worsened world may believe us at our best; when the best fruits of our labors and deliberations tumble to earth, beaten and swept by some unexpected wind of destruction or adversity, then whisper to us once again that not as much in man's reasoning as in God's reckoning does the good fruit of life and labor have its chance to ripen; when we think we have done enough, then tell us that divine order and hallowed success come from doing better than just enough.

Lord, to this end bless our beloved country; bless our devoted President; bless this body of leaders.

Hasten the day when love of wisdom and the wisdom of love shall be one. And we shall be forever grateful unto Thee, believe us, Lord.

For the Master's sake. Amen.

THE JOURNAL

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

MESSAGE FROM THE PRESIDENT

A message in writing from the President of the United States was communicated to the House by Mr. Jones, one of his secretaries, who also informed the House that on the following dates the President approved and signed bills and joint resolutions of the House of the following titles:

On June 21, 1963:

H.R. 79. An act to require authorization for certain appropriations for the Coast Guard, and for other purposes;

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;

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. 2821. An act to authorize modification of the repayment contract with the Grand Valley Water Users' Association;

H.R. 3574. An act to provide for the withdrawal and reservation for the use of the Department of the Air Force of certain public lands of the United States at Cuddeback Lake Air Force Range, Calif., for defense purposes;

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

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

H.R. 6441. An act to amend Public Law 86–272, as amended, with respect to the reporting date; and

H.J. Res. 180. Joint resolution to authorize the continued use of certain lands within the Sequoia National Park by portions of an existing hydroelectric project.

On June 29, 1963:

H.R. 2651. An act to extend for 1 year the period during which responsibility for the placement and foster care of dependent children, under the program of aid to families with dependent children under title IV of the Social Security Act, may be exercised by a public agency other than the agency administering such aid under the State plan;

H.R. 2827. An act to extend until June 30, 1966, the suspension of duty on imports of crude chicory and the reduction in duty on ground chicory;

H.R. 4174. An act to continue until the close of June 30, 1964, the suspension of duties for metal scrap, and for other purposes;

H.R. 5795. An act to provide a 3-year suspension of certain restrictions in the Supplemental Appropriation Act, 1951, on the withdrawal from the Treasury of postal appropriations;

H.R. 6755. An act to provide a 1-year extension of the existing corporate normal tax rate and of certain excise-tax rates;

H.R. 6791. An act to continue for 2 years the existing reduction of the exemption from duty enjoyed by returning residents, and for other purposes;

H.J. Res. 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; and

H.J. Res. 508. Joint resolution making continuing appropriations for the fiscal year 1964, and for other purposes.

On July 8, 1963:

H.R. 1492. An act to provide for the sale of certain reserved mineral interests of the United States in certain real property owned by Jack D. Wishart and Juanita H. Wishart;

H.R. 1819. An act to amend the Federal Employees Health Benefits Act of 1959 to provide additional choice of health benefits plans, and for other purposes;

H.R. 1937. An act to amend the act known as the "Life Insurance Act" of the District of Columbia, approved June 19, 1934, and the act known as the "Fire and Casualty Act" of the District of Columbia, approved October 3, 1940;

H.R. 3537. An act to increase the jurisdiction of the municipal court for the District of Columbia in civil actions, to change the names of the court, and for other purposes;

H.R. 5367. An act to designate the Bear Creek Dam on the Lehigh River, Pa., as the Francis E. Walter Dam;

H.R. 5860. An act to amend section 407 of the Packers and Stockyards Act of 1921, as amended; and

H.J. Res. 82. Joint resolution to change the name of Short Mountain lock and dam and reservoir in the State of Oklahoma to Robert S. Kerr lock and dam and reservoir.

MESSAGE FROM THE SENATE

A message from the Senate, by Mr. McGown, one of its clerks, announced that the Senate had passed, with amendments in which the concurrence of the House is requested, bills of the House of the following titles:

H.R. 1518. An act for the relief of Barbara Theresa Lazarus; and

H.R. 6681. An act to improve the active duty promotion opportunity of Air Force officers from the grade of major to the grade of lieutenant colonel.

The message also announced that the Senate had passed bills and a joint resolution of the following titles, in which

the concurrence of the House is requested:

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

S. 496. An act for the relief of Enrico Agostini and Celestino Agostini;

S. 901. An act for the relief of William Herbert vom Rath;

S. 1064. An act to amend the act redefining the units and establishing the standards of electrical and photometric measurements to provide that the candela shall be the unit of luminous intensity;

S. 1291. An act to authorize the Secretary of Commerce to employ aliens in a scientific or technical capacity; and

S.J. Res. 64. Joint resolution to amend the joint resolution providing for U.S. participation in the International Bureau for the Protection of Industrial Property.

ACTIVE DUTY PROMOTION OPPORTUNITY OF AIR FORCE OFFICERS

Mr. RIVERS of South Carolina. Mr. Speaker, I ask unanimous consent to take from the Speaker's desk the bill (H.R. 6681) to improve the active duty promotion opportunity of Air Force officers from the grade of major to the grade of lieutenant colonel, with a Senate amendment thereto, and concur in the Senate amendment.

The Clerk read the title of the bill.

The Clerk read the Senate amendment, as follows:

Strike out all after the enacting clause and insert: "That the Act of September 1, 1961, Public Law 87-194 (75 Stat. 424), is amended by striking out the figure '1963' and inserting the figure '1965' in place thereof."

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

There was no objection.

The Senate amendment was concurred in.

A motion to reconsider was laid on the table.

FIGHTING COMMUNIST SUBVERSION

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

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

There was no objection.

Mr. PELLY. Mr. Speaker, at long last I can take the floor of this House and congratulate the administration for taking a firm position with regard to Communist subversion.

Most wholeheartedly I commend the President for rejecting the request of Prime Minister Cheddi B. Jagan of British Guiana for economic aid. To extend economic assistance to leftists or Communist leaders only serves to add popularity to them and their ideology. It undermines our own freedom.

In this connection, Mr. Speaker, let me add a further thought. It seems to me that the United States right now should take an equally hard attitude with other nations in the Western Hemisphere. Why give economic or military aid to other countries who are unwilling to cooperate with us in our inter-American campaign against Communist subversion from Cuba?

Recently four of the most influential Latin nations abstained and one voted against us in the Council of the Organization of American States when we urged all American Republics to exercise strict control over Communist activities. Communism's chief target, Venezuela and also Brazil, Mexico, and Haiti, sidestepped this issue while Chile dissented thereby greatly nullifying the effectiveness of our campaign to oppose Castro's Soviet beachhead in Cuba.

Mr. Speaker, I applaud the President for declining the request of Cheddi B. Jagan, and urge a policy along the same line of withholding foreign aid from other Latin American countries who refuse to join us in fighting Communist subversion in the Western World.

HON. BOB SIKES

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

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

There was no objection.

Mr. PEPPER. Mr. Speaker, yesterday I unhappily, was not on the floor when many of my colleagues paid deserved tribute to the dean of our Florida delegation in this House, the Honorable R.L.F., as we affectionately know him, BOB SIKES for having served in this House longer than any other Representative from Florida.

The only indiscretion, in the opinion of some, that BOB SIKES ever committed was when, in 1934, in a moment of friendly weakness, he managed my campaign when I first ran for the other body, in his county. Naturally, I carried his county, with his leadership, by an overwhelming majority.

I first came to know BOB when he was the able and militant publisher of a very successful weekly paper. I observed with pride as he came to be a member of the house of representatives in the Florida Legislature and I had great pleasure in seeing him come to the House in 1941 and in being his colleague in the Congress for 10 years while I was a Member of the other body. During that time I had the privilege of his cordial cooperation as a distinguished Member of this House.

The years have been kind to BOB. It is generally agreed in Florida that BOB could have become Governor if he had been willing to give up or interrupt his career in this House, but he chose to remain, I am glad to say, in this House and here he has rendered distinguished service to his district, his State, and to his country. I know that we all happily anticipate a continuation of his leadership for many meaningful years to come.

SAFETY STANDARDS FOR AUTOMOBILE SEAT BELTS

Mr. ELLIOTT. Mr. Speaker, by direction of the Committee on Rules, I call up House Resolution 423 and ask for its immediate 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. 134) to provide that seat belts sold or shipped in interstate commerce for use in motor vehicles shall meet certain safety standards. After general debate, which shall be confined to the bill and shall continue not to exceed one hour, to be equally divided and controlled by the chairman and ranking minority member of the Committee on Interstate and Foreign Commerce, the bill shall be read for amendment under the five-minute rule. 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. ELLIOTT. Mr. Speaker, I yield myself such time as I may require, after which I shall yield 30 minutes to the gentleman from Kansas [Mr. AVERY].

Mr. Speaker, House Resolution 423 provides for consideration of H.R. 134, a bill by the gentleman from Alabama [Mr. ROBERTS] to provide that seat belts sold or shipped in interstate commerce for use in motor vehicles shall meet certain safety standards. The resolution provides an open rule with 1 hour of general debate.

The purpose of H.R. 134 is to protect the public by providing for the establishment of minimum countrywide safety standards for automobile seat belts sold or shipped in interstate commerce.

This is accomplished by requiring the Secretary of Commerce to prescribe and publish minimum safety standards for seat belts manufactured for sale or offered for sale in interstate commerce, imported into the United States, or shipped in interstate commerce.

Mr. Speaker, my colleague, the gentleman from Alabama [Mr. ROBERTS], has pioneered this field of seat belt safety for automobiles. Several years ago, I saw him start this work, and today, millions of cars are equipped with seat belts. The savings of lives and human suffering has been immeasurable.

Today, if we pass this rule, and the bill, we will insure that seat belts used on automobiles meet certain safety standards.

Mr. Speaker, I urge the adoption of House Resolution 423.

Mr. AVERY. Mr. Speaker, I really have no persuasive information to submit to the House on this bill. However, there is no opposition to the rule and I have no requests for time on the rule.

I would like to observe that ordinarily this bill would have been on the Consent Calendar, but apparently the country is moving so fast that the administration does not find it necessary to request the leadership to bring such bills to the floor

that would otherwise occupy the time of the House, so we have the so-called seat-belt legislation before us this afternoon. I can think of no reason why anybody would be opposed to it, so the House will probably proceed to expedite its passage.

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

Mr. AVERY. I yield to the gentleman from New York.

Mr. BECKER. I agree with the gentleman, but I am constrained to ask why legislation of this kind comes before the House. I have had years of experience in connection with making all kinds of standards, regulations, and specifications for every sort of thing. Why does this particular item come here as legislation, so that we should put a law on the statute books for it?

Mr. AVERY. I cannot think of anything I can add in addition to what I have already said. I presume it was the conclusion of the Secretary of Commerce that he either did not have the authority to proceed to issue a rule or regulation governing the structure or the textile strength of seat belts and so in lieu of that conclusion, he sought this authority from the Congress.

Mr. BECKER. Does this mean that we legislate today on a standard requirement for seat belts used in automobiles whether they are government owned or privately owned? Is this the general idea of the legislation?

Mr. AVERY. As I understand the legislation, my reply to the gentleman is that this does not direct a manufacturer as to whether he should put seat belts in a car or not. It merely says to the manufacturer of seat belts, if they are to be manufactured, they shall meet such standards as will be set out by the Secretary of Commerce.

Mr. BECKER. How does this affect all the millions of seat belts already being used or purchased or manufactured already? Is this retroactive in any way?

Mr. AVERY. I would suggest that the gentleman might more properly direct his question to a member of the legislative committee. But, certainly, as I read the bill, I do not see any retroactive feature in it. So we have to assume it would not apply to such seat belts as may have been installed up to this time.

Mr. BECKER. I thank the gentleman.

The SPEAKER pro tempore. The question is on agreeing to the resolution.

The resolution was agreed to.

A motion to reconsider was laid on the table.

IN THE COMMITTEE OF THE WHOLE

Mr. ROBERTS of Alabama. 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. 134) to provide that seat belts sold or shipped in interstate commerce for use in motor vehicles shall meet certain safety standards.

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. 134, with Mr. ROONEY in the chair.

The Clerk read the title of the bill.

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

The CHAIRMAN. Under the rule, the gentleman from Alabama [Mr. ROBERTS] will be recognized for 30 minutes and the gentleman from Michigan [Mr. BENNETT] will be recognized for 30 minutes.

The Chair recognizes the gentleman from Alabama [Mr. ROBERTS].

Mr. ROBERTS of Alabama. Mr. Chairman, I yield myself such time as I may require.

Mr. Chairman and Members of the Committee, this is not a monumental piece of legislation. It is a piece of legislation, however, which could be very important to anyone either driving an automobile or as a passenger in an automobile. Certainly, when we consider that over the long Fourth of July holiday period, 553 people lost their lives and many thousands were injured, some of them permanently, it has a great deal of importance. All this bill does, and it is a very simple bill, is to require that a manufacturer of a belt do a good job. It does not have any retroactive features and would not affect, therefore, any belts that are already installed in automobiles. It does say that the manufacturer who manufactures or sells a belt in interstate commerce shall present a belt that will do the job when the time of emergency comes. This type of legislation has been endorsed by the House previously, in October 1962, and was passed on the Consent Calendar. There was, I believe, perhaps one vote, a voice vote, against the bill in the full committee. However, because of the fact that this movement is growing rapidly throughout the country, it was the feeling of the committee that we should ask for a rule and bring it to the attention of the membership.

Mr. Chairman, beginning a few years ago, in 1957, the Special Subcommittee on Traffic Safety, which was set up by the unanimous resolution of this House, recommended to the House the use of the seat belt as a safety device. At that time the sales of belts were in the thousands. Today I can tell you I believe that the sales of these belts are in the millions. This year the industry will sell approximately 16 million pairs of these belts.

Mr. Chairman, it has meant a great deal to industry in the webbing and fabricating field, metal buckles and assemblies. One of the manufacturers this year will equip all of its output of 1964 cars with belts, front and back.

Mr. Chairman, I have had many instances related to me, by mail and otherwise, and by some Members of this House, to the effect that these belts have saved their lives. One of the Members of my own delegation, the gentleman from Alabama [Mr. ANDREWS], not too long ago told me of an incident in which this simple device, inexpensive and easy to install, saved his life when the time of emergency came.

Mr. Chairman, this is a voluntary movement. It is being sponsored by groups such as the Jaycees, the Federated Women's Clubs throughout the country, and many other civic organizations. It has the endorsement of the American Medical Association and practically all of the researchers in the safety field.

Mr. Chairman, it is my belief that if a belt is put in a car the purchaser of that belt should have some assurance that the belt is adequate and will do the job. This legislation was asked for by the American Seat Belt Council. If everyone were a member of that council, with its high standards, as was pointed out by Mr. Davis, one of its directors, this legislation would not be necessary. But unfortunately some people in order to make a fast dollar are producing belts that do not do the job. I would hate to see this great voluntary movement destroyed by the inadequacy of a belt put on the market by manufacturers who would take advantage of a situation such as this.

Mr. Chairman, throughout all of our legislation—and this subcommittee has passed many bills on the floor; we passed one last year to outlaw inadequate brake fluid and we passed a bill several years ago to put safety devices on refrigerators, and because of this safety device not in one of the new refrigerators has a child's life been lost.

Mr. Chairman, while I say it is not a monumental bill, if it saves the life of someone, if it prevents someone from being a permanent cripple or maimed for life, if it does this through the use of this little device, I say it is well worth the consideration of the greatest deliberative body on the face of the earth, the House of Representatives.

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

Mr. ROBERTS of Alabama. Certainly, I yield to the gentleman from Iowa.

Mr. GROSS. This means then that the manufacturers must put the fastener in the car? Does it or does it not?

Mr. ROBERTS of Alabama. No, sir; it has nothing to do with the installation of the belt. Now 15 States require belts in automobiles, but there is nothing mandatory about this, except that these belts must meet adequate standards which shall be published in the Federal Register, after consultation with the industry, and after a time in which the industry may inform itself of the specifications of the belt.

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

Mr. ROBERTS of Alabama. Surely.

Mr. GROSS. Does not the gentleman think that this is self-defeating? In other words, you can have the best belt made in an automobile and if it is not properly attached to the car frame—to a substantial part of the car frame—the fact that you have a seat belt is meaningless. It will be pulled out in the event of a hard impact and the weight thrown against the belt. I would think there ought to be some standards for attachment within the car and the attachments provided as the car is manufactured.

Mr. ROBERTS of Alabama. Actually, most of the belts will be installed in garages. That is a matter really up to the individual as to where his belt is installed. We do not think it is a matter

that we in the Congress should legislate on. It is a matter that belongs to the States to legislate on. Some of the States have laws that cover installation. About 15 States now have such a law and I think that is properly under the jurisdiction of the States.

Mr. GROSS. I favor the legislation, I favor the gentleman's bill, but somewhere along the line there ought to be standards for attaching the belts to the car frame or some substantial part of the car, because it has been demonstrated that if not properly attached they will pull out under heavy impact.

Mr. ROBERTS of Alabama. I could not agree with the gentleman more. However, I have never favored mandatory installation of these belts. I have always felt that was a matter that properly should be left up to the States. I think I have been right because 15 States have adopted such legislation. As I say, I have never favored the Federal Government going that far.

Mr. GROSS. I agree with the gentleman in what he has just said. What I am trying to say is that there are standards for belts and there should also be certain standards for attachment, because otherwise the beneficial effects of the belt can be lost. There ought to be standards both ways, both as to attachment and as to the strength of the belt and the fastenings.

Mr. ROBERTS of Alabama. I thank the gentleman.

Mr. O'HARA of Michigan. Mr. Chairman, will the gentleman yield?

Mr. ROBERTS of Alabama. I yield to the gentleman from Michigan.

Mr. O'HARA of Michigan. Mr. Chairman, I agree with the gentleman with respect to our ability to legislate as to how these belts might be installed in small independent garages in the communities of our country. But, as the gentleman from Iowa suggested, I was wondering if the committee would not consider at some appropriate time legislation which would require that the manufacturers of these automobiles shipped in interstate commerce provide an appropriate bolt or bolts in the proper places in the frame for the installation of a belt, which would perhaps encourage proper installation of these belts. In other words, provide in the manufactured automobile safe places for anchoring these belts so that they can be conveniently installed in a proper manner; in fact, more so than in the other manner.

Mr. ROBERTS of Alabama. I appreciate the gentleman's contribution. Even though you put a belt in the car, properly anchored and adequately secured, unless the party is going to use it, you will not have accomplished anything. Actually you come back to what the individual wants to do in protecting himself.

Mr. ROGERS of Florida. Mr. Chairman, will the gentleman yield?

Mr. ROBERTS of Alabama. I yield to the gentleman from Florida.

Mr. ROGERS of Florida. Mr. Chairman, this past weekend Americans across our great Nation celebrated Independence Day. Strange it is that in doing so we managed to kill 557 of our countrymen on the highways and roads. In celebrating freedom and liberty, 557 lost their liberty to add to an ever-increasing death toll that is already ahead of last year's at this time by some 6 percentage points.

In the past 5 years 192,081 persons have lost their lives in traffic accidents in the United States. On an average that is close to 38,500 lives per year. In 1962 alone, 41,000 lost their lives on our Nation's highways; and this year seems to be continuing the upward trend toward a new record of human self-destruction.

What can be done about this highway slaughter? One aid to the solution of this problem will be for drivers to accept the merits of automobile seat belts, install them in their automobiles, and faithfully use them. By the term "seat belt," I am referring to belts that meet the standards of safety that would be required by H.R. 134; not some substandard substitute.

There have been several studies made, and although seat belts will not prevent the automobile accidents, seat belts can help to prevent serious injury or loss of life caused by the accidents. It has been stated by the Director of the Office of Highway Safety, Bureau of Public Roads, James K. Williams, that serious injury and fatalities would be reduced by one-third of what they are now if people would use seat belts that measure up to the safety standards called for in this legislation.

It is our responsibility to pass legislation that insures the minimum safety standards regarding seat belts sold or shipped in interstate commerce. There are presently automobile seat belts on the market that are of inferior quality and design, and with the growing interest of the American motorist in this safety device, he may unknowingly buy faulty or substandard merchandise if not protected by law.

We must not only encourage the use of seat belts, but we must also insist on high quality standards that should be met for the production of seat belts before transportation in interstate commerce. Not to do this would be a violation of our public trust.

Mr. ROBERTS of Alabama. Mr. Chairman, I thank the gentleman from Florida who is an able and conscientious member of our subcommittee and has worked hard in all of this legislation.

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

Mr. ROBERTS of Alabama. I yield to the gentleman from Florida.

Mr. HALEY. Mr. Chairman, I want to compliment the gentleman from Alabama who has long been interested in the safety features this bill will provide. The committee has done an outstanding service in bringing this bill to the floor of this House for, I hope, unanimous passage. I might say this, Mr. Chairman, to the gentleman, however, I hope his committee would give some consideration in the installation of these various things to the fact that certain minimum requirements be considered as to stress and strain. After all, a belt will stand a certain amount of strain, but unless whatever is attaching it to the automobile body itself can stand the strain that a jolt would give, of course, it would pull right out and would not provide the safety features that I am sure the gentleman from Alabama and his committee hope would be brought about by this kind of legislation. So I urge you to give consideration to that feature of the problem.

Mr. ROBERTS of Alabama. I thank my able and longtime friend, the gentleman from Florida [Mr. HALEY].

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

Mr. ROBERTS of Alabama. I yield to the gentleman from Minnesota, a member of the committee.

Mr. NELSEN. I wish to compliment the chairman of this Health and Safety Subcommittee and to emphasize that in his discussion of the bill he did point out that he, as chairman of the subcommittee, had always refrained from advocating mandatory legislation in this field. I endorse that position. It is true that the hearings of the subcommittee stimulated a good deal of interest in the automobile industry. I think in answer to the question of the gentleman on the other side, most of the manufacturers today do make provision for proper facilities for the fastening of seat belts in automobiles. I might add that our committee reported this bill out and there was no opposition in our subcommittee. I want to thank the gentleman for his diligent efforts in supporting this legislation.

Mr. ROBERTS of Alabama. Mr. Chairman, I thank the distinguished gentleman who has been very diligent in his work with the subcommittee. He works hard and I appreciate his wonderful support.

Mr. Chairman, how much time have I remaining?

The CHAIRMAN. The gentleman from Alabama has consumed 15 minutes.

Mr. BENNETT of Florida. Mr. Chairman, will the gentleman yield?

Mr. ROBERTS of Alabama. I yield to the gentleman from Florida [Mr. BENNETT].

Mr. BENNETT of Florida. Mr. Chairman, I would like to take this opportunity to congratulate our beloved colleague, the gentleman from Alabama, KENNETH A. ROBERTS, on his effective and persuasive leadership in the passage of this legislation, which is long overdue. The legislation to provide that seat belts sold or shipped in interstate commerce for use in motor vehicles shall meet certain safety standards is an important first step in the adoption of overall legislation to require certain safety devices on motor vehicles sold, shipped, or used in interstate commerce.

The general public is becoming aware, I believe, of the necessity for safety devices, even the more bothersome ones, on the ever-growing numbers of automobiles on our highways.

Anyone who faces the facts of safety today cannot overlook the importance of this bill. We know that some 40,000 of our citizens were killed on the highways last year and some 3 million were injured in moving automobile accidents.

Setting standards for safety belts should lead to more effective ways of stopping the slaughter on our highways. The National Safety Council has strongly supported the plan to provide all new cars with seat belts in 1964, as have several of the major automobile manufacturers. Howard Pyle, president of the National Safety Council, has estimated that seat belts in universal use could save at least 5,000 lives annually. This fact in itself is indicative of the need for this legislation.

Also, a recent Gallup poll stated a majority of Americans are now in favor of a law requiring all cars, both new and used, to be equipped with safety belts.

On the first day of the opening session of the 85th Congress, January 3, 1957, I introduced a bill (H.R. 561) to require certain minimum standards of safety in the construction of automobiles manufactured for sale in interstate commerce. Since that time I have pushed vigorously for legislation stressing safety measures on automobiles. The need is definite for the safest possible equipment on automobiles, including, I believe, a governor to limit the top speed of vehicles; safety padding for the passenger compartment of the vehicle; steering and other vehicle controls; bumpers, fenders and other shock-absorbing equipment; headlights and other lights, brakes, aids to visibility; tires, and safety belts.

The passage of this bill will lead to other measures to halt useless injuries and deaths on our highways. I am highly optimistic that with the passage of this bill we will drastically reduce the chances of increasing accidents and deaths.

What we are doing here today is good as far as it goes, but it is a minuscule effort. The size of the problem is great and it should be met head on. We desperately need to approve a bill which positively requires seat belts to be installed in all vehicles sold in interstate commerce.

All we have to show for our 6-year fight for these safety devices is this bill today. It is a tiny effort, considering what we need.

In the 6 years since I introduced my original bill thousands have been killed. We could have saved 30,000 lives in that period had the legislation been enacted 6 years ago.

Mr. ROBERTS of Alabama. I thank the distinguished gentleman. He has appeared before our subcommittee and full committee many times in the interest of safety legislation. The committee has been impressed with his performance there.

Mr. Chairman, I yield 5 minutes to the gentleman from Michigan [Mr. RYAN].

Mr. RYAN of Michigan. Mr. Chairman and Members of the House, I heartily endorse and support H.R. 1341, the bill introduced by Mr. ROBERTS of Alabama, which sets standards for seat belts shipped or sold in interstate commerce. This legislation is long overdue, and should promptly be approved by this Congress in order to further protect the American automobile owner and user.

More and more people are purchasing cars with seat belts, or are having them installed. With the growing interest in the use of seat belts, some high-pressure sellers in a number of areas of our country are exploiting and taking advantage of this boom.

Seat belts have been recommended by most authorities as a valuable safety device. Approximately 15 States now have laws requiring either that automobiles manufactured in that State must be equipped with seat belts or that the belts must meet adequate standards. It must be obvious that it is difficult to police the many hundreds of manufacturers, distributors, and retailers in the booming new seat belt industry.

Seat belts are actually a necessity—seat belts really do save lives. How we must shudder when we look at facts and realize that 41,000 American citizens lost their lives in 1962 through traffic accidents. Only heart ailments, cancer and pneumonia rank ahead of death on the highway as a destroyer of human life. As a matter of fact, the total number of fatalities of Americans in all of our wars, are less than the total number of Americans killed in all automobile accidents. Words are simply incapable of expressing this tragic and wasteful loss.

In addition to this wanton, useless loss of lives, approximately 1,500,000 Americans suffered injuries that disabled them beyond the day of the accident—some so severely injured that they will suffer and be incapacitated for the rest of their natural lives.

There are more than 79 million vehicles on American roads—propelled by more than 91 million drivers. As these figures increase, so do the number of deaths. Why, then, should we not take action to help cut down this vast number of deaths and injuries.

It is your concern, and your business as Congressmen, to do something more about this matter.

Thousands of lives are lost each year because passengers are thrown against windshields or out of car doors by the impact of crashes. The chances of being killed by this second crash are five times greater if one is thrown from the vehicle.

Research in automobile crash injury cases has shown that seat belts help protect automobile passengers in both major and minor accidents.

In collisions, seat belts help keep passengers from being ejected, and reduce the force of impact of the body on any part of the car interior.

Representatives from the Ford Motor Co. stated in 1957 that:

> In our opinion, the use of seat belts in all cars and trucks on the American road today would reduce the 40,000 fatalities annually to less than 19,000, and would reduce the 1 million serious injuries to no more than 500,000.

In a more recent statement, University of Michigan physcians, as a result of a year long study, proved—actually proved—that 33 percent of accident victims studied would have been saved with a seat belt, and another 21 percent might have been saved. This particular study also showed that the greatest value of seat belts was demonstrated in city driving under 40 miles per hour, and relatively close to home. Automobile makers, fleet truck operators, police, and many State legislatures are convinced that seat belts save lives.

It is my candid opinion that seat belts will someday become standard equipment on all automobiles. I believe in their use so strongly that I did introduce a bill into the House of Representatives requiring that all motor vehicles sold or shipped in commerce must be equipped with safety belts, and that they must meet certain standards set by the Department of Commerce. This bill is known as H.R. 3988.

Many State legislatures now require that vehicles manufactured or sold in their State must be equipped with seat belts.

My own State of Michigan is commonly known as the "Automobile State." My city of Detroit is known worldwide as the "Motor City." Just about one-third of the entire automobile production in the entire United States is produced within the State of Michigan. In 1962, there were 2,113,000 automobiles manufactured in Michigan, and this was 31.68 percent of the total automobile production of the 1962 models. In addition to these totally completed units, parts of motor vehicles have been manufactured for shipment to other parts of the country for final assembly.

I recite these figures to emphasize the point that our Legislature of the State of Michigan during this past session, to its everlasting credit, did approve and adopt a bill which requires that all new cars manufactured or sold in Michigan after January 1, 1965, must be equipped with seat belts. Thus you can see that it is a short matter of time before all automobiles will be equipped with seat belts as a matter of standard equipment.

The quicker this happens the more lives will be saved. This present bill moves forward in this direction and I sincerely hope you will support the measure under discussion at this time.

Mr. NELSEN. Mr. Chairman, I yield 2 minutes to the gentleman from Ohio [Mr. Bow].

Mr. BOW. Mr. Chairman, I take this time to ask the chairman of the subcommittee if he can advise the House how much this program will cost and how it will be budgeted as far as the Congress is concerned.

Mr. ROBERTS of Alabama. If I remember the testimony in the committee, it is estimated that little or no cost will be involved in this. There will be personnel in the Bureau of Standards to do this, and in the Office of Highway Safety in the Commerce Department. As I recall the testimony, there will be no additional cost.

Mr. BOW. There will be no additional cost and no additional employees will be necessary in the Department of Commerce?

Mr. ROBERTS of Alabama. That is the best of my recollection.

Mr. BOW. And no additional funds will be required?

Mr. ROBERTS of Alabama. That is right.

Mr. BOW. I thank the gentleman.

Mr. HORTON. Mr. Chairman, I wish to express my support of the bill, H.R. 134, concerning automobile seat belts.

I understand the purpose of this bill is to protect the public by providing minimum standards for automobile seat belts sold or shipped in interstate commerce. This would be accomplished by requiring the Secretary of Commerce to prescribe and publish minimum safety requirements for seat belts used in motor vehicles.

I believe we are all aware of the considerable research which has been conducted over the past few years dealing with the efficacy of automobile seat belts. The results of this research clearly evidence the contribution to motoring safety of seat belts for two basic reasons: First, you are safer inside a car than if thrown out of it; and second, you are less likely to be dashed against the interior of your own car.

A majority of the several States deserve great credit for their actions regarding seat belts. According to information I have received from the National Committee on Uniform Traffic Laws and Ordinances, there are now 28 States which have adopted one or more requirements affecting seat belts.

I am particularly proud of the record of New York State. As of June 30, 1962, it was required that all new cars sold in the State be equipped with suitable anchorages for seat belts. Under a more recently enacted statute, New York State will require that all new cars sold in the State after June 30, 1964, also have seat belts installed in them. New York State also was among the very first States to regulate the sale of automobile seat belts by requiring the maintenance of minimum safety standards.

Mr. Chairman, you can see that it is not the State of New York for which I urge the benefits of this legislation. The requirements there are entirely satisfactory.

However, for those areas of the country where no such State legislation exists, I believe Congress has both an opportunity and an obligation to protect the general welfare through the passage of this bill.

A national standard for the minimum safety requirements of automobile seat belts is much to be desired. A seat belt whose webbing breaks, catch fails, or pulls, or pulls loose from its anchorage is just as dangerous as no seat belt at all. In fact, it is potentially more dangerous for the false security it gives its unsuspecting wearer.

Mr. LIBONATI. Mr. Chairman, last week this body passed and sent to the Senate the Honorable KENNETH ROBERTS' bill H.R. 134, to establish seat belt standards. During the course of the debate on this legislation he indicated that if seat belts saved one life it was well worth the effort and time of the Congress.

Yesterday he received a letter from an individual from Chicago, Ill., telling him of the lifesaving aspects of the seat belts as demonstrated in an automobile accident in which the individual was personally involved. I would like, Mr. Chairman, to have printed in the RECORD at this point the letter he received as I believe it is a tribute to his initiative in the passage of the bill and the foresight of the users of the seat belts. His prediction has been realized.

CHICAGO, ILL.,
July 11, 1963.

Hon. KENNETH A. ROBERTS,
House of Representatives,
Washington, D.C.

DEAR SIR: The enclosed article about your bill regarding auto seat belts appeared in the Chicago Tribune today.

It caught my interest especially because seat belts gave Chicago a no-traffic-death record over the recent 4-day holiday. They also saved our lives.

Our family of two adults and three children were riding in our automobile when it was struck by a speeding car. Our two small sons were belted in their seats in the back; both suffered head injuries. My husband was belted in the driver's seat; he was thrown against the steering wheel. I was belted in the right front seat; I was thrown forward with enough impact to cause a dent in the steel door frame where my head struck. My daughter, seated between us in the front but not wearing a seat belt, was thrown to the floor. She is too small to have hit the dash or to have gone through the windshield, which certainly would have been the case with an adult who had been sitting in that seat.

The two cars were demolished. I am certain that I would have been thrown from the car and probably my husband would have suffered severe, if not fatal injuries from the impact of the steering wheel; the boys in the rear would have been thrown to the front; had we not been protected by seat belts. Tangible evidence in support of this theory is the fact that the only one of the five to be thrown from the seat was not wearing a belt, and only her small size kept her in the car.

We were all injured but we are all alive. Seat belts alone are responsible. Congratulations on your important safety bill—and thank you for bringing this idea to public attention.

Sincerely,

PHOEBE MEDOW.

Mr. ROBERTS of Alabama. Mr. Chairman, I have no further requests for time.

Mr. NELSEN. I have no further requests for time, Mr. Chairman.

The CHAIRMAN. The Clerk will read the bill for amendment.

The Clerk read the bill 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 Commerce shall prescribe and publish in the Federal Register minimum standards for seat belts for use in motor vehicles. Such standards shall be designed to provide the public with safe seat belts so that passenger injuries in motor vehicle accidents can be kept to a minimum. Standards first established under this section shall be prescribed and published not later than one year after the date of enactment of this Act.

SEC. 2. (a) The manufacture for sale, the sale, or the offering for sale, in interstate commerce, or the importation into the United States, or the introduction, delivery for introduction, transportation or causing to be transported in, interstate commerce, or for the purpose of sale, or delivery after sale, in interstate commerce, of any seat belt manufactured on or after the date this section takes effect shall be unlawful unless such seat belt meets the standards prescribed by the Secretary of Commerce as set forth in the first section of this Act.

(b) Whoever violates this section shall be fined not more than $1,000, or imprisoned not more than one year or both.

SEC. 3. As used in this Act—

(1) The term "interstate commerce" includes commerce between one State, Territory, possession, the District of Columbia, or the Commonwealth of Puerto Rico and another State, Territory, possession, the District of Columbia, or the Commonwealth of Puerto Rico.

(2) The term "motor vehicle" means any other vehicle or machine propelled or drawn by mechanical power and used on the highways principally in the transportation of passengers.

(3) The term "seat belt" means any strap, webbing, or similar device designed to secure a passenger in a motor vehicle in order to mitigate the results of any accident including all necessary buckles, and other fasteners, and all hardware designed for installing such seat belt in a motor vehicle.

SEC. 4. This Act shall take effect on the date of its enactment except that section 2 shall take effect on such date as the Secretary of Commerce shall determine but such date shall be not less than one hundred and eighty days nor more than one year after the date of publication of standards first established under the first section of this Act. If such standards first established are thereafter changed, such standards as so changed shall take effect on such date as the Secretary of Commerce shall determine but such date shall not be less than one hundred and eighty days nor more than one year after the date of their publication in accordance with the provisions of the first section of this Act.

The CHAIRMAN. Under the rule, the Committee rises.

Accordingly, the Committee rose; and the Speaker having resumed the chair, Mr. ROONEY, 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. 134) to provide that seat belts sold or shipped in interstate commerce for use in motor vehicles shall meet certain safety standards, pursuant to House Resolution 433, he reported the bill back to the House.

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

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

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

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

The bill was passed.

A motion to reconsider was laid on the table.

FREEMAN TO STUDY COMMUNIST AGRICULTURE

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

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

There was no objection.

Mr. LAIRD. Mr. Speaker, Secretary of Agriculture Orville Freeman has announced that he and some Department

of Agriculture experts will leave Washington at taxpayers' expense on July 13, next Saturday, for a month-long junket of farming areas in the Soviet Union, Rumania, Bulgaria, Poland, and Yugoslavia.

Certainly many would agree that Secretary Freeman could profit from a study of the agricultural practices and procedures of certain other countries. Not too many, however, would include Communist agricultural policies as worthy of study or emulation by our Secretary of Agriculture. The outcome of the recent wheat referendum should have taught Mr. Freeman that American farmers are not interested in the general policy of state control that is found in the Communist countries.

Even more importantly, Mr. Speaker, I was literally amazed to learn that Secretary Freeman had chosen this particular time when Congress is in session for his educational trip to the Communist countries. Certainly his time could more profitably be spent here at home working on the development of sorely needed, effective dairy legislation.

In addition, with the so-called Kennedy round of tariff negotiations currently underway, I would think Mr. Freeman would do better to address himself to the many facets of the agricultural problem that will continue to crop up in these tariff negotiations. The poultry farmers apparently have already been sold down the river.

Last year the European Common Market increased the tariff on U.S. poultry from 5 to 13 cents a pound. This seemed more than unfair in light of the policy of our Government to reduce trade and tariff barriers. But following further activity by our trade representatives, the Common Market upped the duty by 1¼ cents a pound. On May 31, Democratic Senator RUSSELL said that this "new tariff barrier against American poultry amounts to a total embargo that will make it impossible for American producers to export to Europe profitably."

Yet as late as May 29, Secretary Freeman had said that—

> Poultry probably represents our outstanding success story in developing a new market abroad. * * * We are, of course, hopeful that the [tariff] decision will be favorable.

It was not, but Secretary Freeman had gone on to say:

> In a sense, we feel that as poultry goes, so go our overall trade prospects.

If that prediction is accurate, the prospects for the American farmer in international trade are bleak indeed. With Mr. Freeman's unfortunate record in the area of American agricultural policy, Mr. Speaker, I cannot help but wonder why he deems it more profitable to study Russian agriculture which, I would hope, has little if anything in common with the agricultural policies of the United States.

The dairy industry of this country, the wheatgrowers of the country, the entire cotton industry, the shocking rise in sugar prices, and many other critical problems in the United States should command the full attention of the Secretary of Agriculture of the United States. One would hope that Secretary Freeman would seriously reevaluate his ill-considered decision to study Communist agriculture at this critical period in the history of American agriculture.

U.S. INTERCULTURAL CENTER

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

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

There was no objection.

Mr. NIX. Mr. Speaker, in relation to legislation which I have previously introduced, providing for the reduction of congressional representation for any State to the extent that such unconstitutionally deprives citizens of the right to vote, H.R. 7005, and in conjunction with H.R. 7152, the proposed civil rights measure introduced on behalf of the President of the United States, I offer this constructive proposal for improving relations between citizens of the United States and the peoples of Africa and Asia.

Mr. Speaker, it cannot be disputed that there is no more immediately important domestic or international problem than the state of interracial and intercultural relations. Both the nature and the gravity of the problem dictate that a free exchange of factual information and ideas is absolutely critical to the resolution of it, in all of its ramifications. Currently, the necessity for basic and intelligent understandings is acute; therefore, the present crisis cries out for deliberate and responsible direction through the establishment of a medium of communication at the national and international levels. Through such, and only in this way, can there be developed the proper context and the proper focus for resolving interracial and intercultural problems as they have arisen and will continue to arise in the course of relations between the United States and the emergent nations of Africa, Asia and Latin America.

Mr. Speaker, there must be brought to bear upon these problems the sane, objective, self-conscious, and responsible weight and influence of the more active and intelligent minds of all cultures, all nations, all races. Scholars, public officials, and others desperately need a medium of communication and a locus for programed study, contemplation, deliberation, and publication so that freemen of all cultures might speak and learn the most pertinent facts and opinions relative to racial relations.

The concern which prompts me to introduce the measure which I refer to stems from my unequivocal faith in the basic proposition of democracy that man is by nature a reasonable being, capable of solving human problems without resorting to the resources and techniques of irrationality. I am disturbed by the fact that reason plays no larger part in racial relations than is now evident. I am concerned that the role of reason may even diminish—that policy and action among the private and public participants will issue not from the law and the mind but from the emotions of the gun or sword or the fist or club.

With a view to the future against the background of the past and present, I submit this proposal to establish, as an arm of the Government of the United States, a U.S. Intercultural Center, in close proximity to the headquarters of the United Nations, for the purpose of creating a locus for free communication among Americans and Africans, and other people as well, on problems of race relations. I submit that this is practicable and that it is the most feasible means of assuring the speedier reconciliation of interracial and intercultural differences. There is no admission of failure regarding our efforts to date; there is a concern that failure is not "just around the corner."

FCC PROPOSALS TO AMEND COMMUNICATIONS ACT

Mr. HARRIS. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD and include a letter and certain information from the Federal Communications Commission.

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

There was no objection.

Mr. HARRIS. Mr. Speaker, I have introduced today two bills which propose to amend section 310(b) of the Communications Act of 1934. The purpose of both bills is to give the Federal Communications Commission greater discretion in considering how the public interest will best be served in connection with transfers of broadcast station licenses.

The first bill is the official Commission proposal. The second bill was suggested by Commissioner Bartley. As explained by Commissioner Bartley, it is the purpose of his bill to place upon broadcasters who desire to transfer their licenses the burden of proving that such transfers will bring about an improved broadcast structure.

The letter from the FCC to Speaker MCCORMACK requesting introduction of these bills and the explanatory statements submitted together with the letter are as follows:

FEDERAL COMMUNICATIONS COMMISSION,
Washington, D.C., June 27, 1963.

Hon. JOHN W. MCCORMACK,
Speaker of the House of Representatives, Washington, D.C.

DEAR MR. SPEAKER: The Commission has adopted as part of its legislative program for the 88th Congress a proposal to amend section 310(b) of the Communications Act of 1934 to give the Commission greater discretion to adopt flexible procedures for considering how the public interest will best be served in considering applications for transfer or assignment of a construction permit or license for a broadcast station.

The Commission's explanation and draft bill to accomplish the foregoing objective were submitted to the Bureau of the Budget for its consideration. We are now advised by that Bureau that from the standpoint of the administration's program there would be no objection to the presentation of the draft bill to the Congress for its consideration. Accordingly, there are enclosed six copies of our draft bill on this subject and six copies of an explanatory statement with

reference thereto. Commissioner Bartley has prepared a separate statement, six copies of which are also enclosed.

The consideration by the House of the proposed amendment would be greatly appreciated. The Commission would be happy to furnish any additional information that may be desired by the House or by the committee to which this proposal is referred.

Yours sincerely,

E. WILLIAM HENRY,
Chairman.

EXPLANATION OF PROPOSED AMENDMENT TO SECTION 310 (b) OF THE COMMUNICATIONS ACT OF 1934, AS AMENDED

The Commission recommends that Congress enact legislation amending section 310(b) of the Communications Act of 1934, as amended, by deleting the portion of the last sentence of section 310(b) following the semicolon. The language which would be deleted reads as follows:

"But in acting thereon [i.e., on an application for assignment or transfer of a construction permit or license] the Commission may not consider whether the public interest, convenience, and necessity might be served by the transfer, assignment, or disposal of the permit to a person other than the proposed transferee or assignee."

For some time now, the Congress and the Commission have both been concerned with problems involving the transfer or assignment of station licenses or construction permits. A number of steps have already been taken to strengthen the Commission's procedure governing transfers and assignments.

The former House Subcommittee on Legislative Oversight, for example, held extensive hearings during 1958 on various facets of transfer problems, such as trafficking in licenses and the adverse effects on the public interest of the statutory provision quoted above. Following its hearings, the Legislative Oversight Subcommittee twice formally recommended the repeal of the language quoted above.[1] Legislation to implement this recommendation first appeared as a part of H.R. 11340, 86th Congress, introduced by Chairman HARRIS of the House Committee on Interstate and Foreign Commerce. This bill proposed fairly extensive revisions in section 310(b) of the Communications Act. H.R. 11340 died with the 86th Congress, but a bill containing an identical proposal to amend section 310(b), H.R. 1165, was introduced in the 87th Congress. This bill died with expiration of the 87th Congress.

Insofar as we have been able to do so within the framework of existing law, the Commission has also taken measures to correct abuses in the transfer area. We have wholeheartedly supported the congressional proposal to implement the recommendations of the Legislative Oversight Subcommittee regarding necessary amendments to section 310(b). And, independently of congressional action, we have taken steps to correct possible abuses in this area. For instance, following a study of trafficking problems, the Commission adopted a new broadcast rule (effective March 23, 1962) pertaining to applications for the voluntary transfer of licenses or construction permits which have been held for less than 3 years. Under the new rule, with certain exceptions which recognize that legitimate changes in circumstances may create hardships necessitating the sale of a station, a hearing is required on applications for voluntary assignments or transfers of AM, FM, or TV stations which are proposed to be sold within 3 years of acquisition thereof. We think this new rule will prove highly beneficial in discouraging trafficking in licenses.

[1] H. Rept. 1258, 86th Cong., 2d sess. (1960), pp. 39–40; and H. Rept. 2711, 85th Cong., 2d sess. (1959), p. 11.

As another part of our program to strengthen our authority to deal with transfer problems, the Commission is here proposing the repeal of that part of section 310(b) referred to above.

The language to be repealed was added as a part of the 1952 amendments to the Communications Act. As shown by the legislative history, the main purpose of this language was to annul the Commission's former "AVCO" procedure, which, it will be recalled, provided for publicizing transfer applications and inviting new applications for consideration on a comparative basis. (S. Rept. No. 44, accompanying S. 658, 82d Cong., 1st sess. p. 8.) as further indicated by the legislative history, the Commission had already abandoned its "AVCO" procedure several months before enactment of this amendment to section 310(b). (S. Rept. No. 44, supra, p. 9.)

Practical expereince gained from operation under this provision has demonstrated rather conclusively that the effect of the 1952 amendment has been considerably broader than merely to bar the adoption of "AVCO" procedures. For, under the clear and unequivocal language of this provision, the Commission is barred from giving any consideration to other possible applicants who may be interested in applying for the facility covered by a license or construction permit which is to be transferred.

In all other instances involving licensing functions, the Federal Communications Commission has the authority to choose the best qualified applicant. This is assured chiefly through comparative hearings, which serve the public interest by permitting the selection of the best qualified applicant. It is true, of course, that under section 310(b), the public interest, convenience, and necessity is still the standard by which a proposed transfer must be judged before it can be approved. But, in determining where the public interest lies, the Commission is expressly forbidden by the present language of section 310(b) from considering whether someone other than the proposed transferee may be better able to serve the public interest in the community involved. In some cases, this means that a person with minimal qualifications who has actually lost a comparative hearing, or could not prevail against better qualified applicants, is the only person whose qualifications the Commission can consider.

Thus, for all practical purposes, the effect of this provision has been to permit a licensee to choose his successor. And since the transferor is more often than not influenced primarily by the amount the purchaser will pay rather than the purchaser's qualifications to be a broadcast licensee or the type of service he plans to offer, the public interest may be subordinated to the private interests of the transferor and transferee.

This narrowing of the public interest standard to be applied in transfer cases is in marked contrast to other provisions of the Communications Act. Thus, section 307(d) limits the term of a licensee for a broadcast station to 3 years, the renewal of a license being conditioned on the Commission's finding that the public interest would be served; and there is no restriction on the Commission's public interest determination similar to that in section 310(b). Section 309(a) authorizes the isssuance of licenses of construction permits only on a finding that the public interest will be served thereby, and again with no such restriction as in section 310(a).

The repeal of the present limitations on our authority in transfer and assignment proceedings will serve the public interest in several ways.

Most importantly, it will restore to the Commission the discretion it had in transfer proceedings prior to the 1952 enactment of the present language of section 310(b). While we wish to make it clear that the Commission would not regard the repeal of this provision as a mandate to reinstitute the former AVCO procedures (which, as stated, had been abandoned by the Commission before the enactment of the 1952 revision), nevertheless, there are situations in which the public interest might better be served by the transfer of a station to someone other than the transferee proposed by the transferor. There is, for example, the situation where it is proposed to transfer a station in a community which enjoys multiple commercial service but which has no educational service and in which an educational group would be willing to purchase the station for educational broadcasting for roughly the same price offered by the proposed transferee. At a very minimum, the Commission should have the authority to consider the application of the educational group to determine whether the public interest would better be served by a grant to the educational group rather than to the person selected by the transferor. Presently, however, even the bare minimal authority to consider competing applications is precluded by section 310(b).

There may also be other unique situations in which the public interest aspects of a proposed transfer would justify the consideration of a transferee other than the one proposed by the transferor. Because of the multitude of possible factual situations, we cannot, at this time say just what those unique situations might be. We stress, however, our belief that such situations would be the exception and not the rule. In short, the Commission should have authority to deal with particular factual situations as the public interest—without restriction thereon—may require. Repeal of this provision would accomplish that end.

Further, this amendment would also conform the public interest standard of section 310(b) to the statutory scheme inherent in other sections of the Communications Act, thus eliminating the present anomaly of requiring the Commission to apply a different and more restrictive standard in transfer cases than it does in other licensing proceedings. And finally, repeal of this provision will implement the recommendations of the former House Subcommittee on Legislative Oversight, which, as previously noted, has twice recommended the repeal of this provision.

In light of these considerations and the general agreement on the need for repeal of this provision, we urge that separate legislation be introduced to accomplish this objective. A draft bill setting forth the proposed changes in section 310(b) is attached.[2]

STATEMENT OF COMMISSIONER ROBERT T. BARTLEY

I believe the proposed amendment of section 310(b) is desirable as far as it goes. However, I am of the opinion that additional provisions should be enacted to safeguard

[2] The Commission believes that it is unnecessary to delete the last sentence in its entirety, and that the portion which would be left simply specifies the processing procedures for the Commission in the transfer situation (e.g., as to obtaining information on citizenship, character, and financial, technical and legal qualifications of the transferee or assignee (see sections 308(a) and (b)). The remaining portion would not, in and of itself, give any person the right to file a competing application and obtain a comparative hearing with the transferee or assignee. As stated, whether or not such a competing application could be filed would be left to the discretion of the Commission under the public interest standard.

the public from derogation of service as a result of the "buying and selling" of broadcast stations.

The amendment, as proposed would merely authorize the Commission to consider assignments and transfers of broadcast stations to persons other than those specified by the assignor or transferor. But the Commission's basic consideration in each sale is whether the person who is considered can be expected to bring about an improved broadcast structure, and, thus, whether the public is benefited by the transaction. If the sale will not effectuate improvement, how can it be held to be in the public interest, convenience and necessity.

Thus, I favor the adoption of an amendment which would, (1) require a finding in all requests for assignments and transfers of broadcast stations (except pro forma and involuntary cases) that the transaction could be expected to bring about an improvement in the general structure of broadcasting; and (2) provide that the Commission may grant its consent, without hearing, if the assignee or transferee meets the burden of establishing such expectation by an affirmative showing of overall superiority to the assignor or transferor in a consideration of the following public interest areas: (a) licensee responsibility, (b) integration of ownership and management, (c) local residence, (d) diversification of control of mass media, (e) fostering competition among broadcast stations, (f) participation in community affairs, (g) direct supervision of the station, (h) public service responsibility, (i) and, a continuing awareness of and attention to the needs of the area to be served. Thus, if the showing is meritorious and the applicant is qualified in all other respects, consent could be granted without a hearing. Otherwise, the application would be designated for hearing to determine, on the basis of issues then obtaining, whether consent to the assignment or transfer would serve the public interest, convenience and necessity.

Accordingly, I urge the following revision of section 310(b) of the Communications Act.

CONFEREES ON APPROPRIATION BILL, DEPARTMENT OF INTERIOR AND RELATED AGENCIES, FISCAL YEAR 1964

Mr. DENTON. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H.R. 5279) making appropriations for the Department of the Interior and related agencies for the fiscal year ending June 30, 1964, and for other purposes, with Senate amendments thereto, disagree to the Senate amendments and agree to the conference asked by the Senate.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Indiana? [After a pause.] The Chair hears none and appoints the following conferees: Messrs. KIRWAN, DENTON, CANNON, HARRISON, and REIFEL.

Mr. DENTON. Mr. Speaker, I ask unanimous consent that the managers on the part of the House have until midnight Friday to file the conference report on the bill (H.R. 5279) making appropriations for the Department of the Interior and related agencies for the fiscal year ending June 30, 1964, and for other purposes.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

ANNUAL REPORT OF THE OFFICE OF ALIEN PROPERTY, DEPARTMENT OF JUSTICE, FOR THE YEAR ENDED JUNE 30, 1962—MESSAGE FROM THE PRESIDENT OF THE UNITED STATES

The SPEAKER laid before the House the following message from the President of the United States, which was read and, together with accompanying papers, referred to the Committee on Interstate and Foreign Commerce.

The message and accompanying papers were referred to the Committee on Interstate and Foreign Commerce.

To the Congress of the United States:

I transmit herewith, for the information of the Congress, the Annual Report of the Office of Alien Property, Department of Justice, for the fiscal year ended June 30, 1962.

JOHN F. KENNEDY.

THE WHITE HOUSE.

GENERAL LEAVE TO EXTEND

Mr. ROBERTS of Alabama. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to extend their remarks on the bill H.R. 134.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

PROPOSED INCOME TAX DEDUCTION IN AID OF HIGHER EDUCATION

Mr. ROBERTS of Alabama. Mr. Speaker, I ask unanimous consent that the gentleman from Rhode Island [Mr. ST GERMAIN] may extend his remarks at this point in the RECORD and include extraneous matter.

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

There was no objection.

Mr. ST GERMAIN. Mr. Speaker, few thinking Americans would dispute the fact that the future greatness of this Nation will depend to a large extent on the present quality of our educational system. It is essential that our universities and colleges—along with our elementary and secondary schools—move forward in continuing to provide American youth with unsurpassed opportunities for their spiritual and educational development.

Hand in hand with the necessity of maintaining high quality in education goes the obligation to educate every citizen to his fullest capacity, regardless of race, creed, or financial inadequacy. In no instance is this obligation more pressing than in the area of higher education, since the vitality of our national life requires that those occupying positions of leadership in the future possess lofty ideals and sound learning.

The costs of collegiate education have skyrocketed in recent years. It is becoming increasingly difficult for the average citizen to meet these costs for either himself or his dependents and still keep up with other necessary expenses. For this reason, I am again introducing a bill to allow Federal income tax deductions for payments to assist in providing higher education.

This legislation provides deductions for an individual's education payments for himself, his spouse, or his dependents. These expenses include:

First. Tuition and fees.

Second. Necessary books and supplies.

Third. Cost of meals, lodging, and travel, not to exceed $1,000 per year, if the student is living away from home.

The amount of the deductions would be reduced in proportion if the student receives scholarships, other grants, or veterans' educational benefits.

The allowing of Federal tax deductions for payments to provide collegiate education is not a giant governmental charity project but a sound investment in the future. The very survival of our democratic freedoms requires that the educational training which our young citizens receive be of the highest caliber.

We can no longer consider a college education as a luxury of the privileged class. In the words of Dr. James Bryant Conant, president emeritus of Harvard University:

> The primary concern of American education today is not the development of the appreciation of the "good life" in young gentlemen born to the purple. Our purpose is to cultivate in the largest possible number of our future citizens an appreciation of both the responsibilities and the benefits which come to them because they are Americans and are free.

It is in that spirit that I am introducing this bill.

CITY COMMISSIONS OF BARTOW AND LAKE WALES, FLA., REJECT FEDERAL MONEY FOR LOCAL COMMUNITY PROJECTS

Mr. HALEY. Mr. Speaker, I ask unanimous consent to address the House for 1 minute, to revise and extend my remarks, and to include certain newspaper articles.

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

There was no objection.

Mr. HALEY. Mr. Speaker, so many persons in the news media have said that when Federal funds are available local governmental agencies are inclined to make a grab, so to speak, for this money regardless of the strings attached to the funds or without thought to who in the final analysis pays the bill.

As an illustration of the fact that this situation does not always hold true, I want to call to the attention of the Congress the action taken recently by two progressive and outstanding communities in the congressional district I am privileged to represent. The city commissioners of Bartow, Fla., and Lake Wales, Fla., rejected proposals which could have brought them almost $2 million in Federal aid under the area redevelopment program. I think this is clearly an indication of the fact that citizens and public officials on the local level are responsible, capable people who know that the money that they receive

from the Federal Government must come in the initial instance from their own taxpayers. They feel that funds expended on local levels to meet local needs and requirements produce greater benefits and at a lesser cost when these funds are spent and supervised by local people. When many of these Federal aid programs are analyzed and one considers the requirements and specifications which have been established by the bureaucrats and must be complied with, one can conclude that in most instances the people are better off to do the job themselves with local funds.

So that you may know the reaction of some of the local people to the action of these city commissions, I include in the CONGRESSIONAL RECORD at this time an article which appeared in the Tampa Tribune. The article follows:

FEDERAL AID REJECTION MAY BE TOP POLITICAL MOVE OF YEAR AT BARTOW

(By Tribune Staff Writers David Watson, Al Parsons, Earl Wells, Vance Johnston, John Rasor, and Jerry Hilliard)

The Bartow City Commission last week turned down what could have amounted to about $1.6 million in Federal aid for various community projects.

It may turn out to be the commission's best political move of the year, for the feeling here, as in many other communities, is that the aid program under the Area Development Agency could be more aptly titled the "Kennedy Political Development Agency," as one commissioner put it.

The Lake Wales Commission also rejected Federal aid for a $325,000 expansion of the city's water system.

The object of the Federal program is to encourage municipal projects in areas with low employment.

The action in Bartow was met with joyful approval by many persons.

John Bunning, owner of the local radio station, was the lone advocate of the program when it was discussed at a commission meeting. His plea fell on commissioners who had no intention of changing their opinions.

"We can stand on our feet," Commissioner Ted Meyer proclaimed.

A mention was made of the city accepting several million dollars worth of Government buildings several years ago when the Bartow Air Base was deactivated. The Tribune reported that the base was now a lucrative industrial park.

Meyer took exception to this and said the city has been subsidizing the park since it was opened. He also commented that the city might be better off not having the base on its back, since any profit made off the operations will have to be plowed back into the base, according to the Government contract.

Bartow actually profits very little from the industrial park. Some money is made off the sale of utility services, but most of the benefits—such as new residents—go to Winter Haven, 6 miles away. Only a few residents brought to Polk County by development of the industrial park have settled in Bartow.

The city might be better off not saddled with the park, and one official has suggested that the county commission be made a gift of it.

But the commission might look the expensive gift horse in the mouth and it might say "No."

COTTON DEVASTATES ARA

Mr. BOW. Mr. Speaker, I ask unanimous consent that the gentleman from New Hampshire [Mr. CLEVELAND] may extend his remarks at this point in the RECORD and include extraneous matter.

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

There was no objection.

Mr. CLEVELAND. Mr. Speaker, U.S. Senator NORRIS COTTON, who I am proud to say is a constituent of mine, as well as a predecessor in this House for the same district I represent, periodically reports to his constituents.

Senator COTTON'S reports have won national recognition for their perceptive and penetrating analyses of current events. Interspersed with Yankee wit, these reports are noted for their keen portrayal of the passing political parade.

Senator COTTON'S current report deals with the ARA. Because of mounting interest in this controversial program, I feel my colleagues will be interested in this distinguished statesman's devastating commentary which follows:

NORRIS COTTON REPORTS TO YOU FROM THE U.S. SENATE

The hottest, at least the noisest, political fight of the session came last week when the Senate passed the bill expanding the Area Redevelopment Agency. Never have I heard so much about so little. Certainly, this program has been little, measured by performance.

With this year's budget bursting at the seams, the bill called for $455 million more for ARA which already has $264 million of its funds left, having spent only $122 million—and not very wisely. ARA was to promote industries and create jobs in distressed areas. Rosy pictures were painted of what it would do for the idle miners of West Virginia and the jobless in other hotbeds of unemployment. It spent $4 million in West Virginia and made less than 350 new jobs. Nationwide it has developed few jobmaking industries, but millions have gone into motels and recreation facilities. Duluth got a $6 million auditorium furnishing 22 jobs—$277,000 per job. With much fanfare my own city of Lebanon was declared eligible, but despite all our proddings, not a mill whistle has yet been heard. Thus far, the only money allocated to New Hampshire went to MIT for a study on how Nashua pulled itself out of a depression with a do-it-yourself program. The ARA jobmaking record has been in the Agency itself—522 jobs and still going up.

I voted against ARA last week. I voted against it 2 years ago. I voted against it 4 years ago when a Republican President asked for it. I can do more for New Hampshire fighting to save its 14,000 textile jobs, its 21,000 leather and shoe workers, and the 9,000 at Portsmouth Navy Yard. And I can't forget the words of the Hoover Commission after the RFC blew up in a burst of mink coat, deep-freeze scandals: "Direct lending by the Government opens up dangerous possibilities of waste and favoritism. * * * It invites political and private pressure, or even corruption."

To those who still believe ARA is a remedy for unemployment, I must insist that it's a quack remedy. The real treatment is tax relief to enable men with initiative to start industries and make jobs.

The Area Redevelopment Agency isn't needed. Before it started, 50 Federal programs under 14 agencies were channeling employment into depressed areas—highways, community facilities, hospital construction, waste treatment plants, sewerage projects, forest conservation, and small business loans. To these has been added accelerated public works. Nearly $2 billion are now being pumped into distressed areas, and 14,000 local public and private agencies across the country are assisting. We need ARA just like we need a hole in our head.

ARA actually hurts already hard-pressed industry. Look at what it does to New Hampshire. Nearly a million dollars went to 10 textile firms in other States. Nearly $9 million went to 22 pulp, paper, and wood products concerns in other States. Eleven and a half million went to motels and tourist facilities in 21 recreational areas competing with ours. Three shoe firms in other sections received $800,000. So already nearly $22 million have been used to compete with four of New Hampshire's principal industries.

I wonder how the New Hampshire resort owner will enjoy the advertisement of ARA-financed Oklahoma lake development: "Clustered around the lake, like jewels in a regal crown, will be de luxe cabins * * * convention halls, swimming pools, tennis courts, golf courses, and boat docks."

Or how will the remaining workers in pulp and paper at Berlin, Groveton, and Lincoln feel when they hear about the new ARA-financed pulp mills in five other States when we are already running below capacity?

How can you justify a Government program that robs Peter to pay Paul—helps one area at the expense of another—helps one businessman at the expense of his competitor—gives one man a job and takes it away from another?

ARA is political. That's so plain you can't miss it. The cold record shows that in the 4½ months prior to the 1962 elections, 88 percent of ARA funds went to help Democrat Governors, Senators, and Congressmen. Do you think that percentage will decrease as the next election approaches? I don't. And 88 percent of $455 million is some war chest.

Tax-paid projects steered to the party faithful have always been called pork. Plain-spoken old John Garner, of Texas, used to boast, "Every time a Yankee gets a pound of pork, I take a barrel for Texas." Texas is one of the States that has been getting the lion's share from area redevelopment.

I'll bet old John is chuckling as he sits on his porch down in Uvalde.

Yours sincerely,

NORRIS COTTON,
U.S. Senator.

NUCLEAR TEST BAN AND DISARMAMENT NEGOTIATIONS: DISASTROUS DIPLOMACY

Mr. BOW. Mr. Speaker, I ask unanimous consent that the gentleman from Illinois [Mr. FINDLEY] may extend his remarks at this point in the RECORD and include extraneous matter.

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

There was no objection.

Mr. FINDLEY. Mr. Speaker, after 18 years of the cold war, the world still finds itself locked in a nuclear power struggle. While it is certain that the United States atomic superiority has kept the uneasy peace, the promise of nuclear disarmament and a halt in atomic testing is held out as a glittering hope for permanent world peace. Such a peace in our time, hope for a halt in the arms race, is a dangerous illusion. In fact, such thinking may be disastrous.

Any workable and safe test ban agreement must be enforcible. It must provide accurate detection of possible

cheating. This means on-site inspections by observers to verify if cheating is going on. But the Soviets will allow only three unmanned detection stations within their borders. They reject any inspections by observer teams on their soil.

Through his agents in Geneva, the President has made a steady series of concessions with the Communists in an effort to get a test ban agreement. In seeking a halt in the arms race, the United States shows a desperate and reckless grasp at straws. In over 400 negotiating sessions during the past 5 years, the United States has retreated from a demand for 48 inspection stations in the Soviet Union to a mere 7. We have now offered to the Soviets a nonenforcible treaty in which we could be double crossed.

The administration believes that scientific advances reduce the number of inspection stations needed. Evidence disputes this belief, however, according to such leading scientists as the "Father of the H-bomb," Dr. Edward Teller. Evidence shows that we could not distinguish low-power underground atomic explosions from the hundreds of earthquakes that occur annually in the Soviet Union. Under our proposal, the Soviets could be secretly testing and attaining nuclear superiority while we were idle. We might find ourselves suddenly faced with the Communist ultimatum, "surrender or perish."

If our present treaty offer is so favorable to the Soviets, test ban enthusiasts ask, why has not Khrushchev jumped for it? Having won concession after concession, Khrushchev undoubtedly believes—and apparently with good reason—that we will retreat still further. It is to his advantage to wait.

While making concessions to the Soviets, the United States, at the same time, refuses to give nuclear information and aid to our allies. Our NATO allies are becoming increasingly distrustful of our intentions. No longer are they sure we would risk New York for Paris, Washington for London. Our mania for U.S. monopoly of free world nuclear weapons is so great that, besides not allowing our allies to possess our atomic weapons we refuse even to share military nuclear materials and know-how with any of our allies but Britain.

The United States is playing into the Soviet's hands. We are ignoring our trusted allies and creating disunity. But at the same time, we are making dangerous concessions to the Soviets on the basis of faith alone.

Let us not forget the record: During the last 25 years the United States has had 3,400 meetings with Communists, including Teheran, Yalta, Potsdam, Panmunjom, and Geneva. These talks led to 52 major agreements, and Soviet Russia has broken 50 of them. Bargaining by faith alone has, in the past, led to Communist victories. A Communist nuclear triumph would be the end.

Rather than trusting our enemies, let us trust our allies.

VIEWS ON THE TEST BAN NEGOTIATIONS

Mr. BOW. Mr. Speaker, I ask unanimous consent that the gentleman from California [Mr. BELL] may extend his remarks at this point in the RECORD and include extraneous matter.

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

There was no objection.

Mr. BELL. Mr. Speaker, easily the most vital issue in this crucial era involves nuclear test ban negotiations.

America's nuclear shield protects freedom far beyond our own shores. Its poised retaliatory counterforce deters hostile intrusions throughout the free world.

Where once America retained an overwhelming nuclear monopoly, today that advantage is less certain, and the threat of continued arms escalation offers little solace. Nuclear capability is soon to be achieved by a score of other nations.

The past record of Soviet good faith in upholding treaty obligations, such as test ban moratoriums, has been a shallow and a deceitful one.

Among recent comments in the national press, I have selected the following which I believe provide thoughtful observers with a clear understanding of the complexities, dangers, and opportunities for humanity in the current nuclear test ban talks:

[From the Christian Science Monitor]

ARMS AND THE CONSCIENCE

(By William H. Stringer)

WASHINGTON.—Three sage representatives of India's great concern over nuclear testing and the arms race reached Washington and spoke with President Kennedy for more than an hour this week.

Their visit was especially poignant. For one of them was the venerable C. Rajagopalachari, formerly Governor General of India, ex-Governor of the state of Bihar, friend of Gandhi, friend of Nehru, author of books on nonviolent resistance. Now, in his 84th year, he is making his first pilgrimage outside of India to further what he regards as a righteous cause.

President Kennedy listened attentively to these men. He said that somehow the arms race must indeed be halted. He expressed the wish that he and these men from the east should "keep in touch."

What does Mr. Rajagopalachari want. A simple, but hazardous boon: the halting of nuclear arms tests. Not total disarmament. Not the scrapping of means of delivery of nuclear weapons, though that would be welcome. The halting of nuclear testing would in the eyes of these wise men from India, get at the heart of the arms race evil. It would stop the rain of radioactive fallout, discourage a proliferation of the nuclear club, end the compulsive drive for weapons of still greater power, whether rockets or satellites.

How desirable this aim—and how difficult of attainment.

What does one reply when "Rajaji" says, as he did to a group of us at lunchtime: "The arms race swallows up resources. It spreads poison in the atmosphere, I claim not a favor from the nuclear powers, but a right. Humanity and nature should not be thus violated. Fears for national security are understandable. But nuclear testing does not help national security—it only speeds the arms race."

What does U.S. policy say to these men, members of the Gandhi Peace Foundation, who propose a worldwide campaign for signatures demanding a ban on testing, who have talked of a day devoted to mass meetings, prayers, and fasts, who suggest a United Nations General Assembly resolution banning tests, and the expulsion of a nation which violates the resolution?

No glib replies are permissible. Washington would certainly answer that the United States does want to see a halt to nuclear testing. And that the present administration has braved the wrath of Members of Congress by proposing new and briefer means of detecting underground tests. And by urging upon Moscow a simple ban on atmospheric tests, nationally supervised.

But, it must also be said to these distinguished visitors, so much of the very safety and future of the West and indeed of the free world depend on the American nuclear shield that Washington dare not contemplate heavy reliance on uninspected test bans or unpoliced disarmament. One must not invite aggression from the Communist mentality.

Washington is glad to know that a similar Indian delegation is in Moscow seeing Premier Khrushchev, and that the delegation visiting Washington will journey to London and Paris to talk to the leaders of the other nuclear powers. To Mr. Rajagopalachari one would wish to say frankly:

"Go to it. Carry on with your effort to mobilize world opinion. The marshaling of the world's conscience can have impact, even on the men in the Kremlin. Meanwhile, 'keep in touch'; we shall do what we can. But we cannot do much more now without a change of viewpoint in Moscow."

[From the Christian Science Monitor]

ARMS AND APATHY

What is it about a nuclear arms race that haunts the President? Why does he persist so tenaciously in extending the arms control talks with the Soviet Union? Why does he show an unusual spark of emotion when he asks Americans to withhold criticism until they see the shape of a proposed treaty?

A nuclear arms race is, in its order of magnitude, unlike anything the world has endured before.

People recognize this in a distant, intellectual sort of way. Some of them, sensitive to the smell of danger or to fear, are profoundly disturbed. But there still remains that curious remoteness in the body politic as a whole. It is like the confrontation with the Soviet Union. It had been going on for years at Berlin. But it had to reach right up to American frontiers, in Cuba, before the American people suddenly saw the awesome test of strength for what it was.

They have not yet looked with their whole heart and mind at the imminent possibility of 10 countries competing with nuclear weapons in mutual terror by 1970, and 15 or 20 by 1975, unless the race is stopped. The President has. He is haunted, he says, and making the uttermost effort to get a safeguarded test ban. The people should put themselves in his place—which is that of making decisions for them—and think and act accordingly.

[From the Wall Street Journal]

THE USES OF CYNICISM

You might think that, after nearly 17 years of work, the United States would not have to apologize to anyone for its disarmament position. But no, we are informed by a group of prominent Americans, the willingness of the United States to come to terms at Geneva lacks credibility; there are grave doubts about our seriousness.

That is the conclusion of the group, which includes such well-known commentators as psychoanalyst Erich Fromm and Harvard professor, David Riesman, after studying the initial stages of the current Geneva conference. Since their views are designed to change prevalent American opinion, they merit some attention.

The doubts about U.S. intentions arise from several circumstances, according to the authors of this lengthy statement. For example, our Government appears to devote much more time and money and effort to the military establishment than it does to disarmament planning. Then, too, many Americans seem apathetic about disarmament or downright cynical about Soviet intentions, whereas the Russians have not always been all wrong and we have not always been 100 percent right. What is needed now, the authors believe, is "a national will and a governmental mandate for disarmament."

Somehow the facts keep getting in the way of this argument. It is a fact that ever since World War II the United States has studiously explored every possible way of getting a safe agreement with the Soviets for some measure of disarmament and, more recently, a ban on nuclear tests. It is a fact that the Soviets have never been willing to agree to any safe or serious proposal. Even so, we continue talking to them about disarmament. What more can Washington do when it is smack up against a stone wall?

The answer of these observers is, in effect, "credibility" if the President refused to resume nuclear tests; beyond that, the United States could take some disarmament "initiatives" on its own, in the hope that the Kremlin might follow suit.

This is nonsense, and dangerous nonsense at that, for it could only mean that the United States would be weakening itself in the face of a powerful and unscrupulous foe. Such a policy is a good way to entice the Soviets to start the very war these people are so concerned to avert; either that or we could go down the drain without a war.

If some of us are skeptical about the Soviets, the Soviets have given us every reason. For our part, we'd rather be cynical and safe than dead or enchained.

[From the New York Herald Tribune, Apr., 28, 1963]

THE SOVIETS RENEGE

(By Roscoe Drummond)

WASHINGTON.—The news from Moscow tends to confirm the conviction at the highest level of the administration that Premier Khrushchev is backpedaling as rapidly as possible from a test ban treaty.

To explore every possibility of breaking the deadlock over inspection, we are prepared to keep the lines of communication to the Kremlin fully open. But it looks like an increasingly unproductive enterprise.

It isn't that the gap between the Soviet and Western positions is extraordinarily great. What is so disappointing is that whenever agreement appears to be within reach, Moscow takes a step backward.

Let me cite the recent record to show what I mean:

Over a period of several years we have reduced our requirement for on-site inspections to protect against illegal testing from 20 to 7 per year. Finally the Soviets said they would accept "two or three" on-site inspections. This was certainly progress. The gap was narrowing. But this past week Mr. Khrushchev in his 10,000-word interview with an Italian newspaper editor declared that because the West was so adamant on the test ban issue he was disposed to withdraw from his agreement to two or three inspections.

Mr. Khrushchev is also arguing that we have misled him. He contends that U.S. officials told his representatives that we would accept "two to four inspections" a year. President Kennedy and Secretary Rusk have said that no such statement was ever made by a spokesman for the U.S. Government. We have asked Mr. K. to cite the basis for his claim to the contrary. He has refused to do so.

To carry the negotiations to the farthest point of agreement, we have invited the Soviets to pass over, temporarily, the difference in numbers of on-site inspections and come to grips with other unsettled inspection issues—the area to be inspected, freedom of travel, etc. The Soviets refuse.

Frequently the Soviets return to their contention that they have ample methods of their own to detect explosions and determine whether they are natural or nuclear. We have said that, if the Russians have developed means to make on-site inspection unnecessary, show us. The Soviets have refused.

In September of 1961 the Soviet Union violated its word that it would not resume testing as long as the West refrained from testing. We refrained. The Soviets conducted a long series of tests after secretly preparing them during the test ban talks. Now, in his newspaper interview, Mr. Khrushchev argues that recent U.S. tests show we don't want a test ban. In other words, Soviet violation of the moratorium was peace loving. U.S. testing in response to that violation was antipeace loving.

This is where the negotiations stand today. This is why they do not look at all promising.

If Mr. Khrushchev was misled by information from his own Embassy in Washington or by any other nonspokesman for the American Government that we would accept two to four inspections as adequate, that misunderstanding can, perhaps, be overcome. There is every reason to try.

It is understandable that the Soviets could quite genuinely believe that, from their standpoint, national methods of test detection would be quite enough. Scientific instruments plus an open Western society would be sufficient. But we are dealing with a closed society, and scientific instruments are not sufficient.

This difference between a closed and an open society is what makes test ban inspection so difficult to negotiate. We do not want to give up the security which rests on adequate inspection, and apparently the Soviets do not want to give up even that degree of secrecy which they would lose to permit inspection. As long as the Soviets deem total secrecy more valuable to them than an inspectable test ban, there will be no test ban.

[From the New York Times]

DISARMAMENT AND SECURITY

President Kennedy is holding top-level conferences with his military and diplomatic advisers to review our disarmament policy. The aim is, if possible, to devise a new strategy, starting with modifications of our stand on a nuclear test ban that is the key to further agreements on actual disarmament and even solution of some cold war burning issues.

The President is now weighing two major decisions. One is whether to offer further concessions to the Soviets on test ban controls to break the deadlock. The other is whether to end our Pacific tests before they can be completed because of three rocket failures in high-altitude experiments.

There is tremendous pressure on the President from both scientists and diplomats, especially in neutralist quarters, to do both. The recent scientific advances in detecting underground explosions, such as the French test in the Sahara and our own tests in Nevada, have convinced even high administration officials that it is now possible to simplify the international control system, which the Soviets reject as "espionage," and to reduce the number of annual on-site inspections. And the psychological disadvantage of extending the test period beyond the tentative deadline first suggested by the President is cited as reason for ending the tests now.

The United States has certainly neither reason nor any intention to obstruct or delay a test ban agreement. Such an agreement would be a first step toward averting a nuclear war which President Kennedy has again characterized as "insane." For that reason the United States has made continuous concessions whenever scientific developments made them possible, and it may well be able to make more.

But all concessions must be subject to one overriding consideration. That is the security of both this Nation and the free world. Should the balance of military and especially nuclear power ever be tipped against us, the Communist world might well be tempted to plunge into an atomic Armageddon. That is why, with all readiness to make further concessions, the United States and the West generally must continue to insist on an international control system of both a test ban and all disarmament steps to prevent Soviet cheating. That is why all concessions must be kept within the bounds of scientific certitude that violations can and will be detected and this country will not be put at a disadvantage.

[From the New York Times]

THE NEED OF A TEST BAN

The strongest argument for a nuclear test ban treaty ever with some risk attached was advanced by President Kennedy at his latest press conference. Without such a treaty, we may have to face a world in the next decade in which there are not four nuclear powers but 15 or 20 or 25.

Each additional country with nuclear arms, each with its own concerns, its own ambitions, increases the danger of a global nuclear holocaust. Each additional nation undertaking nuclear tests above ground would further poison the atmosphere with lethal fallout affecting present and future generations. Any additional proliferation of nuclear arms would alter the balance of power and augment the possibilities of atomic blackmail.

There is, of course, no guarantee that a test ban treaty signed only by the United States, Britain and Soviet Russia would really stop proliferation. But it would have a powerful political and moral effect to that end, even on France, especially if followed by progress toward general and complete disarmament. If it failed in that purpose, it would lapse in any case.

This is why the time, effort, and energy devoted to reach a test ban agreement are not only worthwhile but, as this newspaper has observed many times, essential for the peace of the world. This is why the Kennedy administration is pressing for it in spite of dimming hopes and rising domestic criticism, much of it politically inspired.

There can never be 100 percent security against cheating. But the scientific advances in test detection are such that the United States can offer in safety an immediate uncontrolled ban on all tests in the atomsphere, under water and in outer space. We can detect such tests by our own means, as can the Russians. We have as yet no equally effective methods of detecting underground tests; and until we do, we must insist on some on-site inspection. The exact number is less important than the manner in which they are made. Even here scientific progress has enabled us to reduce the number of preferred on-site inspections to a mere handful and further progress may permit further reduction.

The Anglo-American proposal may not guarantee detection of every single underground test; but it does assure detection of any series of such tests that would be necessary to improve weaponry. If that leaves a "hole" in controls, the Russians agree with our own scientists that it would be a very small "hole"; indeed, so small that the risks of even an imperfect treaty would be far less than the risks of no treaty at all.

Let Soviet Russia, which is now the recalcitrant party in these negotiations, let the domestic critics in the United States who fear any treaty at all, seriously weigh the risks involved and come up with the answer for which the entire world is waiting.

[From the Washington Post]

TEST BAN TREATY—A USEFUL DEBATE

(By Roscoe Drummond)

The advocates and critics of a nuclear test ban are getting into a furious debate over a treaty that doesn't exist and may never come into being.

My instinct has been to feel that this is a premature and unproductive controversy over a far-from-negotiated agreement.

But the more I have read the arguments marshaled pro and con, particularly in the public exchange by Adrian S. Fisher of the Arms Control and Disarmament Agency and Senator THOMAS J. DODD, Democrat, of Connecticut, the more I am convinced that this preliminary and tentative round can serve useful purposes.

It can warn President Kennedy that the U.S. Senate will almost certainly be more skeptical and hard to convince about the means of verification than his negotiators. It is, of course, vital that Mr. Kennedy should accurately measure the problem of Senate ratification in order to avoid the tragedy of having the Senate reject a treaty he has accepted or of having the Senate accept a test ban treaty it didn't trust in order not to repudiate the President. Either would be harmful in the extreme.

There are other advantages to this test-ban debate even if later events alter the shape of the issues.

The principal arguments are filled with imponderables—whether we're ahead in nuclear weaponry or the Soviets are, whether the balance of advantage is or is not on the side of a test ban that might be successfully violated, and what is a reasonable risk in the area of verification.

We will be well advised not to jell our positions prematurely, certainly not until we have a treaty to look at and until qualified spokesmen on both sides have testified fully.

For myself I find the correspondence between Senator DODD and Adrian Fisher, now published in the CONGRESSIONAL RECORD, a most revealing compilation of pro-and-con arguments—revealing because it shows how much more evidence we must have before we can intelligently judge the wisdom of a particular test ban treaty.

For example, Mr. Fisher, who is Deputy Director of the Arms Control and Disarmament Agency, argues that our nuclear lead over the Soviet Union is broad and secure. He suggests that this is the best possible time to take what he would deem modest risks over possible Soviet cheating to get a test ban.

Senator DODD, on the other hand, contends that by its recent tests the Soviets have at least caught up with the United States, probably passed us. He suggests that this is the worst possible time to accept a test ban that he feels would not adequately prevent secret testing in the Soviet Union.

The gap between these two arguments shows that at present there is no adequate basis for the public to judge who is right. These opposite claims rest in part on undocumented assertion and in part on conflicting military intelligence. This is an additional reason why the public will need to reserve judgment until fuller and more objective information is advanced by both sides.

It is premature to make up our minds either for or against a nonexistent test ban treaty. But it is not premature to sound a warning, as Senator DODD is doing, against the President's allowing his negotiators at Geneva to get the United States caught up in a treaty the White House could not unreservedly commend to the Senate.

When you consider that the Soviet Union secretly prepared to test during the voluntary moratorium on testing—and then broke the moratorium while we were observing it; and when you consider that Moscow took the massive risk of secretly putting missiles in Cuba and almost got away with it; under these circumstances the only safe assumption is that the Soviets will be quite prepared to violate the test ban if they believe they have a fair chance of getting away with it.

That is why it behooves us to be exceedingly prudent.

CAPITOL FACING ANOTHER MAJOR RECONSTRUCTION JOB

Mr. BOW. Mr. Speaker, I ask unanimous consent that the gentleman from Iowa [Mr. SCHWENGEL] may extend his remarks at this point in the RECORD and include extraneous matter.

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

There was no objection.

Mr. SCHWENGEL. Mr. Speaker, an informative article by Cabell Phillips, of the New York Times staff, calls attention, in the July 7 edition of that paper, to the present critical condition of the west front of the U.S. Capitol Building. I commend it to the attention of my colleagues, especially those who have been critical of the recommendations of the Capitol Architect, J. George Stewart, to take the steps necessary to correct the inroads which time and wear have made on the unrehabilitated areas of the structure. Because the east front has been expanded and rebuilt, the west side of the building is the one where rebuilding is necessary.

Those of us who know George Stewart and the deep love and concern he has for this building, respect his judgment and support his recommendations. He is urging repairs now which will grow into more serious and more costly ones if the problems are not faced in the immediate future.

I know the committees which are studying these needs are weighing his suggestions and trusting his knowledge and experience to guide them in making the required recommendations to the Congress.

The New York Times article, with all of the facts in support of George Stewart's proposals for meeting the crisis, follows:

Mr. Speaker, I also want to commend the Members of Congress who are giving serious consideration to the needs of the Capitol maintenance and restoring of the west front of the Capitol. Special tribute ought to go to the gentleman from Oklahoma [Mr. STEED], who has been giving special attention to the problems of adequate space and maintenance of the Capitol area:

CAPITOL FACING ANOTHER MAJOR RECONSTRUCTION JOB

(By Cabell Phillips)

WASHINGTON, July 6.—If you have ever tried to do over an old house and felt that the job would never end, you should have sympathy to spare for Uncle Sam.

He had no more than paid the final installment on a $23,500,000 remodeling job on the east face of the Capitol when he discovered that the west face was about to collapse. Fixing it will cost $20 million more, and the experts warn against putting it off.

J. George Stewart, Capitol Architect, told the House Appropriations Committee not long ago that what he feared most was a ground tremor, such as might be caused by the crash of an airplane in the vicinity of the Capitol. Such an earth shock, he said, could cause the weakened west walls and arches of the old building to give way and bring the huge cast-iron dome crashing down.

"The real danger comes from a tremor of any kind, and nobody can tell what would happen," Mr. Stewart told the committee. "We have cracks in the walls and we have bulges in the walls, and in the absence of any bond in the masonry, I would not dare to prophesy."

ONE SIDE ANCHORED

The east front reconstruction, completed last year, has successfully anchored that face of the 136-year-old structure, giving it a scrubbed and substantial look. But the mass of the dome—it weighs more than 8 million pounds—and its ceaseless twisting and turning as the sun moves across the sky, continues to put dangerous stresses on the unshored west front.

An inspection tour in company with Mr. Stewart is enough to convince even an amateur that the west wall and foundations are in bad shape. In one 40-foot stretch a few feet above ground level, there is a conspicuous bulge of approximately 9 inches in the face of the wall.

At other places, large slabs of heavy masonry have been forced outward as much as 3 inches from the vertical, giving the surface a patched look.

Great, jagged cracks crawl upward 10 to 15 feet above the ground line, poorly concealed by having been "buttered" with mortar and painted over. Keystones in the arches above the ground-floor windows have dropped so far in some instances that the wood window frames have had to be sawed out to fit around them. A slab of stone in the architrave above the west portico balustrade has slipped its moorings and appears in imminent danger of dropping altogether.

"The problem is that we have extra support on three of the walls holding up the dome, but none on the fourth," Mr. Stewart said. "The House and Senate wings act like buttresses for the north and south walls. The new front, with plenty of steel and concrete, buttresses the east wall. But there is nothing but the old original masonry for the west wall."

The Capitol was built in four stages atop Jenkins Hill as decreed by Maj. Pierre Charles L'Enfant, the French designer of the city. The first units were the original Senate and House wings, now familiar to generations of tourists as the old Supreme Court Chamber and Statuary Hall.

The Senate side was completed in 1800, the House side in 1807. A wooden breezeway connected them until 1827, when the present central portion, or rotunda, was built. It was capped with a low, wooden dome someone has described as looking like "an undersized derby hat."

Work on the present Senate and House extensions was begun in 1857 and completed midway in the Civil War—December 1863. In spite of war shortages, President Lincoln insisted upon it as a Union morale builder. At the same time, the present dome, designed and proportioned after those of St. Peter's, in Rome, and St. Paul's, in London, was added.

Constructed of huge, precisely curved, pie-shaped wedges of cast iron and put together with thousands of bolts and nuts, it was—and remains—a work of engineering genius. The Goddess of Freedom at its pinnacle stands 285 feet above the ground. Sandblasters last year peeled 38 coats of paint off the dome before getting down to the base metal.

Foundations of the old building consist of trenches approximately 15 feet wide by 10 feet deep, filled with bluestone rubble quarried in Rock Creek, Md., and hauled to the site by oxcart. Sand-lime mortar poured into these foundations has, according to Mr. Stewart, long since disintegrated.

The walls, 5 feet thick at the base, are constructed of blocks of brown sandstone quarried at Acquia Creek, not far from Mount Vernon, in Virginia. After the fashion of the day, they were laid without mortar or any other bonding agent.

There are no lumber or metal supports within the building. The floors are carried on a complex maze of masonry arches that make the dank, gloomy basement of the old building look like the setting for a Victor Hugo novel. Many of these interior arches, frequently pierced for modern service conduits, are deteriorating, too.

Change has come slowly to the old Capitol, although it frequently has been a bellwether in adopting modern improvements. Candles and oil lamps were abandoned in 1847 for a newfangled type of illumination called solar gas, made from birch bark and resin, and later from coal. The changeover cost $17,500, and it put the Washington Gas Light Co. in business.

A gas explosion that gutted the old Senate wing on the night of November 6, 1898, caused an abrupt switch to a still newer-fangled illumination—electricity. For two decades the House and Senate each had its own generating plant on the Capitol grounds.

PROTEST ON CHANGES

All such tampering with the Capitol has brought protests from such traditionalists as the Daughters of the American Revolution, or from economy-minded taxpayers. The east front extension was a triumph over such obstacles by Sam Rayburn, late Speaker of the House. Members of today's Appropriations Committee fear they will invite the same sort of criticism if they undertake a rebuilding of the west front. As Representative TOM STEED, Democrat, of Oklahoma, put it:

"With these chunks of rock that are falling off, and these cracks in the wall that are getting bigger, and the groans and moanings the walls give out as the dome weight shifts around—we have knowledge of all of this, and whether we are entitled to sit here indifferent to it, I don't know.

"I would hate to think that because of our failure to act in time something terrible might happen, perhaps even the dome itself crashing in some sad day."

Mr. STEED's committee agreed that the work should go ahead. It is now up to the Senate, and then to the Joint Committee on the Extension of the Capitol.

REPUBLICAN CONFERENCE SUBCOMMITTEE ON MINORITY STAFFING

Mr. BOW. Mr. Speaker, I ask unanimous consent that the gentleman from Michigan [Mr. FORD] may extend his remarks at this point in the RECORD and include extraneous matter.

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

There was no objection.

Mr. FORD. Mr. Speaker, Gov. George Romney, of Michigan, recently sent the Republican conference subcommittee on minority staffing a letter saying that he has followed its activities with great interest and that he feels that its work is most commendable. He also announced that he will take the lead with several Republican Governors at the Governors' conference in Miami, July 21 to 24, to have supporting action taken at that time. The full text of his letter follows below:

STATE OF MICHIGAN,
Lansing, June 3, 1963.

Hon. FRED SCHWENGEL,
House of Representatives,
Washington, D.C.

DEAR CONGRESSMAN SCHWENGEL: I have reviewed with much interest the bulletins of your House Republican conference subcommittee on increased minority staffing which accompanied your recent letter. It seems to me the subcommittee is working on a matter which should be relentlessly pursued until public awareness of this serious imbalance in the Congress of the United States has brought about a long-overdue correction.

Adequate staff assistance to the minority is just as important as that the majority have sufficient staff to do its job. Otherwise the minority is hopelessly handicapped in performing its duty as a responsible opposition. The disparity in resources is even more obvious when it is realized that the majority has the added advantage of having all the resources of the executive branch at its disposal in the research for and preparation of legislation sent to Congress supported by the force of a Presidential recommendation.

In a democracy it is vitally important that constructive alternatives be presented and that these be based upon sound research. Certainly this need transcends partisan politics. It ought to be an end toward which both parties would aim since the result would be better legislation in the long run. Obviously the individual Congressman cannot do the kind of research needed through the use of his office staff overburdened with the multiplicity of duties for which such staff is needed.

Minority committee reports by their brevity and limited scope of research clearly show the difficulties under which minority members of the committees work. Your figures indicating a ratio of more than 10 to 1 between majority and minority staffs reveal a real effect in committee operations which demand attention.

I applaud the work of your conference subcommittee and assure you of my desire to do all I can to be of help. I intend to press for affirmative action on this matter in the coming Governors' conference. While this may seem to some to be a matter for Congress alone to act upon, I would regard it as a question in which every Governor should have a genuine concern since so large a portion of Federal legislation today directly affects the States and it is essential that it reflect the best that can be done by way of research and preparation.

Sincerely yours,

GEORGE ROMNEY,
Governor.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to Mr. SPRINGER (at the request of Mr. HALLECK), for the balance of the week, on account of death in his family.

EXTENSION OF REMARKS

By unanimous consent, permission to extend remarks in the CONGRESSIONAL RECORD, or to revise and extend remarks, was granted to:

Mr. PUCINSKI and to include extraneous matter.

Mr. MCCORMACK (at the request of Mr. ROBERTS of Alabama) and to include an address by Mr. ALBERT.

(The following Member (at the request of Mr. Bow) and to include extraneous matter:)

Mr. BELL.

(The following Members (at the request of Mr. ROBERTS of Alabama) and to include extraneous matter:)

Mr. FRASER.

Mr. ST. ONGE in two instances.

SENATE BILLS REFERRED

Bills of the Senate of the following titles were taken from the Speaker's table and, under the rule, referred as follows:

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

S. 496. An act for the relief of Enrico Agostini and Celestino Agostini; to the Committee on the Judiciary.

S. 901. An act for the relief of William Herbert von Rath; to the Committee on the Judiciary.

S. 1064. An act to amend the act redefining the units and establishing the standards of electrical and photometric measurements to provide that the candela shall be the unit of luminous intensity; to the Committee on Science and Astronautics.

S. 1291. An act to authorize the Secretary of Commerce to employ aliens in a scientific or technical capacity; to the Committee on Interstate and Foreign Commerce.

SENATE ENROLLED BILLS AND JOINT RESOLUTION SIGNED

The SPEAKER announced his signature to enrolled bills and a joint resolution of the Senate of the following titles:

S. 292. An act for the relief of Yoo Chul Soo;

S. 312. An act for the relief of Danusia Radochonski;

S. 380. An act to amend the act of June 29, 1960 (Private Law 86–354);

S. 409. An act for the relief of Yeng Burdick;

S. 504. An act for the relief of Domenico Martino;

S. 535. An act to extend the principles of equitable adjudication to sales under the Alaska Public Sale Act;

S. 581. An act to amend the Agricultural Adjustment Act of 1938 to extend for 2 additional years the provisions permitting the lease of tobacco acreage allotments;

S. 686. An act for the relief of Millie Gail Mesa;

S. 735. An act for the relief of Peter Hopeton Maylor;

S. 762. An act to provide for increased wheat acreage allotments in the Tulelake area of California;

S. 787. An act for the relief of Zofia Miecielica;

S. 866. An act for the relief of Enrico Petrucci;

S. 969. An act to provide medical care for certain Coast and Geodetic Survey retired ships' officers and crew members and their dependents, and for other purposes;

S. 1031. An act to repeal the Inland Waterways Corporation Act; and

S.J. Res. 60. Joint resolution providing for acceptance by the United States of America of an instrument for the amendment of the constitution of the International Labor Organization.

BILLS PRESENTED TO THE PRESIDENT

Mr. BURLESON, from the Committee on House Administration, reported that that committee did on July 9, 1963, present to the President, for his approval, bills of the House of the following titles:

H.R. 1267. An act for the relief of Lawrence E. Bird;

H.R. 1275. An act for the relief of Miss Ann Super;

H.R. 1292. An act for the relief of Carmela Calabrese DiVito;

H.R. 1332. An act for the relief of Mario Rodrigues Fonseca;

H.R. 1736. An act for the relief of Assunta DiLella Codella;

H.R. 3356. An act for the relief of Josephine Maria (Bonaccorso) Bowtell; and

H.R. 4773. An act for the relief of Leroy Smallenberger, a referee in bankruptcy.

ADJOURNMENT

Mr. ROBERTS of Alabama. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 12 o'clock and 52 minutes p.m.) the House adjourned until tomorrow, Thursday, July 11, 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:

1026. A letter from the Acting Assistant Secretary of the Treasury, transmitting a certified copy of amendments to the regulations governing the numbering of undocumented vessels, promulgated by the Acting Commandant of the U.S. Coast Guard and submitted for publication in the Federal Register pursuant to 46 U.S.C. 527d; to the Committee on Merchant Marine and Fisheries.

1027. A letter from the Administrative Assistant Secretary of the Interior, transmitting a report by the Department of the Interior covering grants made during the calendar year 1962 to nonprofit institutions and organizations for support of scientific research programs, pursuant to Public Law 85-934; to the Committee on Science and Astronautics.

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. HÉBERT: Committee on Armed Services. H.R. 7356. A bill to amend title 10, United States Code, relating to the nomination and selection of candidates for appointment to the Military, Naval, and Air Force Academies; without amendment (Rept. No. 538). 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. BECKWORTH:

H.R. 7475. A bill to amend sections 162 and 274 of the Internal Revenue Code of 1954 relating to the deductibility of certain business entertainment, etc., expenses; to the Committee on Ways and Means.

By Mr. GRABOWSKI:

H.R. 7476. A bill to require that packages of cigarettes shipped in commerce bear a warning that they may be dangerous to health; to the Committee on Interstate and Foreign Commerce.

By Mr. HARRIS:

H.R. 7477. A bill to amend section 310(b) of the Communications Act of 1934; to the Committee on Interstate and Foreign Commerce.

H.R. 7478. A bill to amend section 310(b) of the Communications Act of 1934; to the Committee on Interstate and Foreign Commerce.

By Mr. HARRISON:

H.R. 7479. A bill for the relief of certain veteran entrymen, their heirs, and other owners of farm units on the Third Division Irrigation District, Riverton reclamation project, Wyoming; to the Committee on the Judiciary.

By Mr. JENNINGS:

H.R. 7480. A bill to suspend for a temporary period the import duty on manganese ore (including ferruginous ore) and related products; to the Committee on Ways and Means.

By Mr. SCHNEEBELI:

H.R. 7481. A bill to suspend for a temporary period the import duty on manganese ore (including ferruginous ore) and related products; to the Committee on Ways and Means.

By Mr. KEOGH:

H.R. 7482. A bill to prevent the use of stopwatches or other measuring devices in the postal service; to the Committee on Post Office and Civil Service.

By Mr. MORRIS:

H.R. 7483. 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. NIX:

H.R. 7484. A bill to promote better racial relations through the establishment of a U.S. Intercultural Center; to the Committee on Foreign Affairs.

By Mr. ST GERMAIN:

H.R. 7485. A bill to amend the Internal Revenue Code of 1954 to allow income tax deductions for certain payments to assist in providing higher education; to the Committee on Ways and Means.

By Mr. ST. ONGE:

H.R. 7486. 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.

By Mr. TUPPER:

H.R. 7487. A bill to amend the National Defense Education Act of 1958 to extend the student loan provisions thereof to area vocational education schools; to the Committee on Education and Labor.

By Mr. ROBERTS of Alabama:

H.J. Res. 552. Joint resolution proposing an amendment to the Constitution of the United States pertaining to the offering of prayers in public schools and other public places in the United States; to the Committee on the Judiciary.

By Mr. WAGGONNER:

H.J. Res. 553. Joint resolution proposing an amendment to the Constitution of the United States permitting Bible readings and the voluntary recitation of the Lord's Prayer and other nonsectarian prayers in public schools or other public places if participation therein is not compulsory; to the Committee on the Judiciary.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. CUNNINGHAM:

H.R. 7488. A bill for the relief of Jan Jachym, Marie Jachym, and their child, Anna Jachym; to the Committee on the Judiciary.

Br. Mr. DONOHUE:

H.R. 7489. A bill for the relief of Kirkor Masrof; to the Committee on the Judiciary.

By Mr. SCHWENGEL:

H.R. 7490. A bill for the relief of Angeliki Krimigis; to the Committee on the Judiciary.

By Mr. TUPPER:

H.R. 7491. A bill for the relief of William L. Berryman; to the Committee on the Judiciary.

PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

190. By the SPEAKER: Petition of Joseph L. Monte, grand recording secretary, Order Sons of Italy in America, Grand Lodge of Pennsylvania, Philadelphia, Pa., petitioning consideration of their resolution with reference to requesting passage of Senate bill 108, which would declare Columbus Day a national holiday; to the Committee on the Judiciary.

191. Also, petition of Joseph L. Monte, grand recording secretary, Order Sons of Italy in America, Grand Lodge of Pennsylvania, Philadelphia, Pa., petitioning consideration of their resolution with reference to urging passage of pending legislation to appropriate funds for the education of our children in both public and private schools; to the Committee on Education and Labor.

192. Also, petition of Joseph L. Monte, grand recording secretary, Order Sons of Italy in America, Grand Lodge of Pennsylvania, Philadelphia, Pa., petitioning consideration of their resolution with reference to urging an amendment to the Constitution of the United States to make it legal to read the Bible and the recitation of the Lord's Prayer in public schools; to the Committee on the Judiciary.

193. Also, petition of Joseph L. Monte, grand recording secretary, Order Sons of Italy in America, Grand Lodge of Pennsylvania, Philadelphia, Pa., petitioning consideration of their resolution with reference to reaffirming our position in regard to the current

Immigration and Nationality Act and how it effects remaining parts of families in Italy to join those in America; to the Committee on the Judiciary.

194. Also, petition of Joseph L. Monte, grand recording secretary, Order Sons of Italy in America, Grand Lodge of Pennsylvania, Philadelphia, Pa., petitioning consideration of their resolution with reference to house bill 1018 now pending in the General Assembly of Pennsylvania, which provides free bus transportation to children attending parochial schools; to the Committee on Education and Labor.

SENATE

WEDNESDAY, JULY 10, 1963

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

Rabbi Leon M. Adler, of Temple Emanuel, Kensington, Md., offered the following prayer:

Lord of the universe and of all Thy creatures on it: As the Senate opens its session on this early summer day, give its Members the grace to see that not their will, not even the people's will, but Thy will is sovereign. And if Thou grantest us the conviction that Thy will reigns supreme, grant us also, we pray Thee, the ability to determine Thy will rightly and to translate it effectively in the tangled skein of world affairs.

Two things we know we need if we are to succeed in this endeavor, O God. We need the head to know that the heart is not enough—that though 3 billion human beings on the face of this now small earth desire with all their hearts to live in peace, the awesome and final fireworks of the nuclear holocaust will be unleashed unless the head instructs the heart to supply the wisdom needed to keep the peace.

And equally do we need, O Lord, the heart to know that the head is not enough—that though 3 billion human beings know to the very core of their cognitive selves that nuclear warfare is suicidal madness, this madness will transpire some early summer or another day unless the heart moves the head to the boundary-crossing wisdom of compassion which sees the 3 billion, not as "we" and "they," but as an indissoluble and indivisible "us" sojourning in Thy kingdom.

Head and heart, may we be granted them, that Thou may lift up Thy countenance upon us and grant us peace. Amen.

THE JOURNAL

On request of Mr. BIBLE, and by unanimous consent, the reading of the Journal of the proceedings of Tuesday, July 9, 1963, was dispensed with.

MESSAGE FROM THE PRESIDENT

A message in writing from the President of the United States was communicated to the Senate by Mr. Miller, one of his secretaries.

REPORT OF OFFICE OF ALIEN PROPERTY—MESSAGE FROM THE PRESIDENT

The PRESIDENT pro tempore 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 the Judiciary:

To the Congress of the United States:

I transmit herewith, for the information of the Congress, the Annual Report of the Office of Alien Property, Department of Justice, for the fiscal year ended June 30, 1962.

JOHN F. KENNEDY.

THE WHITE HOUSE, *July 10, 1963.*

MESSAGE FROM THE HOUSE

A message from the House of Representatives by Mr. Bartlett, one of its reading clerks, announced that the House had passed the following bills of the Senate, each with an amendment, in which it requested the concurrence of the Senate:

S. 671. An act for the relief of Mirhan Gazarian; and

S. 1122. An act relating to the exchange of certain lands between the town of Powell, Wyo., and the Presbyterian Retirement Facilities Corp.

The message also announced that the House had passed the bill (S. 310) for the relief of Kaino Hely Auzis, with amendments, in which it requested the concurrence of the Senate.

The message further announced that the House had passed the following bills, in which it requested the concurrence of the Senate:

H.R. 1179. An act for the relief of Basilio King, his wife, and their children;

H.R. 1398. An act for the relief of Margaret Barker;

H.R. 1499. An act for the relief of John (Ivica) Beg Farkas and Ann (Anka) Beg Farkas;

H.R. 1731. An act for the relief of Eva Baker;

H.R. 2450. An act for the relief of Lucia Carta Gallitto;

H.R. 2838. An act to amend section 753(f) of title 28, United States Code, relating to transcripts furnished by court reporters for the district courts;

H.R. 2942. An act to direct the Secretary of the Interior to adjudicate a claim to certain land in Marengo County, Ala.;

H.R. 2989. An act to further amend the Missing Persons Act to cover certain persons detained in foreign countries against their will, and for other purposes;

H.R. 3179. An act to provide that judges of the U.S. Court of Military Appeals shall hold office during good behavior, and for other purposes;

H.R. 4062. An act to amend the act authorizing the transmission and disposition by the Secretary of the Interior of electric energy generated at Falcon Dam on the Rio Grande to authorize the Secretary of the Interior to also market power generated at Amistad Dam on the Rio Grande;

H.R. 5094. An act for the relief of Geoffrey Howard Smith;

H.R. 5507. An act for the relief of Michal Goleniewski;

H.R. 6012. An act to authorize the President to proclaim regulations for preventing collisions at sea;

H.R. 6308. An act for the relief of Gerard Puillet; and

H.R. 6567. An act for the relief of Anthony Harry Giazikis.

HOUSE BILLS REFERRED OR PLACED ON CALENDAR

The following bills were severally read twice by their titles and referred or placed on the calendar, as indicated:

H.R. 1179. An act for the relief of Basilio King, his wife, and their children;

H.R. 1398. An act for the relief of Margaret Barker;

H.R. 1499. An act for the relief of John (Ivica) Beg Farkas and Ann (Anka) Beg Farkas;

H.R. 1731. An act for the relief of Eva Baker;

H.R. 2450. An act for the relief of Lucia Carta Gallitto;

H.R. 2838. An act to amend section 753 (f) of title 28, United States Code, relating to transcripts furnished by court reporters for the district courts;

H.R. 5094. An act for the relief of Geoffrey Howard Smith;

H.R. 5507. An act for the relief of Michal Goleniewski;

H.R. 6308. An act for the relief of Gerard Puillet; and

H.R. 6567. An act for the relief of Anthony Harry Giazikis; to the Committee on the Judiciary.

H.R. 2942. An act to direct the Secretary of the Interior to adjudicate a claim to certain land in Marengo County, Ala.; to the Committee on Interior and Insular Affairs.

H.R. 2989. An act to further amend the Missing Persons Act to cover certain persons detained in foreign countries against their will, and for other purposes; and

H.R. 3179. An act to provide that judges of the U.S. Court of Military Appeals shall hold office during good behavior, and for other purposes; to the Committee on Armed Services.

H.R. 6012. An act to authorize the President to proclaim regulations for preventing collisions at sea; to the Committee on Commerce.

H.R. 4062. An act to amend the act authorizing the transmission and disposition by the Secretary of the Interior of electric energy generated at Falcon Dam on the Rio Grande to authorize the Secretary of the Interior to also market power generated at Amistad Dam on the Rio Grande; placed on the calendar.

LIMITATION OF STATEMENTS DURING MORNING HOUR

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

LEAVE OF ABSENCE

Mr. JAVITS. Mr. President, I ask unanimous consent that I may be absent from the Senate, on official business, from the close of business today until the convening of the session next Tuesday.

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

REPORTS OF COMMITTEES

The following reports of committees were submitted:

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

S. Res. 167. Resolution authorizing the printing as a Senate document of the report entitled "The Arts and the National Government", submitted to the President by his Special Consultant on the Arts (Rept. No. 347).

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

H.R. 4946. An act to amend the Legislative Branch Appropriation Act, 1959, to provide for reimbursement of transportation expenses for Members of the House of Representatives (Rept. No. 348);

S. Res. 162. Resolution to print, for the use of the Special Committee on Aging, additional copies of Senate Report No. 8 of the 88th Congress, on "Developments in Aging, 1959–63" (Rept. No. 352);

S. Res. 168. Resolution accepting an invitation to attend the next general meeting of the Commonwealth Parliamentary Association to be held in Kuala Lumpur, Malaya (Rept. No. 353);

H. Con. Res. 161. Concurrent resolution providing for additional copies of House Document No. 336, 86th Congress, 2d session, entitled "Facts on Communism—Volume I, The Communist Ideology"; and House Document No. 139, 87th Congress, 1st session, entitled "Facts on Communism—Volume II, The Soviet Union, From Lenin to Khrushchev" (Rept. No. 350);

H. Con. Res. 162. Concurrent resolution providing for additional copies of House Report No. 2559, 87th Congress, 2d session (Rept. No. 354);

H. Con. Res. 163. Concurrent resolution providing for additional copies of the publications entitled "Communist Outlets for the Distribution of Soviet Propaganda in the United States, Parts 1 and 2" (Rept. No. 355); and

H. Con. Res. 164. Concurrent resolution providing for additional copies of the publications entitled "U.S. Communist Party Assistance to Foreign Communist Governments (Medical Aid to Cuba Committee and Friends of British Guiana), Parts 1 and 2" (Rept. No. 356).

By Mr. JORDAN of North Carolina, from the Committee on Rules and Administration, with an amendment:

S. Con. Res. 47. Concurrent resolution to print additional copies of certain hearings on effects of television portrayal of crime on young people (Rept. No. 351); and

S. Res. 110. Resolution to print as a Senate document a translation of a book entitled "Large Dams of the U.S.S.R.", with illustrations and an explanatory statement (Rept. No. 349).

CRIMINAL JUSTICE ACT OF 1963—REPORT OF A COMMITTEE—ADDITIONAL COSPONSORS OF BILL (S. REPT. NO. 346)

Mr. HRUSKA. Mr. President, from the Committee on the Judiciary, I submit a report on S. 1057, the Criminal Justice Act of 1963, and I submit a report thereon. I ask unanimous consent to add the following names as additional cosponsors of the bill: Senators KEFAUVER, ERVIN, DODD, HART, LONG of Missouri, KENNEDY, BAYH, DIRKSEN, KEATING, FONG, and SCOTT.

The PRESIDENT pro tempore. The report will be received, and the bill will be placed on the calendar; and, without objection, the additional cosponsors will be added, as requested by the Senator from Nebraska.

EXECUTIVE REPORT OF A COMMITTEE

As in executive session,

The following favorable report of a nomination was submitted:

By Mr. MANSFIELD (for Mr. EASTLAND), from the Committee on the Judiciary:

HOMER THORNBERRY, of Texas, to be U.S. district judge for the western district of Texas.

BILLS INTRODUCED

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

By Mr. SALTONSTALL:

S. 1854. A bill for the relief of Maria do Carmo Almeida Brito (Silva); to the Committee on the Judiciary.

By Mr. DOMINICK:

S. 1855. A bill relating to the interest rates on loans made by the Treasury to the Department of Agriculture to carry out the programs authorized by the Rural Electrification Act of 1936; to the Committee on Agriculture and Forestry.

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

By Mr. McNAMARA:

S. 1856. A bill to increase the amount authorized to be appropriated to carry out the provisions of the Public Works Acceleration Act; to the Committee on Public Works.

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

By Mr. KEATING:

S. 1857. A bill to amend section 6(o) of the Universal Military Training and Service Act to provide an exemption from induction for the sole surviving son of a family whose father died as a result of military service; to the Committee on Armed Services.

S. 1858. A bill for the relief of Jacob, Malka and David Kalkstein;

S. 1859. A bill for the relief of Hyang Won Lee; and

S. 1860. A bill for the relief of Domenico Surleti; to the Committee on the Judiciary.

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

By Mr. WILLIAMS of New Jersey:

S. 1861. A bill for the relief of Mrs. Amor Llao McGuinness; and

S. 1862. A bill for the relief of Michael J. Venezia; to the Committee on the Judiciary.

CONCURRENT RESOLUTIONS

EXPRESSIONS OF GREETINGS TO PROFESSION OF VETERINARY MEDICINE ON ITS 100TH ANNIVERSARY

Mr. DOUGLAS submitted the following concurrent resolution (S. Con. Res. 52); which was referred to the Committee on the Judiciary:

Whereas the year 1963 marks the 100th anniversary of the founding of the American Veterinary Medical Association; and

Whereas the observance of this anniversary will be celebrated by the association and its friends during a centennial convention to be held in New York City, N.Y., from July 28, 1963, through August 1, 1963; and

Whereas it is fitting that official recognition be given to the many accomplishments of veterinary medicine and to the many benefits which this Nation has received from veterinary services: Now, therefore, be it

Resolved by the Senate (the House of Representatives concurring), That the Congress of the United States extends its greetings and felicitations to the profession of veterinary medicine on the occasion of the celebration of the 100th anniversary of the founding of the American Veterinary Medical Association, and acknowledges the many contributions organized veterinary medicine has made to the Nation and the health of her citizens during the past 100 years.

EXPRESSION OF SENSE OF CONGRESS THAT ACHIEVEMENT OF BALANCE-OF-PAYMENTS EQUILIBRIUM IS ESSENTIAL—INTERNATIONAL MONETARY CONFERENCE

Mr. JAVITS (for himself and Mr. MILLER) submitted a concurrent resolution (S. Con. Res. 53) expressing the sense of the Congress that achievement of balance-of-payments equilibrium is essential and that the United States should take the initiative in calling for an International Monetary Conference, which was referred to the Committee on Foreign Relations.

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

INTEREST RATES ON CERTAIN LOANS BY THE TREASURY TO DEPARTMENT OF AGRICULTURE UNDER RURAL ELECTRIFICATION ACT

Mr. DOMINICK. Madam President, today I am sending to the desk for appropriate reference legislation dealing with a very sensitive Federal program. I refer to the Rural Electrification Administration, and its statutory provisions whereby rural co-ops are permitted to borrow money from an agency of the Federal Government and repay it over a 35-year period at a rate of interest fixed at 2 percent. As my colleagues know, today, the Federal Government has to pay approximately a 4-percent rate of interest for its own funds.

I ask unanimous consent that a copy of this bill appear at this point in my remarks.

The PRESIDING OFFICER (Mrs. NEUBERGER in the chair). The bill will be received and appropriately referred; and, without objection, the bill will be printed in the RECORD.

The bill (S. 1855) relating to the interest rates on loans made by the Treasury to the Department of Agriculture to carry out the programs authorized by the Rural Electrification Act of 1936, introduced by Mr. DOMINICK, was received, read twice by its title, referred to the Committee on Agriculture and Forestry, and ordered to be printed in the RECORD, as follows:

Be it enacted in the Senate and House of Representatives of the United States of America in Congress assembled, That, notwithstanding any other provision of law, (1) the interest rate on any loan hereafter made by the Treasury to the Department of Agriculture for the purposes of carrying out the programs authorized by the Rural Electrification Act of 1936, as amended (7 U.S.C.

901–924), shall be fixed by the Secretary of the Treasury, which shall be at least as great as the average rate of interest payable by the United States of America on its marketable obligations, having a maturity period comparable to that of such loan, which were issued during the last preceding fiscal year in which any such obligations were issued; and (2) the interest rate on any loans hereafter made by the Department pursuant to said Act shall be equal to the interest payable by the Department to the Treasury on the funds to be utilized for such loan, plus one-half of 1 per centum for administrative expenses and estimated losses.

SEC. 2. The first section of this Act shall become effective as of July 1 of the fiscal year next following the date of enactment of this Act.

Mr. DOMINICK. Madam President, this is not a complicated piece of legislation. It amends the Rural Electrification Act of 1936 to provide that the Department of Agriculture may borrow from the Treasury in order to administer the programs under the Rural Electrification Act, at a rate of interest at least as great as the average rate of interest payable by the United States on its marketable securities having a maturity rate comparable to that of an REA loan—35 years—plus one-half of 1 percent for administrative costs. Put even more simply, the bill provides that money may be borrowed from the Treasury and repaid to it pursuant to REA loans at the "cost of money" to the Federal Government, plus one-half of 1 percent for administrative expenses. I might add this is still subject to appropriation pursuant to section 6 of the act.

Mr. SIMPSON. Madam President, will the Senator yield?

Mr. DOMINICK. I yield.

Mr. SIMPSON. Will the Senator from Colorado state whether, under his bill, the interest rate is to be paid at the going rate of interest plus an additional one-half of 1 percent?

Mr. DOMINICK. Yes.

Mr. SIMPSON. The rate would fluctuate according to the amount of interest paid by the Government? Is that correct?

Mr. DOMINICK. No; it would fluctuate as each loan was made. The average cost to the Government for borrowing the money in order to have the REA borrow it would be computed at that time.

Mr. SIMPSON. I thank the Senator.

Mr. DOMINICK. In offering this bill, I am not unmindful that REA has often been referred to as a "congressional sacred cow." The REA has done a creditable job in Colorado and I have supported it. However, I believe a realistic assessment of the program under present day circumstances and policies will show the need for change. I certainly have no quarrel with the accomplishments of REA in bringing low cost electricity to American farms. This was its original objective and a fine one. However, my chief concern is: Where do we go from here? With about 98 percent of all farms presently receiving electricity, a thorough and searching examination of the Rural Electrification Administration program is in order. It is now facing increasingly violent attacks which could destroy it unless the most glaring defect, the subsidized interest rate, is eliminated.

To put the future of the program in its proper perspective, I think it would be helpful to allude to the past and trace the history of its development.

On May 11, 1935, President Roosevelt signed Executive Order 7037, which created the Rural Electrification Administration and authorized it to "initiate, formulate, administer, and supervise a program of approved projects with respect to the generation, transmission, and distribution of electric energy in rural areas." It was originally a part of the unemployment relief program. Later, in August of 1935, the President through Executive Order 7130, established this new agency as a lending agency on an interest-bearing, self-liquidating basis. Then, in 1936, the Norris-Rayburn bill was enacted giving the Rural Electrification Administration a 10-year life as a lending agency. As my colleagues will recall, this Nation was still in the throes of a great depression during 1935 and 1936. According to figures then available, only about 10 percent of the farms in this country were receiving electricity.

Under the terms of the Norris-Rayburn bill, the REA obtained its funds from the Reconstruction Finance Corporation and loaned them out to the rural co-ops at a 3 percent interest rate. This was no subsidy measure.

On the contrary, Senator Norris, during the Senate debate, stated:

Let it be understood, too, that there is no gift anywhere in the proposed measure. Everything is to be paid for. My opinion is that with even the low rate of 3 percent interest the Government will not only come out whole but will make a small profit despite all the losses it may be called upon to sustain (80 CONGRESSIONAL RECORD 2757, Feb. 25, 1936).

This is borne out in the House debate where Mr. Withrow said:

It must be clearly understood that this bill provides for no grant or subsidy. All of the money loaned for any of the purposes specified will be recaptured by the Government with interest. Experience of other agencies engaged in making this type of loan has demonstrated that these are perfectly safe (80 CONGRESSIONAL RECORD 5279, Apr. 9, 1936).

Mr. Rayburn, a cosponsor of the original act, specifically addressed himself to the subsidy question during this debate as follows:

There is no subsidy in this. There is no revolving fund in this. The Government takes as security all of the assets of the corporation, association, or cooperative that sets up the line to furnish electrification for rural communities. Further than that, the Senate bill provided that these loans should be made at not exceeding 3 percent. The House committee amended the bill to read "at not less than 3 percent." I thought the argument for that amendment was very good for the simple reason that times may get better. We hope they will, and that the money will be more in demand and interest rates will go up. We do not want the Federal Government to lend money to any organization, to any corporation, or to any agency of the Government at less figure than the Government can go out and borrow the money itself. In times like these, of course, I think the interest will be 3 percent which is a very, very reasonable sum to pay (80 CONGRESSIONAL RECORD 5282).

The U.S. Treasury Department has furnished me with a table showing the "cost of money" to the Federal Government from 1936 through 1962. I ask unanimous consent that this table be reprinted at this point in my remarks.

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

Average interest rate on marketable issues in each fiscal year with maturities of 10 years or more

[In percent]

Fiscal year	Average interest rate	Average rate rounded to nearest ⅛ of 1 percent
1935	2.966	3
1936	2.765	2¾
1937	2.589	2⅝
1938	2.668	2⅝
1939	2.639	2⅝
1940	2.165	2⅛
1941	2.363	2⅜
1942	2.386	2⅜
1943	2.500	2½
1944	2.302	2¼
1945	2.275	2¼
1946	2.436	2⅜
1947	(1)	2⅜
1948	(1)	2⅜
1949	(1)	2⅜
1950	(1)	2⅜
1951	(1)	2⅜
1952	(1)	2⅜
1953	3.250	3¼
1954	3.250	3¼
1955	3.000	3
1956	3.000	3
1957	(1)	3
1958	3.569	3⅝

[1] No issues of 10 years or over.

Average interest rate on marketable issues in each fiscal year with maturities of 10 years or more

[In percent]

Fiscal year	Average interest rate	Average rate rounded to nearest ⅛ of 1 percent
1959	4.041	4
1960	4.250	4¼
Excluding issues offered in advance refundings: [1]		
1961	(2)	
1962	3.970	4
1963	4.108	4⅛

[1] If advance refunding issues are included, there are 2 alternative bases for deriving the rates on such issues:

Overall average rate for each fiscal year if the rates on issues offered in advance refunding are based on—

[In percent]

Fiscal year	Average interest rate	Average rate rounded to nearest ⅛ of 1 percent
(a) Price of par: [a]		
1961	3.500	3½
1962	3.548	3½
1963	4.046	4
(b) Market prices [a] [b] of existing issues eligible for exchange:		
1961	3.966	4
1962	4.173	4⅛
1963	4.039	4

[a] Plus cash payments by subscriber or minus cash payments to subscriber.

[b] Mean of bid and ask prices at noon on day before announcement.

[2] No issues of 10 years or over.

Mr. DOMINICK. Madam President, I think that it is most appropriate to point out that in 1936 when the Norris-Rayburn Act provided for the borrowing of funds and the repaying to the Treasury at an interest rate of 3 percent, the Federal Government could obtain its money at 2¾ percent. Therefore, I think that it is perfectly clear, based on the facts and the statements by the proponents of this act, that no subsidy was ever intended.

In 1944, the Rural Electrification Administration was given permanent status by passage of the Pace Act or Department of Agriculture Organic Act. REA had already become an agency within the Department of Agriculture in 1939, by virtue of Reorganization Plan II. It was under the Pace Act that the current 2 percent interest rate provision was fixed. It should be noted that the Treasury Department table, previously referred to, indicates that the "cost of money" to the Federal Government in 1944 was listed at 2¼ percent. However, at the time of the passage of this act, there was some fluctuation in the interest rate, for in the House debate, in the 78th Congress, Mr. Pace agreed with a statement made by Mr. Crawford:

In other words, the real intent, then, is that so long as the money market is as favorable as at the present time and funds can be obtained at such low rates, there is no reason why a higher rate than 1¾ percent should be charged (to the REA).

Sooner or later a tremendous refinancing operation will have to occur in this country incident to the war debt. We are kind of caught in the squeeze, you might say. If interest rates go up very materially, it seems to me that the price of bonds will have to decline in order to adjust the earning rate of bonds then outstanding to the increased rate that would be paid on the refunding or new issues; so I do not know that I would want to favor a situation like this unless there are clauses inserted which would enable the RFC to adjust its interest obligations as to rate to these REA cooperatives and various units and all to the money market. (90 CONGRESSIONAL RECORD 2282, 1944.)

This act also extended the amortization from 25 to 35 years to enable some of the more remote rural areas to participate on more reasonable terms.

Since 1936, we have invested over $4 billion of taxpayers funds in this REA program. As I said previously, the objective, that of bringing electricity to the farm, has been about 98 percent completed. Yet today, we are called upon to approve larger and larger budgets for the REA. They are still lending this money under the 1944 act at 2 percent when the cost of money to the Federal Government is double that rate.

Madam President, I have gone into this brief history for only one purpose. That purpose is to show that the REA program was never intended to be a subsidy.

I should also like to point out that the President's Committee on Federal Credit Programs has recently filed a report supporting the principle of the legislation I have just introduced. This report recommends that with respect to evaluating the costs of programs of the Federal Government that:

The first step should be to compare the interest rate paid by the borrower on direct Federal loans to a sum of: (a) the prevailing market yield on Government securities of comparable maturity; (b) on allowance for administrative costs; and (c) an allowance for respective losses.

The President has called upon the Bureau of the Budget to take the lead in bringing the various Federal agencies under the application of this report. Shortly after this report was released, an editorial appeared in the Chicago Tribune. I ask unanimous consent that this editorial be reprinted at this point in my remarks.

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

[From the Chicago Tribune, Feb. 18, 1963]

END THE REA CO-OP SUBSIDIES

A Presidential Committee headed by Secretary of the Treasury Douglas Dillon has written a report that may be expected to bring anguished yelps from the rural co-op lobby pack. The report asserts that legally fixed, maximum interest rates on such things as Government home and rural power loan programs should be scrapped. Moreover, it recommends that where Government interest rates are below private rates, the Government charge should vary at least as much as current Treasury borrowing costs.

This is a particular and well-deserved poke at the Rural Electrification Administration. The REA is the long-coddled outfit that makes loans to cooperatives at 2 percent, which is only about half the rate paid by the Government on money it borrows to make the loans. Over the 35-year period of these loans, this is a subsidy estimated to amount to about three-quarters of the loan itself.

Through such low interest Government financing, not to mention exemption from Federal taxation, the co-ops enjoy a substantial competitive advantage over privately owned, taxpaying utilities.

Virtually all farms and other rural customers in areas served by the co-ops now have electric service. More than half of the total power sales of REA systems now are being made to nonfarm users, who comprise more than 80 percent of the new power customers being added to the systems.

Back in 1955 the Hoover Commission recommended that, because of the great advance in farm electrification, the time has arrived for the reorganization of the REA into a self-supporting institution securing its own financing from private sources. Nothing came of this recommendation, although the Eisenhower administration in 1959 proposed raising interest rates to REA co-ops to about 4 percent.

This latest recommendation from Secretary Dillon's committee is likely to be greeted with the same apathy. The administration has demonstrated that the REA is one of its pets by proposing $425 million of funds for it in fiscal 1964, compared with appropriations of 400 millions this year and actual expenditures of 245 millions in 1962. Officials already have said that no specific legislation to end Government loans will come from the administration as a result of the Dillon report.

Taxpayers should put the heat on Congress to see that such legislation is introduced. With at least a $12 billion deficit confronting us, the need to cut Federal spending to the bone is obvious. Subsidies to the REA co-ops are wasteful and serve no useful purpose.

Mr. DOMINICK. Madam President, I know of no other Federal agency which enjoys a rate of interest so substantially below the "cost of money" to the Federal Government. In recent weeks, the Senate Banking and Currency Committee had cause to review the Treasury borrowing interest rates available to the Area Redevelopment Administration and the Small Business Administration. Many of my colleagues, including the Senator from Wisconsin [Mr. PROXMIRE], expressed concern because these agencies were only charging 3½ percent plus one-half of 1 percent for administrative costs. Many of the programs administered by these two agencies are avowed subsidy measures. However, we have the Rural Electrification Administration still charging 2 percent under a program for which no subsidy was ever intended.

Madam President, I suggest that the REA cannot have it both ways. I don't believe that we can continue to allow them "to run with the hares and hunt with the hounds." They must face up to their subsidy and justify it, or carry their own weight and pay the Federal Treasury the going interest rate plus a reasonable amount for administrative expenses.

There are other disturbing aspects about this program. Back in 1936, the proponents of the REA were careful to limit their support to a program to aid rural areas where the farmers would reap the benefits. However, as recently as 1959, it was estimated by the then Administrator of the REA, that five out of every six new consumers were nonfarm consumers. It was also estimated at that time that by 1965 there would be more nonfarm consumers on REA lines than farm consumers. Since 1961, REA co-op consumers have been classified as either residential or commercial. This classification has little relationship to the original aims of the REA program.

Perhaps the practice which has brought the greatest amount of publicity is that of the use of so-called section 5 loans. Section 5 of the REA Act provides:

The Administrator is authorized and impowered * * * to make loans for the purpose of financing the wiring of the premises of persons in rural areas and the acquisition and installation of electrical and plumbing appliances and equipment. Such loans may be made to any of the borrowers of funds loaned under the provisions of section 4, or to any person, firm, or co-op supplying or installing the said wiring, appliances, or equipment.

By various interpretations of the Area Redevelopment Act and the Office of Rural Areas Development, section 5 money is being loaned to rural co-ops at 2 percent to be repaid over 35 years, and the co-ops in turn have been lending this same money to their industrial and commercial consumers at 4 to 6 percent to be repaid over a period of 5 to 10 years. Thus the REA has enabled its co-ops to go into the moneylending business with 2-percent money. The co-op gets its money back at 4 to 6 percent over a short term and pockets the difference.

Fourteen of these loans have been made since September of 1961, totaling over $1.2 million. Here are some examples where rural co-ops obtained money from the REA at 2 percent and made loans back to their consumers at a greater rate of interest:

A $25,000 loan for 5 years at 4 percent interest for a construction company to purchase equipment for the crushing and washing of gravel.

A $30,000 loan for 10 years at 4-percent interest to buy wiring, plumbing, and electrical equipment including machinery for a company which markets and purchases potatoes. This same rural co-op made a $250,000 loan for 10 years at 4 percent to buy electrical equipment and machinery for a lumber company.

A loan for $22,068 for 10 years at 4-percent interest to buy snowmaking equipment, outdoor lights, motors for rope tows, and a chairlift for an Illinois resort.

A $54,000 loan for 5 years at 5-percent interest for machinery for removing bark from logs and for the processing and loading of wood chips for a wood products company.

A $125,000 loan for 10 years at 4½-percent interest to purchase a gravel screening and crushing plant for a sand and gravel company.

A $25,000 loan for 10 years at 4-percent interest to purchase knitting machines for a mill in North Carolina.

A $35,500 loan for 10 years at 4-percent interest to purchase machinery for a planer mill.

A loan of $140,000 for 10 years at 4 percent to purchase machinery for a company producing precision drills and cutting tools.

A $75,000 loan for 10 years at 4 percent to purchase a planer mill and electric motors and controls for a lumber company.

A $137,000 loan for 10 years at 4 percent to purchase refrigeration equipment for a freezer and cold storage plant.

A $190,000 loan for 10 years at 4 percent to purchase machinery to be used by a company producing glass sand and silica flour.

A $23,500 loan for 10 years at 4½ percent to purchase machinery used in a precision metal parts factory.

A $100,000 loan for 10 years at 4 percent to purchase machinery for a Wyoming lumber company.

In each instance, the rural co-op obtained the funds to make these loans from the REA to be repaid over a period up to 35 years at a 2-percent rate of interest. You can readily see that these co-ops may be able to turn over their "cheap REA money" several times during the course of the 35-year repayment period.

Madam President, such practices as these can seriously jeopardize the REA program and can hinder the accomplishment of its stated objectives. It was never contemplated that these co-ops were to be put into the money lending business and subsidized by the Government.

I ask unanimous consent that the following newspaper editorials and articles be inserted at this point in my remarks:

First, an editorial from the Greeley Sunday Journal, May 5, 1963.

Second, an editorial from the Wyoming State Tribune, March 18, 1963.

Third, an editorial from the Broomfield Star Builder, February 28, 1963.

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

[From the Greeley Sunday Journal, May 5, 1963]

JOURNAL NEWS VIEWS

A hearing is being conducted by the Public Utilities Commission in Denver on a subject that should be of interest to every citizen that believes the continued existence and growth of free enterprise is an integral part of our American way of life. The current hearings are a continuation of presentations that started earlier this year and quite probably will continue into June. Stated very simply, it revolves around an effort by the Poudre Valley REA to have the PUC freeze the operations of the Home Light & Power Co. to the area it now serves, reserving all the remainder of the country to the Poudre Valley REA. On the other hand, the Home Light & Power Co. is seeking an area that would allow it opportunity for growth.

We do not represent that we have the slightest technical knowledge of the operation of a public utility, nor of the laws in this or other States that govern the operation of power companies. But we do believe we have some basic knowledge of the laws of fair play and deep concern for the economic philosophy that helped make this Nation great. When the Congress first set up the Rural Electrification Administration, it recognized that there were many rural areas that could not be served economically by privately owned power companies, but the Congress agreed with the philosophy that those same rural areas should have electric power and at a price the farmers and ranchers could pay.

It created the REA's and gave to them certain preferential advantages in financial structure and operation which in turn would make it possible for them to take electric power to the rural areas. Two major offerings were that the Federal Government would loan working capital to the REA's for 2 percent simple interest on long-term loans, and the REA's would not have to pay income tax on their subsequent earnings. It was a great step forward for it brought electric lights and power where before there had been only kerosene lamps. And with 2 percent money and no income tax, the REA's prospered and grew. And the years went by and they grew and grew.

And then in recent years, it came to pass that the REA's tired of serving only the rural areas where private power companies, without the advantage of 2 percent Federal loans and no income tax, could not profitably operate, and the REA's longed for bigger things. Until today, here and in many areas throughout the Nation, taxpaying, profitmaking private power companies are finding their growth areas challenged by REA's which their own tax money is helping to subsidize. If it can happen in the electric business, it can happen in other businesses. The ardent REA backer is growing on the false premise that the Government well from whence commeth 2 percent money is a well without a bottom and that it is possible to eat the goose that lays the golden eggs and still have the eggs. And if the goose objects, it's a dirty, profit smeared goose and should be eaten.

Any system that allows such a situation to exist is at once both unfair and dangerous. It not only already exists in the utility business; it could just as easily develop in any other business or profession. To take money which the Federal Government borrows at a cost of more than 3 percent, loan it to the REA's at 2 percent, permit them to grow by paying no tax, and then allow those same federally subsidized power groups to covet and challenge the growth areas of private power companies who are paying market rates for their capital and corporate income taxes is a gross injustice. It is unfair.

By compelling the privately owned utility to rent its money in the marketplace, pay corporate income taxes and then be condemned because that same private utility can't sell its product as cheaply as the federally subsidized group, the philosophy becomes not only, almost unrealistically unfair, it becomes violently dangerous. If such an economic and political philosophy is allowed to exist that taxes private business and with those taxes and favored legislation creates a competing, subsidized power that in turn strives to obliterate that same private business, then we are not writing the history of progress. We are writing the birth notice of a political frankenstein that will squeeze the last breath of life from the private enterprise that gave it birth. All about will be the tragic remains of a glorious Nation that once was. And only history will know that another great civilization died, because in all its wisdom it was too stupid to understand that man never has been able to eat both the eggs and the goose.

[From the Wyoming State Tribune, Mar. 18, 1963]

A BAD THEORY

The Wyoming Public Service Commission has set a hearing for next Thursday morning that so far as we can determine is virtually unprecedented in this State.

It will hear arguments on the proposed loan of $100,000 by the Lower Valley Power & Light of Afton, Wyo., to a lumber company that will be a potential user of the power generated by Lower Valley Power & Light.

The money that Lower Valley Power & Light will lend to the lumber concern will be used for the installation of electrical equipment in a lumber mill to be built in the Afton area.

It has been argued to us on a friendly basis that the idea that this loan will be used for the purpose of creating new industry in Wyoming, which everyone must admit the State badly needs, is the prime, overriding argument in its behalf.

We do not subscribe to that idea. For one thing the money that will be used in the loan is public money for which the Government pays 4 percent interest. It will be reloaned at 2 percent.

This is a poor way to do business in many ways; it cheats the taxpayers, it defeats the purposes of banks and other private lending agencies, and it mitigates against private enterprise. Specifically in the latter it permits the REA cooperatives a vast reservoir of cheap money paid for by the taxpayers, to compete against private utilities which form a part of the taxpaying public that contributes to this very same agency that competes with it.

This is a vicious circle.

The REA is now asking Congress for nearly half a billion dollars to use for these loans to be made to private industry that it would serve.

This would put the Government in business against the taxpayers who support it.

We think this is a wholly dangerous idea.

[From the Broomfield Star Builder, Feb. 28, 1963]

THE DEADLY COMPETITOR

The act of 1936 setting up the Rural Electrification Administration authorized the

agency to make loans for furnishing electricity to "persons in rural areas." How is it, then, that in the last few years five out of six new REA co-op customers haven't been truly rural at all, but commercial, industrial and nonrural residential?

For one thing, REA activities reflect the changing character of the Nation; farms are fewer, suburbs have sprawled out from the cities in once-rural lands. And REA Administrator Norman Clapp contends that a territory developed by a co-op "in good faith" when it was rural still is co-op territory even though it may be a vast suburban or industrial complex.

For another, as Hubert Kay notes in an article in the February Fortune magazine, the REA's co-ops have become increasingly aggressive in going after commercial-industrial business. So much so that whereas it once used only 2.5 percent of its loans to build new generating plants and transmission lines it now uses over 16 percent. The REA system's rapid growth as a power producer has further alarmed already skittish investor owned power companies which see in REA an ever expanding power grid with which they cannot forever compete.

For the private utilities pay from 4 to 5 percent for money they need to borrow; the co-ops have the use of Federal funds at 2 percent (which the Government borrows at 4 percent). Utilities pay out about 24 cents in taxes of each dollar received, including 13 cents in Federal income taxes; co-ops pay no direct Federal taxes at all and, as co-ops, enjoy preferred State and local tax treatment. And whereas companies are tightly regulated by State and Federal agencies, most co-ops can set their own rates. So the co-ops' competitive advantage is immense.

Now there's one fairly simple way to bring about competition on a more nearly equal basis. And that is to strip the REA co-ops of their protective mantle of subsidies and preferments and thus force them to really compete with private companies. In short, make the REA pay its own way in the marketplace.

But as it is, the REA stands as an archetype of a Government agency that not only refuses to die when no longer needed but also uses every unfair means available to kill off its investor-financed competition.

Mr. DOMINICK. Madam President, my bill will not cure all the problems noted in the editorials, but, if enacted, it will at least mean that the taxpayers of this country will not be subsidizing ventures of which they never heard and which were not contemplated when the original bill was passed.

I ask unanimous consent that the bill lie on the desk for 1 week so that other Senators who may wish to add their names as cosponsor may do so.

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

EXPANSION AND CONTINUATION OF ACCELERATED PUBLIC WORKS PROGRAM

Mr. McNAMARA. Madam President, I introduce, for appropriate reference, a bill to expand and continue the accelerated public works program.

One of the most successful actions taken by the Congress last year was the creation of an accelerated public works program through Public Law 87–658.

The purpose of this program was twofold: First, to combat persistent unemployment in those areas which did not share in the general economic recovery of the country from the 1960–61 recession; and second, to stimulate the economy by helping local governments finance needed public works projects they could not afford to undertake alone.

Under this program, the Congress authorized $900 millions—nearly all of which has since been appropriated and is now at work creating jobs and constructing public facilities throughout the country.

The accelerated public works program provides Federal grants—on a 50-percent matching basis—to local governments for eligible projects, with the added provisions that the Federal grant can be increased to 75 percent of the project cost where the local community is unable to finance its 50-percent share. The act also provides financing for some exclusively Federal projects, previously authorized by the Congress.

To make certain that this program would have its first and greatest impact in areas where the need was most serious, the act specified that projects must be located in those areas designated as eligible under the Area Redevelopment Act.

These included 149 large and small industrial labor market areas, 767 rural areas, and 50 Indian reservations, plus an additional 122 communities which had suffered from substantial unemployment for the better part of the preceding year.

In order that the program would bring about quick assistance, Federal grants were limited to those local projects which could be started promptly and on which the bulk of the work would be completed in 12 months.

Madam President, there is no doubt in my mind that the accelerated public works program is one of the most popular and important programs approved by the 87th Congress. It is accomplishing its purpose in a magnificent manner.

Public works projects—urgently needed but never started due to lack of funds at the local level—are now underway in hundreds of communities throughout the Nation.

These projects include sewage treatment plants, water purification facilities, sewer and water main extensions and improvements, new police and fire stations, libraries, and road and street repair projects, to name just a few. And in each instance, these urgently needed projects are providing an economic "shot in the arm" to the community in which they are located, because the dollars paid out in wages for the new jobs created, and the dollars spent on materials for the projects, are "high velocity dollars" that circulate swiftly through the community and have a chain-reaction effect.

The original Accelerated Public Works Act authorized expenditure of $900 million. Last October Congress appropriated $400 million and these funds were quickly committed by various Federal agencies to more than 3,000 local public works projects in all parts of the country.

This past May the Congress appropriated another $450 million for the accelerated public works program, making a total of $850 million. Under the law, this $450 million must be expended by January 31, 1964.

The need for this accelerated public works program has been so great that, successful as the program has been, applications have far outstripped available funds.

For example, the Community Facilities Administration was deluged with more than $1 billion worth of applications during the first 6 months of the program, and still has more than half a billion dollars worth of projects pending, despite the fact that $455,635,000 in accelerated public works projects will be approved by the Community Facilities Administration under existing appropriations.

And at the Department of Health, Education, and Welfare, I am informed that in addition to the $200 million worth of waste treatment and hospital construction projects to be approved under the $850 million appropriated, the Department has pending applications for another $206 million worth of projects.

The total of these pending applications in CFA and HEW, impressive as it is, does not represent an accurate picture of the backlog of local projects, since many communities have been discouraged, for several months, from filing additional applications, due to an obvious lack of funds.

Madam President, I believe that there is a need to both continue and expand the accelerated public works program. There is still a large backlog of urgently needed local public works projects. And many areas of the country still are experiencing heavy and persistent unemployment.

The bill I introduce today would authorize an additional $1.5 billion for the accelerated public works program.

This is a large sum, but I believe that the experience under this program thus far demonstrates conclusively that each of these dollars will return great dividends.

The PRESIDING OFFICER. The bill will be received and appropriately referred.

The bill (S. 1856) to increase the amount authorized to be appropriated to carry out the provisions of the Public Works Acceleration Act, introduced by Mr. McNAMARA, was received, read twice by its title, and referred to the Committee on Public Works.

EXEMPTION FROM DRAFT FOR SOLE SURVIVING SON

Mr. KEATING. Madam President, I introduce, for appropriate reference, a bill to amend the Universal Military Training and Service Act to provide an exemption from induction for the sole surviving son of a family whose father died as a result of military service.

Under the present law, this type of exemption is given to the sole surviving son of a family where one or more sons or daughters were killed or died in line of duty. This bill will extend this exemption to include cases where the father died in the service of his country. I feel that this is a desirable and meritorious extension of this type of exemption.

At present the selective service classification system allows deferments where extreme hardship can be established. However, this deferment is not applicable without evidence of extreme privation

to a family whose only surviving son is faced with induction.

This exemption has the strong support of the Gold Star Wives of America, Inc., all veterans' organizations, and many other interested persons. It also is favored by the selective service system.

I think that passage of this bill will be a fitting tribute to families whose father and husband made the supreme sacrifice for our Nation.

The PRESIDING OFFICER. The bill will be received and appropriately referred.

The bill (S. 1857) to amend section 6 (o) of the Universal Military Training and Service Act to provide an exemption from induction for the sole surviving son of a family whose father died as a result of military service, introduced by Mr. KEATING, was received, read twice by its title, and referred to the Committee on Armed Services.

PROHIBITION OF USE OF MEASURING DEVICES IN POSTAL SERVICE—ADDITIONAL SPONSOR OF BILL

Mr. KUCHEL. Madam President, earlier this session, I introduced Senate bill 1423, to prohibit the use of measuring devices to measure the work of an individual employee in the postal service. The distinguished senior Senator from New York [Mr. JAVITS] has asked that his name be added as a cosponsor. I ask unanimous consent that at the next printing of the bill the name of the distinguished senior Senator from New York be included as a cosponsor.

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

ACQUISITION OF WETLANDS IN CANADA—ADDITIONAL COSPONSOR OF BILL

Mr. HRUSKA. Madam President, on June 27 of this year I introduced, on behalf of myself and four other Senators, S. 1810, a bill to permit the use within Canada of certain funds for the acquisition of wetlands for the conservation of migratory waterfowl.

I now ask unanimous consent that the name of the Senator from Alaska [Mr. GRUENING] be added to the list of cosponsors.

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

OPPOSITION TO PROPOSED TAX ON DIESEL FUEL USED BY TOWBOATS—STATEMENT BY BRAXTON B. CARR

Mr. DIRKSEN. Mr. President, several weeks ago representatives of the coal, oil, iron ore, grain industries, manufacturers, water transportation, shippers of bulk commodities, and others from the State of Illinois came to Washington to voice opposition to the proposed 2 cents per gallon tax on diesel fuel used by towboats.

At a breakfast meeting in Washington attended by most of the Illinois congressional delegation and also by representatives from my office and that of Senator DOUGLAS, Mr. Braxton B. Carr, president of the association, made a statement on the proposed tax. I believe his statement will be of considerable interest and will indicate how shippers and others would be affected by the proposed tax. I ask unanimous consent that a summary of the statement by Mr. Braxton B. Carr, president of the American Waterways Operators, Inc., to the 46th anniversary convention of the National Coal Association, at the Mayflower Hotel, made on this subject as a member of the transportation panel, be included in the RECORD.

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

The water carrier spokesman used 1960 as a base year because that is the last year for which complete statistical data is available, but he said the annual savings is proportionate. He noted that 88,500,000 tons of coal were moved by barge in 1960, representing 22.5 percent of total inland waterborne commerce of the United States, exclusive of the Great Lakes, and representing 18 percent of total ton-miles of waterborne service.

"Taking the difference between what shippers paid for transportation of this coal by water and what they would have paid to move it by the next lowest cost available mode—railroad transportation—we find that in 1960 barge transportation saved coal shippers $244,284,000," Mr. Carr said. "This savings was realized on 22 percent of the output of mines—11 percent of which went directly from mine to water transportation. The other 11 percent had a prior rail or truck haul before it went into barge transportation."

"You might say the waterways paid a dividend of $244,284,000 in the movement of coal alone in 1960 and this dividend was widely distributed in the form of real savings to the consumers who bought the end products this coal helped produce."

Mr. Carr reminded the coal executives that the only reason coal figures so importantly in the fuels market today is that the industry has found ways to reduce the delivered price of the product. "Barge transportation offers just one thing to the coal industry: a means to reduce the delivered price of coal," the AWO president said.

He then cited these facts: The cost of barge transportation in the movement of coal represents on the average 12 percent of the price of the delivered product, compared to 42 percent for rail transportation. The average water haul of coal is 221 miles and the average rate is 3 mills per ton-mile. The average barge haul of 221 miles costs the coal shipper 66 cents per ton. The average rail haul is 294 miles, for which the shipper pays an average of $3.42 per ton.

Mr. Carr noted that of the 7,800 mines in operation in the United States, only 65—less than 1 percent—are located on water. Yet, he said, these 65 mines put 11 percent of total coal production directly into barge transportation.

With respect to the $244,284,000 which barge transportation saved coal shippers in 1960, Mr. Carr said that consumers throughout the United States shared in that savings in the form of cheaper electricity, household goods, and other consumer savings. In addition, he said, the savings were actually more than $244,284,000 because barge rates on coal held down some rail rates. He cited several examples illustrating the inequality that exists in present freight rates applying to coal traffic between points where barge transportation is available and where it is not available.

Mr. Carr said that it was essential to the future of the coal industry that the industry take a careful, hard look at some transportation policy proposals which are now being considered, among them, the proposal to place user charges on the inland waterways in the form of a 2-cent-per-gallon tax on fuel, and the proposal to repeal minimum rate regulation on the carriage of bulk commodities by the railroads.

The AWO spokesman said that the 2-cent-per-gallon tax now proposed on fuel would raise the delivered price on coal between six and seven percent, but that it would take a tax of at least 24 cents per gallon based on the current level of traffic movement to get the money the toll proponents want.

"A tax of 24 cents per gallon on diesel fuel used by towboats and tugboats will increase the transportation price for coal on the average of 72 percent," Mr. Carr asserted. "This would make the cost of barge transportation represent 20 percent of the delivered price of coal, as against 12 percent now."

Other members of the panel were C. J. Fitzpatrick, president of the Chicago & North Western Railway Co., Chicago; Cecil H. Underwood, vice president of Island Creek Coal Co., Huntington, W. Va.; and H. N. Ramsey, president of Philadelphia Electric Co., Philadelphia. Moderator of the panel was Dr. Myles E. Robinson, director of economics and transportation of the National Coal Association.

The PRESIDING OFFICER (Mr. BREWSTER in the chair). Is there further morning business?

PROPOSED APPOINTMENT OF ASSOCIATE JUSTICE GOLDBERG AS MEDIATOR IN RAILROAD STRIKE

Mr. STENNIS. Mr. President, I am advised that the unions have rejected the President's proposal that Associate Justice Goldberg serve as negotiator or mediator. I am not passing on the strike. I am not familiar with the merits of the arguments on each side. I am pleased to learn that a member of the Supreme Court of the United States will not serve as a negotiator, intermediary, mediator, or in any other capacity outside his responsibilities as a Justice of the Supreme Court of the United States.

The Supreme Court is an entirely independent branch of the Government established by the Constitution of the United States. The tenure of a justice is for life, subject only to impeachment on proper grounds. The soundness of our system absolutely demands that we keep those lines inviolate.

Mr. Justice Goldberg is a very fine man. He is an extraordinary person and has rendered great service in the field of so-called labor disputes. But he and the President of the United States both made a decision months ago when they decided that he should be appointed an Associate Justice of the Supreme Court.

In the opinion of the Senator from Mississippi, Justice Goldberg cut himself off from all opportunities to render service, however valuable those services might be, in the field of labor relations. Now he is a Justice of the Supreme Court of the United States. Neither he nor any other member of that Court has any proper function outside that mission so long as they are members of the Court.

A very unfortunate precedent of some kind was set at the time of the Nuremberg trials. It should be an exception and stand alone, and should not be followed under any circumstances. The appointment then was made at the close

of the war and was partly an emotional matter. It can be overlooked on that ground. As I have said, I am not familiar enough with the merits of the railway labor controversy. I am not passing on it. What I say is no reflection upon Mr. Justice Goldberg, but is, rather, a tribute to his skill in this field.

I hope this will be the last time that a question such as the one about which I have spoken will arise. I am delighted to learn that apparently Mr. Justice Goldberg will not serve.

TIME RUNS OUT FOR WILDERNESS

Mrs. NEUBERGER. Mr. President, on September 6, 1961, the Senate passed S. 174, the bill to establish a national wilderness preservation system. I voted for the legislation, as I did this session on a similar measure, because I believe there is great value in maintaining some parts of our public domain in natural and unspoiled state. Despite approval by the Senate in 1961, congressional action was not completed and S. 174 expired with adjournment of the 87th Congress.

Under existing law, wilderness-type areas in the national forests are subject to entry under the mining statutes in 11 Western States. The wilderness bill modifies this wide-open entry. Thus, after the Senate again acted favorably this year on S. 4, the new version of the wilderness bill, I became curious about the extent of invasion of wilderness by mining interests in the period of time since our 1961 action. I asked Mr. Edward P. Cliff, Chief of the Forest Service, to provide an estimate of the number, acreage, validity, and minerals involved in claims which have been filed in wilderness, wild, and primitive areas since September 6, 1961.

The report from the Forest Service shows some 537 claims have been filed in wilderness, wild, and primitive areas of our national forests since September 6, 1961, the date of the Senate's last previous action on wilderness legislation. Of the total, 327 claims were filed in areas defined as wilderness, 23 claims in wild areas, and 187 claims in primitive areas. These figures do not, of course, include the number of claims filed under mining laws in wilderness-type areas during previous years. I emphasize, Mr. President, that in the months since the Senate passed S. 174, mining claims have been filed at the rate of 23 per month. Although some of the claims may not be valid, it is estimated the 537 claims filed include about 11,000 acres of wilderness-type domain.

I am disturbed and dismayed by continued erosion of our wilderness heritage and the threats against its existence. Indeed, time may be running out for our once timeless wilderness.

I ask unanimous consent to have printed in the RECORD with my remarks a table prepared by the Forest Service with the estimated number of mining claims filed on national forest lands in wilderness, wild, and primitive areas since September 6, 1961.

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

Estimated number of mining claims filed on national forest lands in wilderness, wild, and primitive areas since Sept. 6, 1961

WILDERNESS AREAS

Name of area	State	Region	Forest	Number of claims	Minerals mentioned by claimant	Validity of claims
Matazal	Arizona	3	Tonto	25	Copper, gold, silver	5 claims may be valid, rest unknown.
Superstition	do	3	do	7	Copper	2 claims may be valid, rest unknown.
Anaconda-Pintlar	Montana	1	Beaverhead, Bitterroot, Deerlodge.	1	Gold, silver, lead, zinc	Unknown.
Gila	New Mexico	3	Gila	50	Tin, tellurium, titanium	Do.
Pecos	do	3	Santa Fe	100	Copper	Do.
Eagle Cap	Oregon	6	Wallowa-Whitman	52	Gold, silver, uranium, platinum, limestone.	5 claims may be valid, rest unknown.
Three Sisters	do	6	Willamette, Deschutes	13	Pumice	9 claims may be valid, rest unknown.
Glacier Peak	Washington	6	Mount Baker, Wenatchee.	30	Limestone, copper	6 claims may be valid, rest unknown.
South Absaroka	Wyoming	2	Shoshone	49	Copper, gold, silver, molybdenum.	All claims may be valid.
Total: 9 wilderness areas.	6 States	4 regions	12 forests	327 claims	13 minerals	76 claims may be valid.

WILD AREAS

Chiricahua	Arizona	3	Coronado	5	Lead, zinc	Unknown.
Hoover	California	4 and 5	Toiyabe, Inyo	4	Gold, tungsten	4 claims may be valid.
Kalmiopsis	Oregon	6	Siskiyou	13	Gold, iron	4 claims may be valid, rest unknown.
Strawberry Mountain	do	6	Malheur	1	Gold	Unknown.
Total: 4 wild areas	3 States	4 regions	5 forests	23 claims	5 minerals	8 claims may be valid.

PRIMITIVE AREAS

High Sierra	California	5	Sierra Inyo	22	Calcite, gold, tungsten	Unknown.
Salmon-Trinity Alps	do	5	Shasta-Trinity	18	Gold	Do.
San Juan	Colorado	2	San Juan	46	Lead, zinc, gold, silver, copper	All claims may be valid.
Wilson Mountain	do	2	San Juan, Uncompahgre	14	do	Do.
Uncompahgre	do	2	Uncompahgre	24	do	Do.
Salmon River Breaks	Idaho	1	Nezperce	2	Gold	Unknown.
Gila	New Mexico	3	Gila	50	Tin, tellurium, titanium	Do.
North Cascade	Washington	6	Mount Baker, Okanogan.	11	Tungsten	Do.
Total: 8 primitive areas.	5 States	5 regions	9 forests	187 claims	10 minerals	84 claims may be valid.

SUMMARY

Type of area	Number of—							
	Areas	States	Regions	Forests	Claims	Minerals	May be valid	Unknown validity
Wilderness	9	6	4	12	327	13	76	251
Wild	4	3	4	5	23	5	8	15
Primitive	8	5	5	9	187	10	84	103
Total	21	[1] 9	[1] 5	[1] 22	537	[1] 16	168	369

[1] Duplications have been eliminated. It is estimated that the 537 claims include about 11,000 acres.

A SHIELD FOR THE SHOPPER—TRUTH IN PACKAGING LEGISLATION NEEDED

Mrs. NEUBERGER. Mr. President, one of the most important pieces of legislation before the Senate in the continuing fight for consumer protection is the truth-in-packaging-and-labeling legislation sponsored by the distinguished junior Senator from Michigan [Mr. HART]. I have joined in sponsoring this significant bill, S. 387.

A most persuasive article by the Senator from Michigan appears in the Progressive magazine, July 1963 issue. This article, entitled "A Shield for the Shopper," points out:

> The simple purpose of the truth-in-packaging measure is to give the consumer the information needed to make a sound, reasonably swift shopping decision and to insure that the package fairly represents the product inside. Fortified with this protection, the consumer would have little to fear from the dart guns of deception.

I commend this article to all of those who are fighting for adequate consumer protection.

The Washington Evening Star in an editorial of July 8, 1963, strongly endorsed the truth-in-packaging bill introduced by the Senator from Michigan. As the Evening Star states that "there is nothing in the bill any honest producer should fear."

I am hopeful that the Senate Antitrust Subcommittee will report favorably this important proposed legislation which will be a milestone in consumer protection.

Mr. President, I ask unanimous consent to have printed in the body of the CONGRESSIONAL RECORD the article by the Senator from Michigan [Mr. HART] together with the editorial, "What Are You Buying?" from the Evening Star.

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

A SHIELD FOR THE SHOPPER

(By Senator PHILIP A. HART, of Michigan)

As I passed by the television set a few nights ago, my eye was caught by the picture of a running antelope trying to escape a pursuing helicopter. "The antelope is a naturally suspicious and wary animal," the narrator was saying smoothly, "and there was a time when he was extremely difficult to capture."

Then the helicopter swooped low, someone shot a dart full of a tranquilizer into the animal's flank, and before long it toppled over on its side to await the net. The show was intended as a tribute to modern efficiency, but somehow my sympathies were with the antelope.

I left the room then, because I was busy studying the high degree of modern efficiency directed at capturing the dollars of the American consumer. The deadline for this article had crept up on me, and I was rereading some testimony that told of the many scientific innovations used by the modern merchandiser. I was as impressed by them as I was by the dart guns used by big game hunters.

The American shopper has grown as wary and suspicious as any antelope, and she has the additional advantage of being generally as intelligent as her pursuers. But slick, new marketing methods are being spawned daily, and most of us find ourselves increasingly vulnerable to an army of motivational researchers and promotion specialists who are quite prepared to swoop down and tranquilize us with misleading information and clever deceptions. Spurred by fierce competition, merchandisers devote weeks and months to polishing their techniques while the average consumer can devote only an occasional hour, often in vain, to digging out the factual information which is her only defense.

The truth-in-packaging bill that I have introduced in the Senate (a companion bill has been presented in the House) is one attempt to put the consumer on a more equal footing with the manufacturer. The bill has only one basic purpose; to allow the shopper the opportunity to make a rational buying choice.

The increasing difficulty of making a rational choice is perhaps best illustrated by the series of exhibits introduced during the lengthy hearings on packaging which I conducted as chairman of a subcommittee of the Senate Commerce Committee. Here on my desk, for example, is a bottle of salad oil—a newly designed bottle with a streamlined figure. Not long ago, this same brand came in a quart container of traditional design—a thick-waisted bottle of the type commonly used for dozens of liquids: beer, cleansers, and soda pop.

Why the change? It seemed the motivational researchers reported to the manufacturer that women associated oil with calories and the thick-waisted bottle subconsciously warned them off lest their own figures follow suit. The designers went to work and the result was the bottle contoured like a shapely woman.

Now for the delicately administered sting. Remember, the old bottle contained a quart. Well, if you can find the printed content on the new bottle (which is not easy), you discover it holds one and one-half pints of oil. It is true that the new bottle costs the shopper a few cents less. But the price per ounce of oil is significantly higher. The new bottle was so successful, incidentally, that most competitors adopted it along with a similarly disguised price increase.

These days, the wary shopper would regard a new, improved package with as much suspicion as a knowledgeable antelope anxiously watching an approaching helicopter. Here is a box of spaghetti. There is a cellophane window at the bottom of the front panel so you can view the wholesome contents. But, turn the box upside down. The window is empty. The box was only half full.

Now take a look at this carton. It held a frozen cherry pie. The picture on the carton shows a single luscious wedge of pie. Along the visible side of the wedge we can count 37 cherries. And how many cherries were inside the entire pie? Forty.

Next, two cans of coffee. Same brand, same size, same shelf. One label is stamped "10 cents off," the other, "15 cents off." "Off what?" seemed the logical question. But since the manufacturer does not control retail price, it was a question that could not be answered. Perhaps the consumer will get a bargain, perhaps he won't. We found some products that have been "cents off" since they went on the market years ago. "Cents off" what regular price? Who knows?

One of our witnesses told of entering a drugstore and asking for a small tube of toothpaste. He was handed one marked "Giant." "That's the smallest we have," said the clerk, smiling a little sheepishly. The next size larger was labeled "Family." After that came "Jumbo."

Or take a box of shredded wheat. The face of the package is 6 inches high and 7½ inches wide. This size box was long a familiar standard on supermarket shelves until one manufacturer came out with a larger container. The larger box is marked "New, improved." Its front panel measures 8¼ inches square. Yet the box holds only 10½ ounces—an ounce and a half less than the old box. That is 18 percent less product in a box 20 percent bigger.

Isolated examples? Not at all. The exhibits were picked up at random in chain supermarkets. Our witnesses pointed out dozens of parallel confusions and absurdities they encountered.

Some of the most telling testimony came unwittingly from a top executive of a major detergent company who appeared with a number of aids to testify against the bill. Paraphrasing, but without damage to essential accuracy, here is what occurred:

At one point the detergent executive was discussing a new box of washing powder that weighed 12¼ ounces and sold for 34 cents. He held the box up to show that the net weight was marked on the front panel.

"The use of fractional ounces," I pointed out, "is one of the consumer complaints we've heard most often. My wife—who is an excellent mathematician—tells me it is very difficult sometimes to compute the cost per ounce of competing products."

The executive answered that this was really no serious problem.

"How much does the soap you have there cost the housewife per ounce?" was the next question.

The executive thought a minute. "Could we come back to that later?" he asked. We pressed him for an answer.

"Well, Mr. Purcell here can answer that," the executive sighed, waving toward an aid.

"I don't have my cost charts with me," offered Mr. Purcell.

Someone suggested that housewives do not often have cost charts available, either. Mr. Purcell bent over his pencil and pad. His chief suggested once again that we come back to the matter later. Mr. Purcell said that he could answer much more swiftly if a conversation had not been going on. By this time, I felt the point had been made, and we went on to something else.

Because we so often talked in terms of pennies here and nickels there, it sometimes seemed that we were dealing with an insignificant portion of the economy. But market basket purchases account for about 21 percent of the average family's budget, and sales of commodities covered by the bill total some $63 billion annually. A family making buying decisions on the basis of rationality, instead of merchandising hoopla, could save $200 to $300 a year.

A truth in packaging law would have another, more subtle, yet perhaps more important effect on the economy. The free enterprise system depends on the theory that the manufacturer who provides the best quality at the best price will be rewarded by success. The theory, in turn, depends on the consumer making wise choices. The manufacturer must make his products known and available while the consumer, voting with his dollars, decides which products will remain on the market and which will not.

Deceptive, confusing, or misleading packaging causes shoppers to make poor choices, harming themselves and the honest manufacturer. Success in business comes to depend more on gimmickry than on value. In fact, honest packaging tends to be driven off the market by slick practices. Time after time, we have seen cases where manufacturers were forced into questionable packaging practices to keep up with some competitor who had found a new way to puff up his package.

The package, after all, is the only salesman a shopper meets in the market these days. Some years ago, the housewife dealt with a grocer who discussed values and then personally filled many of the packages the customer carried home. Cost comparisons were easy because prices were based on honest pounds and whole ounces instead of fractions. Modern supermarkets, on the other hand, don't sell anything. They serve as display depots that are in the business of

renting out shelf space to manufacturers for the highest possible rental—rental that depends on markup and turnover. And because even a momentary lag in sales can sweep a product off the market, any successful packaging gimmick must be swiftly imitated by competitors interested in their own survival. It is in this atmosphere that the housewife must divide twelve and one-fourth ounces into 34 cents while simultaneously worrying about her time expiring on a parking meter, and her two children who just disappeared behind the meat counter.

The supermarket and prepackaged foods originally were designed to save money for consumers through mass marketing. This purpose will be defeated if we do not establish ground rules that will make sense out of the present chaos of packaging practices.

Here are some goals the truth in packaging bill is designed to achieve:

The prohibition of illustrations that deceive the consumer as to content. Chocolate chips, for example, should be as evident in the cookies as they are in the package illustration.

The elimination of "cents-off" claims or "economy-sized" designations. These imply a control over retail price that the manufacturer does not have.

The establishment of standard weights and measures in which certain product lines could be sold. Instead of having competing brands selling in 13½-, 15¼-, and 18½-ounce packages, would it not be easier if they all came in 1-pound containers or multiples of 1 pound? And—in all cases—it would be required that net weight be prominently displayed.

The prevention of the use of packages that might deceive the consumer as to content. In some cases, slack fill is unavoidable, but there seems little excuse for the 4-inch candy bar in the 6-inch cardboard tray, or for that spaghetti box mentioned earlier.

The establishment of serving standards. How much fillet of sole, for example, will serve four? One pound or four forkfuls?

The elimination of meaningless designations such as "jumbo" and "giant half-quart."

The adoption of regulations that would make it difficult for manufacturers to disguise price increases by reducing package content.

The bill has stirred up formidable industry opposition, although a number of manufacturers testified that the bill would be welcome protection against less scrupulous competitors. Arguments against the bill boil down to:

Industry can do the job with self-regulation.

Present labeling laws are adequate.

The bill constitutes undue Government interference.

Unhappily, the history of self-regulation in this field inspires no confidence that it will be more successful in the future. And the evidence is overwhelming that existing laws are wholly inadequate to cope with the present confusion of prepackaged merchandising devices.

The third argument is a venerable one that has been used in vain many times to oppose such other Federal infringements as those provided under the Clayton Antitrust Act, the Securities Exchange Act, and even the Food and Drug Act. The irony, of course, is that all of these laws—once enacted—benefited business as well as the consumer. I am convinced that sensible ground rules will ease many headaches in the packaging business.

The simple purpose of the truth in packaging measure is to give the consumer the information needed to make a sound, reasonable swift shopping decision and to insure that the package fairly represents the product inside. Fortified with this protection, the consumer would have little to fear from the dart guns of deception.

[From the Evening Star, July 8, 1963]

WHAT ARE YOU BUYING?

That feeling of bewilderment and frustration often shared by superstore shoppers is no mere coincidence. To begin with, all are wandering through a labyrinth stocked with some 8,000 items of every shape, size, weight, brand and price from which to choose, as economically as possible, the necessities of food, cosmetics, household items and the like.

It would be taxing enough if each knew, as he reached for a certain product, just what he was paying for in comparison with a competing product. But it can be downright defeating when the thrifty shopper, taking the time to read the fine print, finds himself completely baffled by the unmatching assortment of weights, quantities and sizes offered at a wide variety of prices.

Chances are, he will agree with Senator HART, of Michigan, and the Senate Antitrust Subcommittee of the need for a truth-in-packaging bill to curb deceptive labeling and packaging practices. During hearings the past 2 years the subcommittee has vicariously followed shoppers through a stupefying maze of full quarts which grow into jumbo quarts and finally attain giant imperial quart size. The once respectable pint is no more. It has succumbed to the giant half-quart.

These mirages, however, are innocuous compared with other items which bemused the subcommittee, such as economy-size packages of unproven economic worth, sizes dealing in fractions of ounces and almost impossible to compare as to price with other odd-sized packages, impressive-sized boxes partly filled with air, and oddly shaped containers holding less than they appear to.

The truth-in-packaging bill would standardize the contents of small, medium and large packages, halt the deceptive cents-off-regular-price practice, insist on clearly printed weights and contents prominently displayed on packages and clarify other misleading points such as the number of persons a package will serve.

There is nothing in the bill any honest producer should fear. There is a great deal which will help the homemaker more effectively spend the 20 percent of the family budget used for such purposes. We think that the public is fed up with this kind of treatment and that the full Senate Antitrust Committee should do something about it by favorably reporting the bill this month.

A NATION UNDER GOD

Mr. TALMADGE. Mr. President, the United States was founded on the sound principles of a deep and abiding faith in Almighty God, but recent actions by the Federal judiciary threaten to carry us farther and farther away from these principles.

Unless present trends are reversed, I fear that this country will lose sight of the fact that it, like all nations, is a nation under God, from whom all things flow.

The decision of the Supreme Court banning the reading of the Bible and the saying of the Lord's Prayer from our public schools is beginning to have its impact on the God-fearing men of this Nation.

Dr. Vernon S. Broyles, pastor of the North Avenue Presbyterian Church in Atlanta, Ga., in a sermon to his congregation, was eminently correct in expressing deep concern over the Court's decision. In his message, he feared for the future of any nation which does not side with God and have His help, and if it does not acknowledge that He is the highest authority over all men and their affairs.

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

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

A CHRISTIAN AND POLITICS

(By Dr. Vernon S. Broyles, Jr.)

(Scripture: Mark 12: 13–7)

Politics is the art of government. In our particular country politics is the art of representative government. We are not a democracy. We are a nation committed to representative government, described by Lincoln as "government of the people, by the people and for the people," through representatives whom we elect and in whom we invest power as they meet together. When the Government of this country was set up, about two-thirds of the population of the Original Colonies were from Presbyterian or Reformed background. It is no accident that the governmental structure of the United States follows very closely that of the Presbyterian and Reformed churches.

Religion is the proper acknowledgment of and relationship to God. These two relationships, man's relationship to politics or to the state and his relationship to religion, to God and to the church, have been of necessity, through all of his created life, close. But the relationship has always been an uneasy one. It has been an uneasy relationship because of the sinfulness of man, because of man's self-assertion, because of man's pride. It has been an uneasy relationship because the church, very often as the human organization of man's relationship to God, has at times pretended to take the place of God and to demand the same allegiance as God demands and has demanded that that allegiance be over and above the allegiance of a man to the state. The church has become an idol and made the relationship difficult. That, however, does not exist in many parts of the world today. The Roman church theoretically makes the claim but practically is getting farther from it all the time. At any rate it is not a present problem in our own land.

On the other hand, the tension has been there always because the state, in the pride of man's sin, has always found it difficult to come to terms with God. Now this was true in Jesus' day. In those last days when they were seeking finally to entrap Him, as part of the web in which they would entrap Him they brought up this tension between church and state, between Caesar and Jewry, between politics and God. They came to Him and they asked, "Is it lawful to pay taxes?" Well, it was an interesting combination that came, the Herodians and the Pharisees. When men decide against God it always makes strange allies. It's happening today in our struggle. Here were the Herodians who hated anything that kept a man from being loyal to the state. They had no idea at all of any obligation to God that was not subservient to the state. On the other hand, here were the Pharisees who opposed the Roman state and who would do anything they could to put the loyalty of a man to God and the Jewish faith above his loyalty to Rome. So Jesus was put in the middle. In His answer, "Render unto Caesar the things that are Caesar's and unto God the things that are God's," He said certain things.

There are many who feel that He said that the state was an independent area. We have always had that. We have that today. This idea that the state, that politics, can be carried on outside of God and of our respon-

sibility to God. Frederick the Great, of Prussia, was reported to have said that "Salvation is of God and everything else in my affair." The Archbishop of Canterbury, the Archbishop Temple, who died during the last war, was one of the great leaders of the church. He was constantly pressing the people of Britain to see that God belonged in the center of their lives. He got on the nerves of a good many of the politicians. A Mr. Lowe, who was a distinguished cartoonist, had in one of the British publications a cartoon that showed Colonel Blimp, representing the British people, standing barring the gate to a field to Archbishop Temple. The field represented the British public life, British Government. Colonel Blimp was saying to the archbishop as he tried to go through the gate, "Hey there. You're trespassing. This is private property." We have it in our day. You are always hearing people saying that they wish the church would stop talking about politics and about race and business and preach the Gospel. There is no gospel, except that which touches all of life. That is what Jesus was saying there. Jesus never let it be thought for a minute that anything was outside of man's responsibility to God. The state has only such power as God gives it. You remember when He stood before Pilate? He was a beaten and bound prisoner. He stood before the throne of a Roman official, representing the empire. Calmly He said, "Thou couldst have no power at all over Me, unless it had been given thee from above." Everything and every part of human life is under the judgment and of the mercy of God.

This is the story of Scripture. I think Christians are going to have to start reading the Bible again. Either that or you are going to have your mind made up by the latest fad of the newest leader. I am not talking about reading just a few verses here and a few verses there. I am talking about reading it until you understand the sweep of it. Until you understand what it is all about. When we talk about God, in the Christian faith, we are talking about the God of Jesus Christ. If you will read this Book it sets forth from beginning to end that all of life, every human individual, every human association of individuals, is under the judgment and mercy of God. By God we mean the God of Jesus Christ, the God revealed in our Bible. That is all we know about God. All the ideas that men bring to us about God outside of that, are simply wrong. They are the foolishness of human wisdom. Now we as Christians need to get narrow about that. We need never be narrow in our sympathies, but insofar as our convictions are concerned, they are rooted to a Revelation. No man has any right to talk about God outside that Revelation. Read it. The whole sweep of it. Read Isaiah, Jeremiah, and Ezekiel. Listen to them call the roll of the nations to the throne of God. Listen to the nations found responsible for their relationship to God, for their conduct before God. Listen to them as God says, "Now shall they know that I am God," as they come to judgment because they have failed to know and to obey God. Hosea, Amos. Amos says, "Has evil befallen any city unless God has done it." God is in control of the affairs of men and of nations. By Him nations rise and fall. They live and move and have their being under God. That is what Scripture says. Jesus here as I quoted, saying to Pilate, "Thou could have no power at all except it were given thee from above." Peter, standing before the authorities of his day and saying, "Whether it is right in the sight of God to obey man rather than God, judge you." Paul moving about the empire and claiming everything for Christ.

It has been the story of the Christian faith. Martin Luther broke the world wide open by standing before the emperor of the Holy Roman Empire and the representatives of the papacy which was then a great secular power and refusing to compromise, saying, "Here I stand. I can do no other." Martin Niemoeller, still living, spent 6 years in a concentration camp because he would not compromise with Adolph Hitler, who demanded that he admit that the authority of the state was greater than the authority of God. That is not as theoretical a question today as it was 6 weeks ago. These great religious questions in America that we have considered to be so theoretical that they never would touch us are beginning to crowd us. It means that every nation today and every part of every nation stands under God. It means that Russia is at the judgment bar of God. Russia is not going to fail or fall because of her economic system. Russia is going to fail and fall because they have denied God.

You see, if God exists, it's an entirely different thing than if we are just theorizing about religion. But suppose God does exist as we say we believe He does. Suppose He is the life of all that lives. Suppose in Him every human institution lives and moves and has its being because human beings do. Suppose that to be true. Suppose by the very nature of God, the worship and acknowledgement of God and obedience to Him is absolutely necessary. Suppose you can no more be neutral about God then you can be neutral about breathing. Suppose that it is just as natural for God to be in the center of life as it is for breath to be in the center of the body that lives. These things being true, then no human institution and no human being can live and prosper outside of the proper acknowledgement of and relationship to God. That is true of England and of France and of everything in England and France. It is equally true of America.

Now we are hearing today that in America we have developed something new and, therefore, we need a new approach. We are told today, and this is the word you hear more and more, that we in America have developed a pluralistic society. Now the only thing that you can possibly mean in the final analysis about a pluralistic society is that we have developed a society that has a pantheon of gods. No longer do we have one God. Today we have a household of gods and you must be careful about pushing one god, because you will offend another god. If you put one god ahead of the other the second god will get jealous and in the interests of human rights, in the interests of individual rights, you cannot afford to offend one of the lesser deities. The god of the Jew—incomplete. The god of Buddha, the god of the Moslem, the god of the person whose god is the idol of his own self-pride. The idols of Bacchus. The idols of pleasure. The idols of profit. Whatever may be the god, no longer can you offend the god because we live in what one of the religious writers of our land called "our rich, pluralistic heritage."

So it is that we are told today that no longer can we acknowledge God in our public institutions. It has taken us 187 years to come to this point. The people who are pushing it are not really interested in individual freedom, they are interested only in getting rid of God. Already in Los Angeles this past week a suit was filed by the American Civil Liberties Union to have declared unconstitutional the inclusion of the words "under God" in the Pledge of Allegiance. They have set themselves to erase God from the public institutions. I say, it has taken 187 years to come to that point. It never has been that way. It is not an accident that at the heart of the official documents of this land, its Constitution, its Bill of Rights, there is the assumption that they flow from God. The Congress of the United States opens both of its Houses every day with prayer to an eternal God. Some say these things become rote and they do not help. It is not a question as to whether they become rote or not. If they become rote with the people then the problem is with the people for whom they become rote. But they are an acknowledgement that there is above this Nation One whose authority exceeds it, and that is God. The public school system of this country would not know how to operate without prayer in most of its life and it is not an accident. In this most important thing that a state does, woe betide it if it does not have God's help, if it does not act under the acknowledgement of God as the center of it. The authority of the courts of this land is founded upon the Word of God. The President has taken his oath upon the Word of God.

Where do you stop this attack on the acknowledgment of God? And after you have stopped, what happens? Our Supreme Court has carried us a long way along a road, where I believe if we do not in some way turn back, we have reached the beginning of an end. Yes, the home and the church can still teach religion, but that is not the question. If the nation is still not under God, then the home and the church will never be able to overcome the influence of that negative stand.

Well, they tell us, that they will always teach morality. Our educators say, "Well, we are going to teach integrity, character, human rights, individual freedom. We are going to teach character." What kind of character? The answer is, "Christian character." You cannot teach Christian character. Christian character is not taught. Christian character is the molding hand of the spirit of the living God upon the hands and hearts of those who acknowledge Him in worship. You cannot have the fruit without the tree.

You do not even have any definition of "character" until you know what a man worships. A man develops the kind of character of the God he worships. If you are more interested in the image that people have of you, in what people think of you; if you are more interested in conforming to the patterns of the groups to which you belong, business, social, or political, than you are in God, then you develop a certain kind of character. You will do things that you know are wrong as followers of Christ as God. You will do things because the group demands it. Your god has become the group. Your character is determined by the kind of God you worship. You may be a church person. There are people everywhere who are church people and yet their ethics are determined by the groups in which they move and by the political and business atmospheres of their lives. Their decisions are made by the idols they worship.

The Communist has a certain type character. If you believe that the state is supreme, then the Communist is right when he says that you have no personal rights. If you violate the state the Communist is right in lining you up against a wall and shooting you. You do not have any personal rights. The idea of personal integrity, of personal freedom, is a direct fruit of the Christian faith and it does not exist in this world where that faith has not been a predominant influence. The very ideas of right and wrong, that have become a part of our Western culture, are a result of this faith of ours in the God of Jesus Christ. You cannot bow Him out and still have them.

Already we have bowed Him out to a large extent and the results are there for everyone to read. One of the most interesting commentaries on the moral level of America is the popularity in its beginning of this film "Cleopatra." Its principal actors have in every way opened to them apparently violated the established moral code that we have accepted as good and yet people cannot wait to see them in action. People

just cannot wait to put millions of dollars in their hands. How that can be justified I fail to see. Men and women are allowed to be honored whose writings are the dredging up of the gutters of the human mind. We call them great adventures in literature. As Paul said in the first chapter of Romans, "We not only do these evil things, we have pleasure in them that do."

This is not something that a preacher is going to change overnight. I simply call your attention to them. I do not expect to change a thing, but I simply call your attention to them so that when you see the crowds in line and see the books on the best-seller list, you can just note those things that are going to make almost inevitable the breaking down of this land which for so long a time has been the great bulwark of the whole world.

That is why this decision of the Supreme Court bothers me. It almost terrifies me, because it is a taking out of the center of life the only thing that has ever supported the center of life, whether it be an individual or whether it be an institution. It is not a question in America of some official church trying to dominate government. We do not have that just now. There can be no possible understanding of the thing in that regard. It is a long step toward making this land of ours what at least for 187 years it has never been. The fruits of what we are doing we shall reap in the future, and I really hope they will be better than some fear.

Now in the middle of it all is the church. I grant you there is vast disagreement in many of these things among those who are a part of the church. I think each must express that which is the conviction of his own heart. But regardless of whatever position in this particular matter a person may hold, there is one thing sure: the voice of the church calling men to put God in the center of life is the only support the Nation has against the demands of the state for the absolute surrender of the human being. "Unless men are ruled by God," Benjamin Franklin said, "they will be ruled by tyranny." It is only the Church of Christ, those who have been willing to stand against the demands of the state, that have ever pushed back in any day of testing, the totalitarian efforts of politics. They are rampant all over our world. They are moving in this land of ours encroaching little by little. Only one voice can finally keep us free, the voice of the church. That was true in Germany against Hitler. Everybody else capitulated, only the church did not.

I wonder, really, if you are interested in the future, in a kind of future where God can grant still to men his bounty, if there is anything that you can do that possibly will be as important as the undergirding of your church. I have not much confidence in the concerns of men about these things that are vital, who are not willing to support the church. Not only this church, some church. There is perhaps nothing in the world today as important as your worship, the opening of the door of your heart to the coming in of God and then going out of the church and being willing to stand, not just by word, but by deed, where you live, where you work and where you play; being willing to stand wherever you are and say by your life, as well as by your word, the words of our creed, "I believe in God."

AREA REDEVELOPMENT

Mr. EDMONDSON. Mr. President, although the Area Redevelopment Act's extension has been approved by the Senate by a wide margin, I want to call the attention of Members of the Congress to some significant information on this program.

In reply to a Washington Post editorial, Mr. William L. Batt, Jr., ARA Administrator, has outlined some of the accomplishments of the program in a letter to the editor of that newspaper.

I have been dealing with Mr. Batt since I served as Governor of Oklahoma and have found him capable and tireless in his efforts to carry out the wishes of the Congress as subscribed in the act creating the ARA.

ARA projects have received bipartisan support in Oklahoma and are beginning to bring hundreds of vitally needed new jobs to our State.

I ask unanimous consent that Mr. Batt's letter be printed in the RECORD and I commend it to my colleagues in the Congress.

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

ON AREA REDEVELOPMENT

Several points raised in your editorial of June 16, require further explanation.

A disturbing note is the implication that the defeat of the administration-proposed Area Redevelopment Act was somehow not very important. On the contrary, the defeat was a stunning blow to the hopes and expectations of thousands of American families living in redevelopment areas who had seen for the first time a glimmer of hope after years of living with economic stagnation. The additional authorizations would have meant 250,000 new jobs in the hardest hit areas. As President Kennedy said in his statement on June 13, "The tragic defeat of area redevelopment legislation could not have come at a worse time."

The testimony at the hearings before the House Banking and Currency Committee would support this opinion. Witness after witness from individual States and local communities—businessmen, bankers, public officials, labor representatives—all testified on the accomplishments of the program to date.

This testimony was impressive enough to vote out the bill with bipartisan support. Among those representatives who know area redevelopment best, the vote was pro-ARA by 17 to 5. The Senate Banking and Currency Committee voted 10 to 5 in favor.

Over 67,000 people are getting jobs because of the projects which have already been approved under this program. Community leaders in 516 distressed areas are looking forward to new business payrolls created by the ARA program. These people and their families would hardly agree with your conclusion that the "wisdom of establishing this program in 1961 is open to serious doubt" in view of the fact that it is more important to "promote a higher level of aggregate activity and a higher rate of overall growth."

There is no question that the area redevelopment job will be easier when the general economy is growing more rapidly, but this does not mean that the job is impossible or ineffective when the general economy is not growing as rapidly as we would like. The plain fact of the matter is—as the hearings in the House and Senate proved—that ARA has received more eligible, job-creating projects than it can approve under present authorizations.

ARA experience to date has proved that:

Federal financial assistance for local economic development projects can spur local economic planning and action and can result in new jobs and higher incomes for area residents;

The demand for Federal financial assistance for new or expanding businesses in redevelopment areas which would result in approvable job-creating projects far exceeds the amounts authorized in the original Area Redevelopment Act;

Jobs can be created at an average Federal investment per job of less than $3,000, and this amply justifies Federal financial assistance;

The return to the Federal Government from investments in new job-creating projects comes in the form of increased taxes on profits of the entrepreneurs and the wages of the workers, as well as in the form of reduced unemployment compensation and welfare payments, and far exceeds the Federal investment. Most of the $375 million will be returned with interest;

Whatever the impact on total national unemployment, the 67,000 direct and indirect new jobs so far created by ARA make a respectable dent in the total number of unemployed in redevelopment areas, and the program would still be increasing in scope if the necessary additional authorizations were granted. In fact, the additional authorizations would mean 250,000 new jobs in the hardest hit areas.

One cannot help but conclude that whether the economy is growing satisfactorily or not, area redevelopment can pay for itself, can relieve misery, and can contribute to national growth. The defeat of the proposed amendments was a major economic setback, and the Nation will be well served if Congress reverses the House.

WILLIAM L. BATT, Jr.,
Administrator, Area Redevelopment Administration, Washington.

TULSA TEACHER WINS STATE BIOLOGY AWARD

Mr. EDMONDSON. Mr. President, I am particularly pleased to call attention to the fact that Otis Autry, head of the science department at Booker T. Washington High School in Tulsa, Okla., has been named the "Outstanding Oklahoma Biology Teacher for 1963."

As a member of the Senate Aeronautical and Space Sciences Committee, I have come to have a greater appreciation of the efforts of our high school science teachers. The enthusiasm and interest they are able to instill in our young people in America will certainly determine to a large extent what place our Nation holds in scientific development in this crucial decade of space exploration.

I congratulate Mr. Autry on this recognition and ask unanimous consent that the news story telling of this award which appeared in the Oklahoma City Times, be printed in the RECORD.

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

[From the Oklahoma City (Okla.) Times, May 14, 1963]

TULSA TEACHER WINS STATE BIOLOGY AWARD

STILLWATER.—The "Outstanding Oklahoma Biology Teacher" of 1963 is Otis Autry, head of the science department at Tulsa Booker T. Washington High School, State Selection Director L. P. Richardson of Oklahoma State University announced Thursday.

Autry was chosen from among 10 finalists in the annual competition sponsored by the National Association of Biology Teachers.

Governor Bellmon will present the award in a special 15-minute ceremony at 10:30 a.m. Tuesday, May 21, in the Blue Room of the State Capitol building.

Autry also will receive a plaque from Oklahoma industry in recognition of the honor.

Runner-up for the coveted award was Clyde E. Butler of U. S. Grant High School, Oklahoma City. Honorable mention went to Donald W. Hastings, Tulsa Edison; John

M. Paden, Oklahoma City Northwest Classen, and John Sanford Shed, Seminole High School.

Dr. Richardson, OSU microbiologist, said the committee chose Autry for several reasons.

"He has kept abreast of the latest developments in his field by taking advanced work for the past several summers at various universities," Richardson said.

"He has had experience with all three versions of the BSCS (biological science curriculum study) curriculum, and his enthusiasm for this work has been contagious, resulting in improvement in his classes and serving to stimulate others."

Richardson said Autry's "untiring efforts at self-improvement and accomplishments in upgrading the biology curriculum in the high school serve as worthy examples for biology teachers everywhere."

Autry, a native of Beggs, graduated magna cum laude from Langston University in biology in 1950 and received an MS degree in natural science from Oklahoma State in 1959. He also has done graduate work at Purdue, Oklahoma and Tulsa universities.

An Army veteran of the European theater, Autry taught at Douglass High School, Bartlesville, for 6 years and has been at Tulsa Washington 5 years. He is married and the father of three children.

FEDERAL AID TO SEGREGATION AND DISCRIMINATION

Mr. JAVITS. Mr. President, last week, on July 2, I took some time to spread on the RECORD the detailed questions I had posed, along with the Senator from Michigan [Mr. HART], to various Federal agencies and Departments about the use of Federal funds to support or assist programs which were being run on a segregated or discriminatory basis. In this connection I should like to call to my colleagues' attention an article in last week's Reporter magazine which under the title "The Role of the Civil Rights Commission" explores in some depth this most pernicious problem of Federal aid involvement in racial discrimination and what can be done about it. The answers I have so far received to my inquiries to the executive branch indicate how much can be done even without further legislation on the use of Federal funds, just as the U.S. Civil Rights Commission has on several occasions already recommended.

I ask unanimous consent that the article be printed as a part of my remarks in the RECORD.

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

THE ROLE OF THE CIVIL RIGHTS COMMISSION

(By Barbara Carter)

On April 17, a surprising story appeared in the New York Times. "President Urged To Cut Off Funds for Mississippi," the headlines read. "Action To Halt 'Breakdown of Law and Order' Urged by Civil Rights Commission."

The President immediately took issue with the idea. "I don't have the power to cut off the aid in a general way," he argued, "and I think it would probably be unwise to give the President of the United States that kind of power." Officially rebuked, the Commission turned to face the mounting protest to its suggestion in the days that followed with as much dignity as it could muster. Criticism, of course, from Mississippi was to be expected. "Meddling of busybodies," said Senator STENNIS. "Most monstrous libel," said Senator EASTLAND. "The motel crowd," was the touch added by Congressman JOHN BELL WILLIAMS.

Throughout the country the press competed for substitutes for "silly," "absurd" and "shocking." "Tub-Thumpers," came from the Casper (Wyo.) Tribune & Star, "Fascistic Civil Righters," from the Richmond (Va.) Times-Dispatch, and "Woodshed Punishment," from the Los Angeles Herald-Examiner. Hodding Carter noted ungraciously that "some smart aleck who didn't know what he was talking about was behind that." And the Jackson Clarion-Ledger and Daily News took space to commend the vast majority of the Nation's press on what may very well have been its first occasion to do so on the matter of civil rights.

The proposal was not altogether without support, however, Roy Wilkins of the NAACP pointed out that his organization and 35 others "heartily" endorsed it (they had, in fact, made a similar recommendation 2 years earlier), and several Senators, including Republicans KENNETH KEATING and JACOB JAVITS of New York and Democrat PHILIP HART of Michigan, announced that they were either preparing legislation or asking for Executive action to further the idea.

But most seemed to agree with James Reston of the Times that "Mississippi needs help, not Federal fund ban," and many supported his argument that the State should be treated like an underdeveloped country and given development grants and technical assistance and a "cataract of teachers, technicians, and industrialists."

Reston's suggestion echoed an earlier one by the Civil Rights Commission itself. In a 1961 study of 21 southern black-belt counties, the Commission had found that segregation was just as much a fact of life where Negroes voted as it was where they did not; though the few counties where Negroes could vote were for the most part better off economically, voting alone brought "few meaningful differences." The Commission suggested then that the key to voting rights and better race relations might be economic progress. It recommended at that time more agricultural aid to the black-belt areas undergoing change, more Small Business Administration loans to help diversify their economy, and more assistance in training and relocating farm families—all to "promote the kind of economic climate that encourages better race relations." Thus the Commission's newest proposal seemed to contradict its own earlier suggestions.

MISREPORTED AND MISUNDERSTOOD

It turns out, however, that the Civil Rights Commission had never meant to suggest that all Federal funds be withdrawn from Mississippi, or that any funds going to individuals such as social security or welfare payments should be cut off. "We were misreported," Berl Bernhard, the Commission's staff director, told me. "Even our friends misunderstood."

"If we had just underlined the words 'consider' and 'explore,' " one of the commissioners said, pointing out the difficulties involved in drafting a statement by "six people widely separated geographically" who didn't always agree. Three of the Commissioners, Robert G. Storey of Southern Methodist, Robert S. Rankin of Duke, and Spottswood W. Robinson III of Howard, a Negro, are from the South. The remaining three, Erwin N. Griswold of Harvard, the Reverend Theodore M. Hesburgh of Notre Dame, and the Commission's chairman, John A. Hannah of Michigan State, are from the East or Middle West.

But even with underlining, it is easy to see how the report could have been misinterpreted. For while it did suggest that the President only "explore" his legal authority, it was his authority "to withhold funds" until the State "demonstrates its compliance with the Constitution" that was to be explored. And while it asked Congress and the President only to "consider" whether legislation was appropriate "to assure that Federal funds contributed by citizens of all States not be made available to any State which continues to refuse to abide by the Constitution," it seemed almost to give more importance to where the money came from than to how it was used. This, coupled with the flat statement that Mississippi received more than $650 million a year from the Government, a figure that included social security payments, veterans' benefits, and military pay, certainly sounded as if all Federal funds were to be withheld—withheld, moreover, for an indefinite time. Who could determine when Mississippi had fully complied with the Constitution in every respect?

Yet, in all fairness, it must be said that nowhere did the report specifically recommend that all or any Federal funds to the State be immediately cut off. Three times before, however, in its 6-year life, the fact-finding agency had quietly recommended withholding funds in specific programs—library services, research grants, and half the aid to education—until some compliance was reached, without causing a nationwide protest.

"The report was not intended to be punitive," Bernhard explained. "After all, the Commissioners are intelligent and sensitive men, and aware of the limitations to the President's power." What they had in mind was a program-by-program review of Federal money going to the State, particularly grants-in-aid and matching funds, to make sure that Federal money was not being used to foster or encourage discrimination. Such a review would provide a "leverage for bargaining," which in turn might "stimulate the business community to cooperate." The Federal Government could also exercise discretion on where to locate new projects, and thus get "a minimum agreement on how a State will treat its citizens." The bargaining would be handled quietly; and even in situations where there was no compliance, "cutting off funds in grant programs would be the ultimate sanction." As an example of what was meant, Bernhard told of the success in getting a new Veterans' Administration hospital to open in Jackson on a partially desegregated basis several years ago because the Federal Government had insisted then that its funds could not be used to help out otherwise.

Unlike other reports prepared by the Commission, this one had to be brought together in a hurry, and was as much the result of irritation with the Attorney General as with events in Mississippi. Understandably, its quality was somewhat different from that of the Commission's usual lengthy reports. In October 1962, the Commission had scheduled hearings to be held in the State, but by December it had been forced three times to postpone them at the request of Robert Kennedy. The hearings were to be on a broad scale, covering discrimination in voting rights, discrimination in the schools, economic reprisals against Negroes, and the impact of various Federal programs in the State. But the Attorney General felt that the "timing" was bad. Criminal-contempt proceedings were pending against Gov. Ross Barnett, just to cite one case, and the Commission reluctantly agreed that hearings might prejudice or hamper the work of the Justice Department in the State.

But on March 21, when the President was asked in a news conference if he felt the Mississippi hearings should be delayed any longer, he answered "No," and went on to say: "any time, any hearing that they feel advances the cause or meets their responsibility which has been entrusted to them by the law, then they should go ahead and hold it." Several of the Commissioners felt that the green light had at last been given. But

before setting a date, the careful staff director checked first with the Justice Department. "I continue to hold the view," Robert Kennedy replied stiffly in a letter on March 26, "that a public hearing in Mississippi by the Civil Rights Commission would not be appropriate."

"This the Commission took very hard," Commissioner Griswold said later in his office at Harvard Law School. "We had to get the responsibility for not having the hearings back to the administration, where it belonged." At the time, Dean Griswold explained, "A great many very bad things were happening in Mississippi and the Government was not doing anything appreciable about it. People were being shot at, the home of one of our State advisory committee members was bombed, another member had been jailed, and so on. We got the usual statements, 'We're looking into it,' but nothing was done. After the President made his TV speech during the crises at Oxford, he seemed to wash his hands of the matter."

Two days after the Attorney General forbade them, as Dean Griswold put it, to hold the hearings, the commissioners attended a 2-day hearing in Indianapolis, and there immediately drafted their report. Dean Griswold himself was not present but was called on the telephone, and the report was circulated for polishing and checking. When it was issued, less than 3 weeks later, it quoted from the Attorney General's letter of refusal after first setting forth the alarming account of citizens being "shot, set upon by vicious dogs, beaten and otherwise terrorized. * * * Even children, at the brink of starvation * * * deprived of assistance." The Attorney General's finding that the time was "not appropriate" for a hearing seemed inadequate indeed.

IS JUSTICE BLIND?

To the Commission it looked as if the Justice Department was concerned only with voting rights, to the exclusion of other equally important areas, and that its Civil Rights Division was solely intent on pushing its attack, case by case, with maddening slowness, through a bumpy terrain defended by southern judges. Moreover, it seemed that Robert Kennedy was jealous of his domain in the field of civil rights, and overconcerned that credit should go not only where it was due but where it would do the most good for the administration. The Commission, after all, is an independent agency, and was set up in 1957 under Eisenhower.

"I would like it," Dean Griswold said, "if greater cooperation could be developed between us. We're both on the same team. We can do some things they can't do. At times, there is a sense of competition, a fear that we'll interfere, or maybe that we'll get some credit. I'm not interested in credit, or in competition."

"Time after time," one of the Commission's staff said, "I find myself defending the Department of Justice. Of course, they have valid reasons for their actions. And I must say, whenever I run across the Department of Justice personnel in the field, I am damned impressed. But, with all kinds of compassion, I'd say, 'Be a little braver, boys'." Words such as "overprotective," "hypersensitive," and even "patriarchal" were used by Commission staff members in analyzing the Department of Justice.

In the lower echelons of the Justice Department, rather unkind things can also be heard about the Civil Rights Commission. "Don't quote me," I was told, "but they've outlived their mandate. They've got all the facts they set out to collect, and they don't know what to do next to keep in business." But Deputy Attorney General Nicholas Katzenbach's comments about the Commission are not so blunt. "They're very unhappy over there," he said sympathetically. "They say things are not going fast enough, and maybe they're right. Things had better be solved, and relatively fast. But it's a difficult process to speed up, particularly in Mississippi. In other places, we've been making progress remarkably fast, and peacefully." He had seen the Commission's latest report, even before it was issued. "No, we didn't try to stop it. I did make suggestions, however. I said it used too many plurals." He referred to the part about citizens being shot and ministers being assaulted. "Often they just had 2 examples, but it sounded like 30 a day. The problem is real," Katzenbach continued. "The events did occur, and I don't want to minimize their seriousness, but the Commission overdramatizes. It's better to be specific.

"Their approach is somewhat of a do-it-or-else approach. It's not calculated to induce cooperation." In contrast, the Justice Department "tries to work quietly with people behind the scenes and head off situations. Time and again we've had success precisely because we haven't got publicity. Birmingham illustrates the difference. We don't point out, 'This mayor here has reformed now.' And we get results, although listing them in detail would put the finger on people. We've had quite a bit of luck in avoiding lawsuits, and it's an even chance now that the registrars will turn over their voting records on request and will start registering Negroes."

While the commission would not deny the value of the quiet approach, it might ask if the Justice Department's behind-the-scenes approach has not on occasion been used to cover up omissions as well as get results. The Civil Rights Division is woefully understaffed, and it is understandable how some cases could languish in the files. This situation obviously tends to create friction and breed suspicion.

On certain points, the Department and the Commission are simply in open disagreement. One is the value of hearings in Mississippi. Katzenbach, though "not really opposed," felt that "hearings are most effective where they can reasonably be calculated to make decent citizens aware of things and want to do something about them. I'm not sure," he said, "that the decent elements are sufficiently organized in Mississippi to do that." The Commission's work, he felt, would only be regarded with hostility and mistrust. And undoubtedly he felt that the Justice Department's work in Mississippi was far more important than any hearing and that matters of timing should be subservient to it. The Commission, on the other hand, did think its hearings would be of some value, and reasoned, too, that they might relieve the Justice Department of some of the onus of initiating action. The facts would be presented publicly and the Department would then seem to be forced to act.

Another point concerns suits brought against police brutality. "Why don't they bring more?" one of the Commission's staff complained. "It seems they only bring a case when they're sure of winning."

"Sure we're reluctant to lose," Katzenbach agreed. "We do bring cases against police brutality, but we have to convict. They're very difficult to prove. Suppose you lost 30 suits. It wouldn't cut down police brutality, and it would give it license."

"Still, they ought to bring more," replied a Commission staff member. "It would demonstrate the inability to meet the need at the present time, and the need for different legislation."

AT ODDS WITH THE PRESIDENT

Where the Commission would like the Justice Department to move over and give it a little more room to operate in Mississippi, its argument with the President is just the opposite. The President, it appeared, moved only "situation by situation," as he said in his May 9 press conference, and, in pressing a balky Congress for new legislation, ignored his own powers to make effective his previous Executive orders in housing and employment or to issue new ones. The Commission would be happier, it seemed, if the President were more involved than his brother. Though encouraged by the President's recent vigorous actions in the field of civil rights ("commendable" and "forthright" were Dean Griswold's adjectives), the Commission feels the President can still do more, particularly in Mississippi. "When Kennedy dismissed our report," Dean Griswold remarked, "he said he had no powers, which wasn't accurate. Moreover, it creates a negative atmosphere and encourages people not to comply."

What the President actually said, however, was that he had no power to summarily cut off all Federal funds to Mississippi, which is true. But in the same news conference he said, "We shall continue not to expend Federal funds in such a way as to encourage discrimination," which is not true. And not true particularly in Mississippi, which gets more Federal benefits than any other State, if the large defense expenditures in Nevada and New Mexico are not counted.

Clyde Ferguson, the Commission's general counsel, has been conducting an intensive study of Federal funds in Mississippi since last July. "We approached Mississippi," he said, "as if it were pitted against the Federal Government, but the most striking thing we found was the presence of the Federal Government, in its aid programs and other activities, throughout the State." Here are some of the things the Commission was interested in:

The school lunch program, supported by Federal funds, is in certain areas apparently administered on a discriminatory basis. In some counties where the Negro schoolchildren outnumber the white, a far greater proportion of the white children receive free school lunches.

The Federal Government spends an annual total of $91 million for 17,000 Federal employees in the State. Yet of the 3,800 Post Office employees in the State only 134 were Negro, and of these only 3, who worked in all-Negro post offices, earned more than $4,600 a year. Investigation of other Federal services would probably reveal comparable figures.

Research grants from the Department of Health, Education, and Welfare, and the Department of Agriculture are given only to white institutions in the State.

The Federal Government gives nearly $200,000 annually in matching funds for public libraries in Mississippi. Though the Library Service Act of 1956 requires that libraries getting aid must make their services "available to all residents" and specifically empowers the Commissioner of Education to withhold funds where there is "failure to comply," libraries in the State are segregated, and facilities for Negroes are either nonexistent or decidedly inferior.

Federal training programs under the Manpower Development and Training Act have been operated on a segregated and unequal basis. Two of the three training centers in the State were for whites only. Negroes were offered training only as woodworking-machine operators, while the whites were offered a number of courses in skilled trades.

Money from the Public Health Service was granted and funds from the Office of Vocational Rehabilitation have been approved for the new Convalescent and Rehabilitation Center for the mentally retarded at Ellisville. The facility there is not open to Negroes.

The Federal Aviation Agency granted $2,180,000 for the construction of a jet airport in Jackson, undeterred by the fact that separate eating and restroom facilities are part of the plan.

"Why in the world Federal money should be spent on such a building," Dean Griswold said, referring to the plans for the jet airport, "is more than I can understand. The

President has since assured us that it will not be segregated, but why should we pay for the symbolism of going ahead on that basis?

"The purport and thrust of our report," Dean Griswold continued, "was that Federal money bolsters and encourages segregation, and that the President and Congress should explore their power to prevent it." If the Commission's report were to have this effect, then perhaps it will deserve praise after all. Certainly one way to start a change in Mississippi would be to begin at the beginning and make sure at least that the Government's own programs are not discriminatory. As the President said, "I don't think that we should extend Federal programs in a way which encourages or really permits discrimination. That's very clear."

A NEED FOR RESOURCEFULNESS

It may require more finesse to win cooperation with new programs in the State. "This moon-rocket thing," Dean Griswold explained, referring to the National Aeronautics and Space Administration's plans to build a $400 million moon-rocket engine test center in Mississippi. "If scientists tell us that there is a site in Mississippi superior to any site available, well, there's not much we can do. But if five sites, equally good, are available, then I think it's entirely in order for the President to select a different site. It isn't just punishment, but everybody knows how Mississippi discriminates. We wouldn't be able to employ any Negro carpenters or bricklayers, since none are in the unions there." He agreed that changing the site wouldn't help the Negroes any, but added that it wouldn't harm them either. His point was confirmed by a former member of the Justice Department's Civil Rights Division who recently said: "I know well, for example, one Mississippi county where in the last decade seven industrial plants have been established. Not a single one of these factories employs a Negro."

The Commission's general counsel noted that the retraining program fiasco a year and a half ago provided another example of the difficulties involved in increasing technical aid to the State. At that time, a program to train 1,200 farmhands to drive tractors was about to be launched, and $435,000 of Federal money had been provided under the Area Redevelopment Act. Only a few days before the program was opened, however, the Delta planters who had drawn up the plan withdrew, and the whole thing was canceled. Though the training was desperately needed, the planters had had second thoughts about the advisability of accepting Federal funds. Fear of upsetting the racial status quo was the predominating motive, but there were also vague fears that the program would bring in a minimum wage or minimum housing standards in some unexplained way.

Reaching Mississippians and informing them of what can be expected as a result of Federal aid and what Federal aid can do will take a good measure of resourcefulness. Unfortunately, the newspapers in the State cannot be counted on to give constructive information about aid programs. When the Commission issued its recent recommendations on Mississippi, for example, the editor of the Jackson Daily News itemized the funds he thought the President had been asked to cut off, and found on his list a million dollars in redevelopment programs. "We're not clear on this fund," he wrote, "but we'll make a deal. Mississippi will give it up if the Federal Government will abolish the equally expensive Civil Rights Commission."

Whether the editor will ever get "clear" on redevelopment programs is difficult to say, but it is pretty sure he won't get his wish about the Commission's demise. Although its term expires this fall, the President has asked that its life be extended for at least 4 years.

The Commission would be the first to agree with the crack about its having "got all the facts it set out to collect," but not about its not knowing what to do next. "If factfinding were to continue to be the only function of the Commission," one of its recent memorandums stated, "it might be preferable for the agency to be terminated." Instead, the time has come for action. "In many areas of Federal programs, the problem has not been the absence of policy so much as difficulties in implementing adequately existing rules and regulations requiring nondiscrimination."

Who should advise the Government on "administrative techniques" that would carry out its presently ineffective regulations regarding nondiscrimination, and who should take on the broader role of guiding communities toward workable programs for civil rights progress? The Commission itself, not surprisingly, has stepped forward for the job, and it ought to be recalled that the idea for the agency first sprang from the Justice Department, which long ago recognized the need for an independent group to gather the facts and expose the patterns of injustice in the field.

In 6 years the Commission has gained broad and valuable experience in analyzing civil rights, not only in voting but in education, housing, employment, and the administration of justice. A number of its recommendations have provided the basis for congressional action or have been put into effect by Executive order. As the President has said, the Commission "is now in a position to provide even more useful service to the Nation."

THE NEED FOR COMPREHENSIVE REVIEW OF THE ANTITRUST LAWS

Mr. JAVITS. Mr. President, on April 2 I introduced, along with Senators COOPER and HARTKE, S. 1255, a bill for the establishment of a Commission on Revision of the Antitrust Laws of the United States.

An article by Joseph D. Mathewson in the Wall Street Journal on May 2, 1963, points up the need for such revision from the point of view of extraterritorial application of the antitrust laws. I ask unanimous consent that this article be printed at this point in the RECORD.

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

[From the Wall Street Journal, May 2, 1963]

ANTITRUST ABROAD: TIGHTER U.S. LAWS PUT AMERICAN COMPANIES AT A DISADVANTAGE OVERSEAS, CRITICS SAY

(By Joseph D. Mathewson)

WASHINGTON.—Add to the lengthy list of Common Market repercussions in this country another one: Growing pressure for the Justice Department to relax its overseas enforcement of the antitrust laws to enable American companies to better compete with less-encumbered European businessmen.

At this point, the antitrusters are adamant in their resistance. "The case for relaxation now is far weaker than 5 years ago," declares Lee Loevinger, the department's antitrust chief. "Europe is strengthening its antitrust laws, and the disparity between its laws and ours is just a fraction of what it used to be."

But the disparity does exist, and no one expects that it will evaporate any time soon, if ever. Furthermore, the American statutes apply to the operations of U.S. companies anywhere in the world if they restrict competition in U.S. foreign or domestic commerce; the European laws, on the other hand, don't govern company operations outside the Common Market countries of France, Italy, West Germany, Belgium, the Netherlands, and Luxembourg.

Because of this American disadvantage, a crescendo of criticism is being directed at the Justice Department by private lawyers, law professors and Congress. Within the Kennedy administration, Commerce Department trade promoters already have bumped against the antitrusters; and if the State Department, which so far has intervened only in specific cases, should ever conclude that antitrust policy poses a serious diplomatic problem, then the pressure for change would become mighty indeed.

Herbert Brownell, former President Eisenhower's first Attorney General, is one of the complainants. "Antitrust policies which would apply our domestic antitrust laws indiscriminately to the international business of our U.S. companies are not appropriate to a Western Europe which now has its own antitrust laws," he has said.

A PLEA FOR RESTRAINT

S. Chesterfield Oppenheim, University of Michigan law professor and a leading antitrust authority, urges "self-restraint" on the part of Government antitrust enforcers and suggests they publish policy principles to let businessmen know what they can and cannot do abroad. He's especially interested in the removal of obstacles to oversea joint ventures, either by two or more American companies, or an American-European combination.

In the Government, a high Kennedy administration official argues for enough antitrust flexibility "to take into account the other objectives we have in national policy." Constructing a hypothetical situation in which an American company and a European concern get together to solve a major economic problem in a Latin American land, he asks: "If they had to form a consortium which would monopolize that market and exclude other U.S. companies, is antitrust law going to rule or is our objective of getting the Alliance for Progress rolling an overriding consideration?"

Just recently Assistant Commerce Secretary Richard Holton suggested that U.S. companies could boost their foreign sales of consumer goods by getting together to establish well-stocked distribution, repair and service centers in major foreign markets. The Justice Department's initial reaction was that if competitors were to undertake such a joint arrangement—and Mr. Holton felt this should be possible—there would be antitrust questions raised.

Another possible innovation was broached recently by Assistant Commerce Secretary Jack N. Behrman. Under the 1918 Webb-Pomerene Act, American companies may form export cartels in order to compete abroad with foreign cartels, but since 1956 the law has never accounted for more than 5.6 percent of annual U.S. exports and hasn't encouraged many small and medium-sized companies to export, as intended. So Mr. Behrman suggested Webb-Pomerene might be amended to permit small companies to act in concert simply to enter foreign markets that pose too great a problem for a small company alone. But Antitrust Chief Loevinger rejects this thought on the reasoning that, since the act was designed to combat European cartels which no longer exist, there's "no call for extension of the Webb-Pomerene principle now."

AN ANTITRUST EXCEPTION

The State Department's concern with the impact of antitrust on diplomacy so far has been demonstrated only in a few specific cases. In one, a U.S. manufacturer, which had previously agreed in a consent judgment not to undertake certain kinds of oversea

joint ventures with foreign companies, suggested it might enter into an arrangement of the forbidden type in an underdeveloped country. The State Department found the investment would aid the country, and concluded also that "there was a real possibility that the Soviets would come in and provide the technology" if the American company didn't. The Justice Department acquiesced to the diplomatic argument, but a Government official explains: "This is simply removing a previous restraint imposed on a particular company; it isn't a case in which a normal antitrust violation is permitted for the purpose of getting investment into an underdeveloped country."

On Capitol Hill Senator JAVITS, Republican, of New York, also worries about Soviet competition. In the economic infighting, he says, Red state trading companies may freely cut prices to enter a market or rout a competitor; he notes with alarm that Italy last year bought 15 percent of its oil imports from Russia. The Senator feels Congress should revive an old law that authorized the President to request competing American companies to take joint action to assist national defense; present law permits such a Presidential request only in regard to military equipment.

LOEVINGER'S ADVICE

To all this mounting criticism, antitruster Loevinger makes a simple reply. If U.S. companies are troubled by having to operate overseas under two sets of antitrust laws, he says, they can avoid legal problems merely by observing the more restrictive laws—usually, the American ones. Though this might put American companies at a disadvantage in competing with local concerns, the antitrust chief declares: "Nobody yet has come to me with a specific case or example that makes exemption from enforcement necessary or expedient."

If anything, the antitrusters are inclined toward a tougher, rather than softer, stance. Chairman Dixon of the Federal Trade Commission has made clear in several speeches that his enforcers look upon oversea joint ventures with uneasiness. The Justice Department last October created a new section, expected to grow rapidly, to watch for anticompetitive developments in foreign commerce. Senator KEFAUVER, Democrat, of Tennessee, is interested, too; he recently returned from a European tour designed to ferret out facts for a study of the impact of antitrust enforcement, both United States and foreign.

Of course, U.S. companies operating abroad have always faced the problem of a double antitrust standard, but there's more at stake now. Private consumption in the Common Market more than doubled between 1950 and 1960, and a growing number of U.S. companies—with Uncle Sam's encouragement—hope to capitalize on this newly developing mass market.

HOW EUROPE'S RULES DIFFER

The Common Market treaty, adopted in 1957, provides in principle for antitrust regulations rather similar to those in effect in the United States. However, the bare bones of this new principle have not yet been fleshed out with the administrative and court interpretations needed to let American companies know exactly what competitive problems they still face. Henry Cabot Lodge, director general of the newly formed Atlantic Institute, a private international study organization, told a congressional subcommittee last month that "there is every reason to believe that this body of (Common Market antitrust) law," when fully constructed, "will be less rigid than that which exists in the United States." Most other informed observers agree with this prediction.

One present European-American antitrust difference that seems certain to remain concerns mergers. U.S. law seeks to prevent companies from acquiring market dominance through merger, but the Common Market treaty, like present national antitrust laws in Europe, aims only at preventing—through government supervision—the abuse of a dominant position. So, under Common Market regulations, companies probably won't be barred from merging and thus gaining dominance in their field provided the consolidation isn't designed to restrain competition in some fashion, such as squeezing out competitors.

This means that if a U.S. company and a European concern want to merge or establish a jointly owned subsidiary, and Common Market officials approve the plan, the American company still may be prosecuted under U.S. antitrust law. And if the company is forced to withdraw, this could leave the way open for a non-U.S. competitor to grab the business.

Other conflicts may rise, depending on how the Common Market treaty is enforced. For instance, Common Market officials are authorized to permit certain restrictive practices, such as price fixing and allocations of exclusive sales territories, if they "contribute to the production or distribution of goods or to the promotion of technical or economic progress while reserving to consumers an equitable share of the profit resulting therefrom." But American companies making such restrictive arrangements, perhaps through granting license agreements or exclusive distributorships in specific areas, might run afoul of U.S. law.

OUTSIDE THE MARKET

American companies operating in foreign areas outside the Common Market may encounter even greater conflicts. Since the Common Market antitrust laws don't apply there, this gives European companies a wider freedom than U.S. concerns to enter Latin America, Africa and Asia, either to withdraw raw materials or to exploit growing consumer markets.

Even antitrust chief Loevinger, despite his opposition to relaxed law enforcement, acknowledges that American businessmen operating in underdeveloped areas may gripe about antitrust restrictions. "The most likely claim from U.S. companies," he has conceded, "will be that they need to use certain methods to do business in underdeveloped countries. This is a more likely problem than Europe."

In any case, the critical chorus being directed at oversea enforcement of this country's antitrust laws is growing louder. And its volume is sure to increase even more as the Common Market's expanding purchasing power spawns stronger competitors for U.S. companies operating in Europe and elsewhere abroad.

Mr. JAVITS. In a speech before the U.S. Chamber of Commerce on April 30, 1963, Prof. Milton Handler, of Columbia University Law School, strongly endorsed this bill in a discussion of the desirability of revision of antitrust law in the domestic sphere, emphasizing the role of the small businessman. While I do not necessarily endorse all of Professor Handler's specifics and conclusions, I certainly feel his cogent criticism of the present state of the law and its enforcement indicates the need for clarification and reform and it is a valuable reference work for the information of the Senate.

Mr. President, I ask unanimous consent that the following excerpts from Mr. Handler's speech be inserted in the RECORD at this point.

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

WHAT IS WRONG WITH THE ANTITRUST LAWS?

(Excerpts from speech by Milton Handler, U.S. Chamber of Commerce, Washington, D.C., April 30, 1963)

My assigned topic today is "What Is Wrong With the Antitrust Laws?" One cannot intelligently discourse on what is wrong without considering what is also right with these laws, because no human institution is ever completely good or bad. Moreover, there would be very few indeed who would dissent from the proposition that there is more right than wrong with antitrust. Antitrust, after all, is part of our unwritten Constitution and provides essentially the same protection to our economic freedoms that the Bill of Rights accords to our political liberties.

Within the space of a half-hour, I cannot present a compendious balance sheet of the rights and wrongs of antitrust. I must of necessity be selective.

If I were to sum up my position in one sentence, I would say that there is nothing basically wrong with our antitrust goals; that we have available to us good doctrine which we should not forsake; that we have a vast panoply of enforcement and administrative tools by which the salutary objectives of antitrust can be effectively realized; and that our main difficulty stems from the current tendency to impose legal restrictions for the sake of restriction, without regard to whether in so doing we advance or retard the cause of competition. A fundamental confusion in our aims produces a confusion in our rules, with resulting frustration of business and consequent injury to our economy. It is the present construction and the proposals for legislative change and not the laws themselves which are at fault.

Let me amplify these general observations.

The underlying philosophy of antitrust, as expressed by Mr. Justice Black, is "that the unrestrained interaction of competitive forces will yield the best allocation of our economic resources, the lowest prices, the highest quality, and the greatest material progress." [1]

Under this view, hard competition is the order of the day. Businessmen are to compete with vigor not only in terms of price, quality and service, but also in respect of costs. The free decisions of freemen will determine how our resources are to be utilized and how the Nation's prime goal of economic growth shall be achieved.

The antithetical philosophy of soft competition has been articulated with equal eloquence by the Supreme Court. In Brown Shoe, Chief Justice Warren, after advertising to the congressional concern with "the protection of viable, small, locally owned business," asserts: "Congress appreciated that occasional higher costs and prices might result from the maintenance of fragmented industries and markets. It resolved these competing considerations in favor of decentralization." [2] The same theme recurred only a few weeks ago in Senator HUMPHREY'S remarks when he introduced a bill that would permit small retailers to pool their resources to engage in cooperative price advertising [3]—a practice that the FTC had refused to clear because of its price-fixing implications.[4] The Senator characterized

[1] *Northern Pacific Railway Co.* v. *United States*, 356 U.S. 1, 4 (1958).

[2] *Brown Shoe Co.* v. *United States*, 370 U.S. 294, 344 (1962).

[3] S. 1320, 88th Cong., 1st sess. (1963).

[4] FTC "Advisory Opinion and Statements on Cooperative Advertising," Trade Reg. Rep. Par. 50,183 (1963).

the antitrust laws "as a protective shield—as a means of preserving small business competition, not as a sword to cripple independent merchants." [5]

Here we come face to face with a fundamental dilemma in our national policy. Can we enjoy the advantages of free, open, fair and efficient competition and at the same time shelter the small businessman from the consequences of competition? Do we want competitive forces to yield the lowest costs and prices, or are we willing to accept higher costs and prices in order to protect small business? What will bring about the optimum allocation of resources and the largest rate of economic growth—hard or soft competition? To achieve the goals of antitrust, must competition be completely unrestrained? And in order to preserve small business is it necessary to give it special dispensation from competition not accorded business generally? A football player has only one goal line to cross. After successfully maneuvering an end run and eluding, with the help of his interference, the opposing tacklers, he does not suddenly reverse his field and race towards his own goal line. How can we prate about the best allocation of economic resources and then adopt featherbedding regulations safeguarding certain chosen sectors of the business world from the interaction of competitive forces? How can we give top priority to fragmentation and decentralization and seriously aspire to rapid economic growth? Until we have a national resolution of these questions, confusion will reign supreme.

It is a natural propensity of a businessman to favor hard competition for his suppliers and customers but to prefer a sheltered position for himself. And some business groups, I am sorry to say, seek and sometimes obtain a privileged sanctuary from the Congress. Let me cite a few chapters and verses.

Under the Robinson-Patman Act, if a seller uses brokers in distributing his products to some customers, he may not pass the savings in selling costs to those purchasers who buy direct, since in so doing he is regarded as paying brokerage to the direct customer.[6] This prohibition is absolute. There is no need to demonstrate any likelihood of competitive injury. What does this achieve? The position of brokers is fortified and the public is denied the benefit of cost reductions realized in sales without intermediaries.

As the law stands today, a supplier selling both through wholesalers and direct to the retail trade may, consistently with the Robinson-Patman Act, charge his wholesale and retail accounts the same price, since there is no discrimination.[7] Or he may, in his discretion, grant his wholesalers a functional discount. A new bill introduced in Congress, however, would make such discounts mandatory, and thereby outlaw equal price treatment to those retailers who purchase directly, unless the supplier makes an affirmative showing that his failure to grant a functional discount would not have any anticompetitive effects.[8] Needless to say, this reversal of the usual burden of proof would make any supplier think twice before equalizing his prices among his wholesale and retail accounts. Mandatory functional discounts are thus patently designed to curb the newer forms of retail distribution and to shield conventional outlets from competition. Whatever may be said of this measure as an aid to small business, it certainly clashes headon with the philosophy expounded by Justice Black.

Other bills under consideration by Congress would inhibit dual distribution.[9] A manufacturer with a wholesale branch would be required to charge itself the same price quoted to independent wholesalers.[10] Similar treatment would have to be accorded independent retailers if the manufacturer engages in retailing.[11] This proposal might at first blush seem to strike more at form than at substance, since the transfer price is merely a matter of internal accounting. However, there are companion bills containing a series of reporting requirements which would compel the dual distributor to divulge to the public at large, branch by branch, a host of jealously guarded trade secrets, including a detailed breakdown of its operation costs.[12] It does not take a mind reader to fathom that the purpose of this legislation, to put it mildly, is to discourage dual distribution—thus depriving the public of possible cost savings.

Even more stringent proposals have been advanced to hobble the integrated or diversified supplier. At one time, there was a movement to divorce retailing from manufacturing in certain industries. Today, a legislative effort is afoot to prevent manufacturers from engaging in certain ancillary undertakings conducive to greater efficiency and lower costs. One bill, for example, would prevent automobile manufacturers from owning or maintaining financing facilities.[13] Another bill would make such prohibition applicable to manufacturers of trucks and buses as well.[14] A third bill would go all the way and cover manufacturers of any product moving in interstate commerce.[15]

The frigidity toward integration and diversification found in some congressional quarters is even surpassed by that reflected by our enforcement agencies. This is particularly true of their attitude toward vertical integration. We did not need Brown Shoe to remind us that the Department of Justice views that phenomenon with a jaundiced eye. The Antitrust Division would have had the U.S. Supreme Court declare vertical integration through acquisition as unlawful per se. The Court in Columbia Steel wrote, "It seems clear to us that vertical integration, as such without more, cannot be held violative of the Sherman Act. It is an indefinite term without explicit meaning. Even in the iron industry where could a line be drawn—at the end of mining the ore, the production of the pig-iron or steel ingots, when the rolling mill operation is completed * * * or at some stage of manufacture into standard merchandise? * * * Technological advances may easily require a basic industry plant to expand its processes into semi-finished or finished goods so as to produce desired articles in greater volume and with less expense." [16]

This, I submit, is sound economics as well as sound law. I do not mean to deny that there may be situations where vertical acquisitions may have serious anticompetitive repercussions which should not be tolerated. But integration frequently springs from good business reasons and results in more efficient operations. Where supplies and outlets are readily available to competitors, integration either through internal growth or by acquisition will have no untoward effects on competition and should not be condemned out of hand. The facts in each case must be carefully probed. Legal restrictions, to repeat, should not be imposed for the sake of restriction irrespective of their competitive impact. Integration is an instrument of economic growth. It is a procedure by which competition can be strengthened. It comes about because of important anticipated economies. It leads to greater industrial efficiency. Clearly, it is the wave of the future. Shopping centers with their integrated supermarkets and chain stores are here to stay. Their lower prices have proven to be "an ease to the people." [17] Of course, all new developments, social and economic, have a potential for harm. But the correct approach is not to throw the baby out with the bath and prevent all integration despite its innate capacity for good, but to curb integration only where it is demonstrably anticompetitive.

I recently discussed before the National Industrial Conference Board the economics and law relating to diversification and conglomerate mergers.[18] Here again there is a tendency, on the basis of purely speculative, theoretical, and abstract reasoning, to outlaw a movement which promises to strengthen our competitive institutions. The Federal Trade Commission would prohibit this form of growth not because of any probable harm to competition but because the economic power derived from diversification may be abused. To be sure, power may be abused even where there is no monopoly. But, as I said in that address: "If the mere possibility of abuse made the possession of power unlawful, then every disparity of economic strength would be vulnerable, and every company in an industry would have to be reduced in size to the least common denominator. * * * Most business practices, like most human beings, have the potential for both good and evil. The condemnation of the law cannot rest on mere supposition without regard to actual behavior." [19]

For years we have been told that there is a serious trend in the economy toward concentration. We have been confronted with a parade of horribles—compilations of lists of the various industries composed of a limited number of companies. The fact that there are few companies in an industry is presented as both the accusation and demonstration of social evil.

Do the facts support the charge? What is the record of social performance of these so-called concentrated industries? What is their record of cost reduction, research, technological advances and improvement of

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[5] ATRR No. 92, p. A–1 (Apr. 16, 1963).

[6] Sec. 2(c) of the Clayton Act, as amended by the Robinson-Patman Act, 15 U.S.C. 13(c).

[7] Sec. 2(a) of the Clayton Act, as amended by the Robinson-Patman Act, 15 U.S.C. 13(a).

[8] H.R. 2170, 88th Cong., 1st sess. (1963).

[9] S. 1107, 88th Cong., 1st sess. (1963); H.R. 3562, 88th Cong., 1st sess. (1963).

[10] S. 1107, sec. 2A(c); H.R. 3562, sec. 2A(c).

[11] The bills also would prohibit any discrimination in services or facilities in favor of the manufacturer's own wholesale or retail outlets. The bills further provide that, whenever the manufacturer has a shortage of supply, it would be prohibited from discriminating in favor of its own outlets against its independent customers; rather, the manufacturer would be obliged to allocate its available supplies to both its own and independent outlets on a pro rata determination based on sales for the 1-year period immediately preceding the shortage. S. 1107, sec. 2A(d); H.R. 3562, sec. 2A(d).

[12] S. 1108, 88th Cong., 1st sess. (1963); H.R. 3559, 88th Cong., 1st sess. (1963).

[13] H.R. 708, 88th Cong., 1st sess. (1963).

[14] H.R. 71, 88th Cong., 1st sess. (1963). The bill would prohibit the manufacturer from owning or maintaining insurance facilities as well.

[15] H.R. 709, 88th Cong., 1st sess. (1963).

[16] *United States* v. *Columbia Steel Co.*, 334 U.S. 495, 525–26 (1948).

[17] Anonymous—"The Schoolmaster Case," Y.B. 11 Hen. IV, f. 47, pl. 21 (Court of Common Pleas, Hilary Term, 1410).

[18] Handler, "Emerging Antitrust Issues: Reciprocity, Diversification and Joint Ventures," 49 Va. L. Rev. No. 3 (April 1963).

[19] Ibid.

quality of product and service to customers? Where do we, as a nation, turn for the products needed in the space age? Upon what industries do we rely for our national defense? Is small business capable of producing guided missiles, satellites, space ships, and the basic materials and products needed in a mature 20th century economy? Recently we read of a new complex to be built by one of our steel companies with an estimated price tag of a quarter of a billion dollars. How many enterprises can pay for this kind of entrance fee? Shouldn't we recognize that there are some things that just cannot be done by small business? Have we even begun to think through what would be the social and economic costs of a drastic policy of fragmentation and decentralization or what would be the consequences of the reign of terror on the operations of big business which some measures strive to create?

Without laboring the point, it seems to me that it is high time that we stopped employing shibboleths such as concentration and started asking ourselves whether the restrictions that are imposed on business today are truly in the public interest. And the question is equally pertinent for every type of business—big, medium, and small.

Let's turn now to the case of small business and consider whether we have been faithful there to the philosophy expounded by Chief Justice Warren. There is certainly no shortage of pious professions of concern for the plight of the small businessman. Yet we increasingly restrict his operations. Just as there is a tendency to hamstring the large company without helping the small man or, indeed, the public, we throw roadblocks in the way of the small businessman, not only to his prejudice but to the detriment of the public interest. Some years ago, when the Supreme Court in the Standard Stations [20] case adopted a rule of virtual per se illegality for exclusive dealing arrangements—which are most beneficial to a small enterprise—Mr. Justice Douglas, whose devotion to antitrust is unquestioned, sharply dissented. "Our choice," he said, "must be made on the basis not of abstractions but of the realities of modern industrial life.[21]

More recently, in the White Motor case,[22] the Court temporarily ducked the legality of territorial restrictions unilaterally imposed by a manufacturer upon its franchised dealers. This restraint has an ancient and honorable lineage at the common law and has been sustained for centuries.[23] It is the law's recognition that orderly marketing, where the manufacturer seeks to avoid the chaos of intrabrand competition, promotes interbrand competition and thus invigorates the competitive process itself. Yet the Department of Justice would strike down all territorial restrictions regardless of such considerations. The buyer is restricted, and that is the end of the inquiry. It makes no difference that both the buyer and competition generally may be better off as a result. After all, what will promote competition more in the long run: If White Motors has a strong group of distributors, each operating within an assigned territory, with the wherewithal to make the necessary heavy investment in showrooms and ancillary facilities and to compete vigorously with other brands of trucks? Or if all White distributors scramble for the limited business available in each territory, debilitating and making themselves more vulnerable to the competitive onslaughts of the other truck manufacturers? Vertical restrictions between a manufacturer and his dealers are frequently essential to a healthy system of distribution. And if the Department of Justice ultimately prevails in this area, its victory may well sound the death knell of the small businessman whose principal citadel today is in the realm of distribution. For what happens when we invalidate these restraints? We encourage the manufacturer, who has been denied the opportunity of orderly marketing through independent distributors, to take over distribution himself. Isn't it time for us to stop deluding ourselves with Fourth of July orations about the small businessman while adopting policies that jeopardize his very survival?

The Robinson-Patman Act, as currently interpreted, is another instrument of oppression of the small businessman well designed ultimately to bring about his extinction. Anyone having the slightest exposure to the business world knows that the small manufacturer and wholesaler cannot operate under a one-price system. He is confronted with powerful and well informed customers who continually pit sellers against one another. It is small wonder that the statute is as widely violated as it is—particularly when the Federal Trade Commission has a penchant for finding violations at the drop of a hat without any showing of probable competitive injury. When the challenged price difference involves a claim of injury at the buyer level, the Commission is quick to find the requisite competitive relationship between the favored and disfavored buyers on the most flimsy evidence. And once that relationship is found, it automatically infers injury to competition from the mere difference in price.

There are, of course, statutory defenses to a prima facie case of price discrimination. But the way they are administered by the Commission, they are practically a dead letter. We have yet to see the day when a respondent has prevailed before the Commission in a Robinson-Patman case because he has met competition in good faith. And it is almost as difficult to prove cost justification. As one dissenting Commissioner has indicated, instead of endeavoring to harmonize the Robinson-Patman Act with our other antitrust laws, the Commission stretches the statute in whatever way may be expedient to afford "the easiest route to an order to cease and desist." [24] This without regard to the consequences to small business. It is ironic that a law which was intended to protect the small businessman has repeatedly been invoked against him. I venture to say that if the conduct of all of the small businessmen of the country were tested under Robinson-Patman, the congestion in our bankruptcy courts would exceed the traffic in Times Square on New Year's Eve. Congressman CELLER, speaking in a different context about the Sherman Act, recently expressed the opinion that "there are lots of violations where it would be inequitable to prosecute." [25] And that, I suppose, is the real reason that small business has managed to survive in our present antitrust climate. But administrative forbearance, I submit, is not the answer.

Businessmen should not be placed in the position of having to violate the law in order to exist and praying that their transgressions will be blinked at. We should have a regime of laws that makes economic sense—one that everyone can be expected to observe.

The time has come to call a halt to these insidious developments. The cold war against business, big and small, should end. We want and need fair and effective antitrust enforcement, but we can as a Nation readily dispense with a hostile, antibusiness environment which is as irrational as it is harmful. The antitrust laws should be geared into a program of national growth. Only a few weeks ago, Representative MEADER made this very point when he urged that the antitrust laws be brought up to date.[26] Toward that end, Senator JAVITS has introduced a bill to establish a national Commission on Revision of the Antitrust Laws of the United States.[27] This proposal could not be more timely. Without purporting to exhaust the list of topics that such a commission might well explore, let me suggest a few:

Whether the Robinson-Patman Act does more to subvert than promote the cause of competition and, if so, how it should be overhauled to harmonize it with our basic antitrust goals?

Whether there should be blind hostility toward corporate integration and diversification without regard to their true competitive impact or should they be viewed as effective and indispensable instruments of economic growth and as such to be encouraged, absent untoward competitive repercussions?

Whether there need be any fundamental clash between the interests of big and small business, or whether both can thrive under the same antitrust principles without according special favor to either? Stated differently, if the divergent philosophies expressed by Black and Warren cannot be fully reconciled, is there not a middle ground in which the advantages of competition can be enjoyed without jeopardizing the survival of the small man?

Whether we should have a reign of complete and unfettered competition, or one in which certain restraints of trade are countenanced under a viable rule of reason because in the long run they will serve to invigorate our competitive system?

Whether ease of antitrust enforcement should be our paramount objective, thus leading to the adoption of a pervasive set of rules of per se invalidity, or whether the overriding consideration should be a just and proper determination of the legality of particular conduct (unless it is inherently pernicious) in light of the special facts of each case?

Whether our antitrust laws in their application to foreign commerce require revamping to minimize the potential areas of conflict with the laws of other sovereign powers and to foster American trade abroad?

On the procedural side, whether antitrust is applied as consistently and fairly by the executive and administrative branches as it is by the courts?

And so I welcome and endorse the establishment of the national commission proposed by Senator JAVITS to appraise the current status of our antitrust jurisprudence and procedures to see whether they mesh with our national policy of economic growth and material progress and are calculated to advance our democratic political and social institutions. It is my belief that a consistent national policy can be developed which will retain our unqualified allegiance to competition, while promoting the interests of business, big and small, as well as the larger interests of the public.

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[20] *Standard Oil Co.* v. *United States*, 337 U.S. 293 (1949).

[21] Ib. at 320.

[22] *White Motor Co.* v. *United States*, 1963 Trade Cases, Par. 70,679 (U.S. 1963).

[23] See Handler, "Trade Regulation," 124–125 n. 10 (3d ed. 1960); Robinson, "Restraints on Trade and the Orderly Marketing of Goods," 45 Corn. L. Q. 254 (1960).

[24] Central Retailer-Owned Grocers, Inc., FTC Dkt. 7121, Trade Reg. Rep. Par. 15,896, at p. 20,720 (1962).

[25] ATRR No. 92, p. A–2 (Apr. 16, 1963).

[26] Ibid.

[27] S. 1255, 88th Cong., 1st sess. (1963).

PROPOSED NATIONAL SERVICE CORPS

Mr. WILLIAMS of New Jersey. Mr. President, the proposed National Service Corps will be a means of bringing the help of dedicated volunteers from across the country to help local communities in their efforts to tackle the many un-

solved problems of our affluent society. The corps will depend for its success on the interest and cooperation of local officials and community leaders, who will design the programs on which the corpsmen will work and will supervise their day-to-day activity. Therefore, it has been most encouraging to me as a sponsor of this measure to see the enthusiastic support this bill has received from the Governors of many States and from the mayors of our great cities.

Recently, I received a communication from Mayor Richard C. Lee of New Haven strongly backing the National Service Corps. Mayor Lee is justly famous for his work in urban renewal and the great job he has done in bringing new life and vigor to New Haven. His comments on the effective work that volunteer corpsmen can do in cities are based on wide knowledge and experience, and I think they will be of great interest to my colleagues. I ask unanimous consent that Mayor Lee's statement be printed in the body of the RECORD.

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

STATEMENT OF RICHARD C. LEE, MAYOR OF NEW HAVEN, CONN., PROPOSED NATIONAL SERVICE CORPS, S. 1321

As mayor of New Haven, I would like to register my strong support for the proposed National Service Corps.

More than two-thirds of this country's population now lives in urban areas, which are feeling the combined effects of heavy inmigration from rural areas and high birth rates. The population explosion which we have heard so much about in recent years has already hit our cities.

And this is only the start. By the end of this century it is estimated that an additional 1 million people will live in urban areas.

Cities have many important and complex needs such as economic development, slum clearance, transportation, education, and employment. But among the most serious and the most stubborn problems are those faced by the urban poor. Unfortunately, these are problems which are difficult or impossible to treat with the traditional tools of local government. Recent studies have shown that approximately 35 million people, more than one-sixth of the population of the United States, live in poverty and deprivation. In this land of abundance, these persons are unable to provide for themselves the minimum standards of living that are recognized as necessary in 20th century America. The urban poor cannot be just hidden away out of sight and away from the mainstream of American life. Their personal problems and the social problems that they create in a community loom as a central challenge of our time.

The National Service Corps provides a new approach that is desperately needed in dealing with the problem of poverty and its attendant social problems. The approach embodied in S. 1321 is an effort to start experimentation and to seek new and imaginative solutions to problems that have defied solution for many years. The full impact of this program can only be understood when we realize that it will be operated in cooperation with demonstration programs already available from a number of Government agencies and also with money provided by foundation grants. By pooling these resources—and it is chiefly personnel that is lacking from the current demonstration and foundation programs—we can create a new enthusiasm and spirit to solve the problems of our central cities. The Ford Foundation has already taken the initiative in helping to make this type of program available in several cities around the Nation, including New Haven. With this kind of approach, new horizons appear. With this kind of approach we can excite urban young people and make them active participants in the renewal of their communities. We can test and evaluate and refine new tools and new proposals for development and we will then be able to extend these efforts and these methods to all American cities.

The Peace Corps, with its new enthusiasm and new spirit, has brought new life to our foreign-aid program. The National Service Corps proposal contains many of the same elements which generate excitement and enthusiasm and a will to help one's fellow man here at home. Smaller groups of young people working under coordinated local supervision will enable us to launch hundreds of local projects which have been held up for the lack of personnel. Equally important, from this corps might emerge the kind of pioneer talent that in the years ahead can fill the responsible and necessary roles in public or private life in the solution of the unknown challenge in the ages to come.

I would like to specifically comment on three features of the bill which I consider particularly significant:

1. Local responsibility is maintained and encouraged. Service Corps assistance would be provided only at the request of the locality. This means that the responsible persons in our cities, those who really know and understand their particular needs, are in control of the situation. Furthermore, a local plan for the use of the Service Corps would have to be developed in advance. This again will require careful planning and acceptance of the local responsibility.

2. Service Corps participation will be for a limited time. This, too, will encourage cities to use Service Corps assistance as the starting point in developing programs of their own. When Service Corps assistance is withdrawn, it will be the most natural thing in the world for the cities to take responsibility for financing and staffing successful programs that were started with Service Corps assistance.

3. The voluntary tradition, an important part of our Nation's history is encouraged and preserved. Throughout the life of this country an important part of our heritage has been a spirit of self-help and helpfulness to our neighbors. The old-time barn raisings are among the most dedicated examples of this spirit. The Service Corps is a continuation of this tradition.

The program which is proposed in this bill is modest. The cost is slight when compared to the benefits. This program will have a significant impact on our national life. I strongly urge that it be enacted and implemented as rapidly as possible.

Mr. WILLIAMS of New Jersey. Mr. President, young people across the country have responded magnificently to the idea of a National Service Corps in which they could put their idealism and enthusiasm to work here at home. Recently I received an eloquent letter from Mr. Jed Johnson, Jr., president of the Young Adult Council, in support of this measure. The Young Adult Council represents more than 25 national youth and student organizations. At its December meeting the council passed a resolution endorsing the National Service Corps idea.

Mr. Johnson's letter and the resolution of the Young Adult Council demonstrate the willingness of today's young people to give of their time and skills to help others less fortunate than themselves. I ask unanimous consent that they be printed in the body of the RECORD.

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

YOUNG ADULT COUNCIL OF THE NATIONAL SOCIAL WELFARE ASSEMBLY,
New York, N.Y., July 1, 1963.

Hon. HARRISON WILLIAMS,
Special Subcommittee on Labor,
U.S. Senate,
Washington, D.C.

MY DEAR SENATOR WILLIAMS: The United States Young Adult Council, a coordinating body for national youth and student organizations, has passed the enclosed resolution endorsing the establishment of the National Service Corps. This resolution was unanimously passed at our December council meeting and subsequently adopted by 17 national youth and student organizations. The composite opinion expressed by the affirmative votes of these organizations unquestionably represents the sentiment and consensus of the vast majority of young Americans.

The International Peace Corps has served as a great symbol for American youth. Through the Peace Corps, students and youth have found it possible to serve their country and their fellow men unselfishly and directly. In essence, American youth have had the opportunity of transforming their idealism into valuable service. In the same way, American youth want the opportunity to help build a better America. The National Service Corps offers such an opportunity.

There were many people who predicted that the International Peace Corps would be a catastrophic failure. It has been an outstanding success and even its strongest initial critics now grant its great value to our country and the world. By the same token, there are those who criticized the initiation of a National Service Corps and opposed the expenditure of any Federal funds for such a new project.

The youth of this country are vitally concerned about the welfare and development of our own Nation and would like to have the opportunity to put their idealism into practice here at home as well as abroad. We feel very strongly that the expenditure of any Federal funds for the establishment of a National Service Corps is not only money well spent, but a great capital investment in the future of our Nation that will pay very high dividends.

Respectfully yours,

JED JOHNSON, JR.,
President.

"RESOLUTION ON NATIONAL SERVICE CORPS

"Whereas the Foreign Peace Corps has proved highly successful; and

"Whereas many of the techniques used in the Foreign Peace Corps could be applied to recovering the annual losses to our nation from unemployment, underdevelopment, and natural and manmade conditions requiring economic, social, technical, and cultural rehabilitation; and

"Whereas only a national program can fully utilize the potential volunteer help in the most useful program; and

"Whereas our society stands to gain many benefits from a national program which includes increased interchange of persons from the many sections of our country, and

"Whereas there is widespread and enthusiastic support among youth for such a program; Therefore be it

"*Resolved,* That the United States Young Adult Council goes on record in support of the establishment of a National Service Corps."

The above resolution was adopted at the December 1962 meeting of the United States Young Adult Council and subsequently approved by the following member organizations: Americans for Democratic Action, Campus Division; American Youth Hostels; Experimenters Association; Lisle Fellowship;

National Association for the Advancement of Colored People, Youth Division; National Council of the Young Men's Christian Associations; National Federation of Catholic College Students; National Newman Club Federation; National Student Assembly, Young Women's Christian Association of the United States of America; North American Student Cooperative League; Students for a Democratic Society; Student Religious Liberals; U.S. National Student Association; Workmen's Circle (Associate); World University Service (Associate); Young Christian Workers; Young Democratic Clubs of America.

Mr. WILLIAMS of New Jersey. Mr. President, the Attorney General has been one of the mainsprings behind the effort to create a National Service Corps, patterned after the overseas Peace Corps. Recently he wrote an eloquent article for the Saturday Review which describes the great problems facing many of our sick and needy citizens shows that a volunteer service corps could be effectively used to meet those problems. In the article entitled "What About A Peace Corps Spirit at Home," the Attorney General describes some typical projects in which corpsmen might work and gives a clear picture of how the corps would actually operate. I ask unanimous consent that it be included in the body of the RECORD.

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

[From the Saturday Review, May 25, 1963]

WHAT ABOUT A PEACE CORPS SPIRIT AT HOME? CAN THE NATIONAL SERVICE PROGRAM, NOW BEFORE CONGRESS, OFFER LEADERSHIP FOR A GRASSROOTS ATTACK ON AMERICA'S URGENT DOMESTIC PROBLEMS?

(By Robert F. Kennedy, Attorney General of the United States)

The national service program called for by President Kennedy is designed to strike at America's most urgent human needs in two important ways: First, a corps of skilled, idealistic men and women could bring the spirit of the Peace Corps to our own slums, migrant labor camps, mental institutions, and other areas of need. Second, the example set by the corpsmen could stimulate millions of other Americans to begin part-time volunteer work in their own communities.

The proposal, now before Congress, has aroused controversy, just as the idea of the Peace Corps aroused controversy 3 years ago. Opponents of the program have said it isn't needed, or that corpsmen would be doing jobs that should be done by local communities.

In my opinion, those who say there is no need for increased volunteer work in this Nation have buried their heads in the sand. Our unmet human needs are so immense and pressing that they shame our national prosperity and endanger our position as a beacon to the aspiring nations of the world.

To those who say the problems should be met at the local level, the answer is that the administration agrees entirely. The program is intended to challenge every community to take a hard look at its own needs and to find new, effective ways to meet them.

Under the national service program, some communities would ask corpsmen to help start new programs. The corpsmen would go only at local invitation, to work on locally designed projects under local supervision. The community would be expected to supply local volunteers to work side by side with the corpsmen. When enough local volunteers had come forward to finish the project, the corpsmen would move on to another assignment.

Other communities would not want corpsmen. If, however, they started their own programs, staffed by local volunteers, they would have answered the President's challenge. By demonstrating what can be done, the corpsmen would be able to benefit communities they never set foot in.

The work of the corpsmen would, of course, be highly visible. If they made mistakes, the Nation would hear about them. At the same time, the spotlight would shine upon their achievements, and upon the dark, often forgotten corners of human need in which they work.

The corpsmen could give these problems the visibility they should have. I think there are housewives, students, senior citizens, and others in every community who, if given a dramatic reminder of the needs in mental hospitals, orphanages, and settlement houses just a few miles from their homes, would be moved to devote some of their free time to help meet those needs.

The first step in the development of the national service program came last November when the President appointed a Cabinet-level committee to study the need for it. The committee, of which I was a member, soon came face to face with a cruel paradox: Although ours is the richest, most productive society the world has ever known, one-sixth of our people live in poverty and deprivation. In the midst of our prosperity there is tragic need.

Much has been done to meet this need. Social workers, teachers, policemen, public and private agencies, and millions of other Americans, serving part time in their communities, have been doing excellent work for many years. Despite these efforts, however, the problems continue to grow as our society grows and changes.

Here are some of our Nation's needs:

More than 5 million Americans—3 percent of our population—are mentally retarded. With rare exceptions, the institutions for these people are helplessly overcrowded and understaffed. More than half of the mental patients in State hospitals receive no active treatment of any kind.

In the United States today migrant workers and their families number more than 2 million. The average annual income for migrant families is $1,000. Decent standards of living are unknown to the majority of them, and future prospects for their children, who have never had a real home or a normal education, are poor indeed.

The average life expectancy of an American Indian is 42 years. Living conditions among the Indians are among the worst in the Nation.

Half our Nation's poverty is rural poverty. In the past 12 years more than 1 million people have moved out of our rural area—the 8-State 148,000-square-mile Appalachian region—because they could not survive there. Similar conditions exist throughout rural America.

The social dynamite of our urban slums is becoming more and more explosive. Millions of migrants from rural areas are moving into urban slums each year. They come seeking jobs and a better life. All too often they find only hostility, unemployment, substandard housing, and other pressures that push them toward social alienation, delinquency, and crime.

These are some of the problems that a national service program could combat. There is no doubt that there are volunteers to man this program. When our committee sent questionnaires to college students and senior citizens to gage their interest in such a program, more than 4,000 senior citizens and 10,000 students at 65 colleges and universities responded. Of the students, 88 percent approved the idea of the program and 71 percent said they would join or consider joining. Of the senior citizens, 82 percent approved the program and 57 percent said they would join or consider joining.

It is also clear that the program would have all the requests for corpsmen it could handle. Within 2 months of the first mention of the program, more than 40 model projects were submitted to our study committee.

Here are some of these proposals.

State and local agencies in a tricounty area of central California propose using corpsmen to work with migrant laborers and their families. Under professional guidance, the corpsmen would serve in education, health, and community development programs. Qualified corpsmen would teach night classes for both children and adults. Others would teach health measures to the migrant families and refer sick children to local clinics.

The New York City Board of Education would like to use corpsmen to help in its schools. Jobs would include tutoring both failing and gifted students, working in school-community programs, and encouraging dropouts to return to school.

The head of a State mental hospital in Tennessee submitted a proposal to use corpsmen in work with the mentally retarded. This hospital director estimates that up to 25 percent of the 1,500 inmates in his hospital might improve and be released if there were volunteers to give personal attention to their rehabilitation. In addition to group work with patients, qualified corpsmen could administer tests, work in occupational and physical therapy, and assist in administrative work.

A settlement house in Washington would like to use corpsmen in its work with families. Directed by the settlement house staff, the corpsmen would tutor children after school, work with dropouts, and inform families about hospitals, schools, housing, and job opportunities.

Two of the communities that submitted these model projects have already had encouraging results. As a result of newspaper stories on the proposals, the local agencies were swamped with local volunteers who said they would serve part time whether or not the national program came into being.

Our study committee assumed from the first that a national service program could not succeed, and should not even be attempted, without strong support from the many organizations already working in every phase of social service. We met or corresponded with several hundred leading organizations; the response has been overwhelmingly enthusiastic.

More than 100 leading national organizations have endorsed the proposed program. They include the National Social Welfare Assembly, the American Federation of Teachers, the NAACP, the Council on Social Work Education, the Executive Committee of the AFL–CIO, the National Association for Mental Health, the National Council of Senior Citizens, the National Student Association, the National Congress of American Indians, and several Protestant, Catholic, and Jewish service organizations. These people, who are fighting the frontline battles, know how desperately volunteer workers are needed. They share our belief that the corpsmen will not only bring their own energies to bear on the problems, but will also inspire others. Furthermore, it is likely that a year in the service program will lead many young people to enter careers in social work, teaching, nursing, and other fields that suffer from critical shortages of trained personnel.

The future of the national service program is now up to Congress. The legislation calls for a carefully selected corps to reach a maximum strength of 5,000 men and women over a 3-year period. The corpsmen would enlist for a year, and would receive subsistence but no pay. The first year of the program, if 1,000 volunteers were put in the field, would cost about $5 million—a small invest-

ment for what could be the beginning of a new national effort against human need.

John Donne once wrote that no man is an island; we are all part of the mainland of humanity. The migrant child who gets no education, the slum youth who can find no job, the lonely child in a mental institution—we are all involved with these people. Their successes are our successes, and their tragedies our tragedies.

The national service program can help these people, and it can show the world that America does not forget its own needy and neglected citizens. We must not ignore the fact that, as President Kennedy has said, "We shall be judged more by what we do at home than what we preach abroad."

DISCRIMINATION IN PUBLIC ACCOMMODATIONS

Mr. HART. Mr. President, the hearings now being conducted by the Senate Commerce Committee on the various proposals to ban discrimination in public accommodations, afford members of that committee an opportunity to hear firsthand some of the discussions as to the constitutional basis on which this type of legislation should rest.

Aware that much of the discussion during the hearings and congressional debate would likely involve this issue, some weeks ago I requested the Legislative Reference Service of the Library of Congress to prepare a memorandum on this point.

A paragraph from that memorandum may be helpful in putting this question in its proper perspective:

The recent proposals for Federal legislation to prohibit racial discrimination in hotels, theaters, restaurants, stores, and similar establishments which hold themselves open to the general public have been based upon the powers given to Congress under the 14th amendment, the commerce clause, or both. Perhaps the first observation to make is that if neither basis is valid combining them would not cure the invalidity. The second observation is that if one basis is invalid its use in combination does not enhance or detract from the validity of the other. This paper will discuss some of the cases relevant to an assessment of the validity of each basis and the kinds of private establishment which might be reached under it.

The point is well taken. We must put the full strength of the Constitution behind this proposal. The commerce clause, the 14th amendment, and additional authority that may exist should be utilized to undergird this law guaranteeing our citizens full access to public accommodations without discrimination.

I ask unanimous consent, Mr. President, that the full text of the memorandum prepared by the American Law Division of the Legislative Reference Service be printed at the end of my remarks. This memorandum, hopefully, will be useful to others, as it has been to me, in summarizing and presenting the various constitutional bases for taking this action.

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

THE LIBRARY OF CONGRESS,
Washington, D.C., July 1, 1963.

To: Hon. PHILIP A. HART.
From: American Law Division.
Subject: The power of Congress to prohibit racial discrimination in privately owned places of public accommodation.

The recent proposals for Federal legislation to prohibit racial discrimination in hotels, theaters, restaurants, stores, and similar establishments which hold themselves open to the general public have been based upon the powers given to Congress under the 14th amendment, the commerce clause, or both. Perhaps the first observation to make is that if neither basis is valid, combining them would not cure the invalidity. The second observation is that if one basis is invalid its use in combination does not enhance or detract from the validity of the other. This paper will discuss some of the cases relevant to an assessment of the validity of each basis and the kinds of private establishment which might be reached under it.

THE POWER OF CONGRESS UNDER THE 14TH AMENDMENT

From the cases thus far decided by the Supreme Court, there is one generalization about the power of Congress which can be made without much fear of challenge. The 14th amendment gives Congress no power to prohibit purely private acts of racial discrimination. Sections 1 and 2 of the Civil Rights Act of 1875 (ch. 114, sec. 1 and 2, 18 Stat. 335, 336) provided that all persons "shall be entitled to the full and equal enjoyment of the accommodations, advantages, facilities, and privileges of inns, public conveyances on land and water, theaters and other places of public amusement; subject only to the conditions and limitations established by law, and applicable alike to citizens of every race and color, regardless of any previous condition of servitude," and punished violations of these rights. However, the Supreme Court held that these sections were unconstitutional as applied to acts of racial discrimination by private persons because under the 14th amendment the power of Congress could reach only State action, *Civil Rights* cases, 109 U.S. 3 (1883). This case has never been overruled, nor has the basic premise that the 14th amendment reaches only State action been abandoned.

The holding in the Civil Rights cases, is a high hurdle for those who would now use the 14th amendment as a basis for new legislation so similar to that which was declared unconstitutional in 1883. They must leap to the conclusion that, given a new opportunity to consider the matter, the Supreme Court would find some link between the individual proprietor and the State that would transform the proprietor's discriminatory act into "State action." Although no case has yet found this link in the mere fact that a store or restaurant is licensed by a State to do business, or holds itself open to the public, the acts of some private businesses and organizations have been held to violate the 14th amendment because done under color of State law.

In some cases the court has found the link in the fact that the private organization was performing what was essentially a State function. This was the kind of link that led to the demise of the white primaries. *Smith* v. *Allwright*, 321 U.S. 649 (1944); *Terry* v. *Adams*, 345 U.S. 461 (1953). This may have been the kind of link which also led the Court in *Marsh* v. *Alabama*, 326 U.S. 501 (1946), to reverse the trespass conviction of a Jehovah's Witness who had been arrested in a town wholly owned by a shipbuilding corporation. She had been arrested, by a county deputy sheriff employed by the company as a policeman, for distributing religious literature on one of the town sidewalks which was accessible to the public. The Court considered the operation of the town a "public function" and that private rights in the property were not enough to justify the State in permitting the company to restrict the fundamental liberties of the townspeople and then use the statutes of the State to enforce those restrictions. The Court seemed to be as much concerned with the rights of the residents to read the religious literature as it was with the right of the Witness to distribute it. It did say, however, that: "The more an owner, for his advantage, opens up his property for use by the public in general, the more do his rights become circumscribed by the statutory and constitutional rights of those who use it. Id. at 506."

Yet the evil the Court actually reached and struck down was not the restriction established by the private property owner but rather the act of the State in enforcing it through its courts. In this respect, the *Marsh* case resembles *Shelley* v. *Kraemer*, 334 U.S. 1 (1948) and *Barrows* v. *Jackson*, 346 U.S. 249 (1953).

In *Shelley*, the Court held that judicial enforcement of a racial restrictive covenant by injunction was State action prohibited by the 14th amendment. In *Barrows*, the Court held that judicial enforcement of such covenants by assessment of damages was prohibited. Yet in each of these cases the Court cited the principle of the Civil Rights cases as one firmly embedded in our constitutional law. Mr. Justice Vinson, in *Shelley*, noted that the 14th amendment "erects no shield against merely private conduct, however discriminatory or wrongful," and said: "We conclude therefore, that the restrictive agreements standing alone cannot be regarded as violative of any rights guaranteed to petitioners by the 14th amendment. So long as the purposes of those agreements are effectuated by voluntary adherence to their terms, it would appear clear that there had been no action by the State and the provisions of the amendment have not been violated." 334 U.S. 1, 13 (1948).

In Barrows, Mr. Justice Minton cited this language with approval. 346 U.S. 249, 253 (1953).

Some have thought that the Court would extend the principle of Shelley and Barrows to the sit-in cases. In these cases, Negroes have been arrested for trespass for remaining at white-only lunch counters after the owners had refused to serve them because of their race and then asked them to leave. Although the Court has reversed several such trespass convictions, it has not used Shelley to support its conclusions. In one case the prohibited State action was found in a city ordinance which required segregation. *Peterson* v. *City of Greenville*, — U.S. — (decided, May 20, 1963). In another, the prohibited State action was found in statements by the mayor and superintendent of police to the effect that the city of New Orleans would not permit Negroes to seek desegregated service in restaurants. Although there was no statute or ordinance requiring segregation, the Court held each of these statements to be an "official command which has at least as much coercive effect as an ordinance." *Lombard* v. *Louisiana*, — U.S. — (slip opinion p. 7, decided May 20, 1963). The existence of the ordinance in the one case and the statements in the other made the private intentions of the property owner irrelevant. Even if the owner would have refused service in the absence of an ordinance the Court's result would not have been changed. No State will be permitted to enforce by conviction under trespass statutes or otherwise ordinances or other official commands requiring segregation.

An earlier sit-in case arising in Louisiana was disposed of on the ground that evidence that the defendants sat peacefully in a place where custom decreed they could not sit was not sufficient to convict them of the crime of disturbing the peace as defined in the Louisiana statutes. *Garner* v. *Louisiana*, 368 U.S. 157 (1961).

The Court found another kind of link with the State in the discriminatory act of a private restaurant operator in *Burton* v. *Wilmington Parking Authority*, 365 U.S. 715 (1961). This involved the refusal of service to a Negro by a private restaurant operator

on premises leased from an agency of the State of Delaware. The restaurant was located in a building constructed with public funds and used for a public purpose; that is, a municipal parking facility. The restaurant was one of several leased areas in the facility which the Court found to be an "indispensable part of the State's plan to operate its project as a self-sustaining unit." Id. at 723–724. The opinion by Mr. Justice Clark very carefully pointed out that the Court's conclusions in this case could not be considered "universal truths on the basis of which every State leasing agreement is to be tested." Id. at 725. In defining the limits of its inquiry, the Court stated: "What we hold today is that when a State leases public property in the manner and for the purpose shown to have been the case here, the proscriptions of the 14th amendment must be complied with by the lessee as certainly as though they were binding covenants written into the agreement itself." Id. at 726.

If the Court is this reluctant to find a State action link in all State leasing agreements, what indication is there that the Court would be any more willing to find such link in State licenses? In the case of State licenses in the nature of a franchise, the monopolistic or semimonopolistic kind of license given to public utilities, common carriers and the like, the link is unquestionably there. No privately operated transit system or electric light company could discriminate without violating the prohibition of the 14th amendment. See e.g. *Public Utilities Commission* v. *Pollak*, 343 U.S. 451 (1952). (Although this dealt with Federal action, and did not involve race, the principles involved are similar to those concerned with State action involving racial discrimination.) In *Boman* v. *Birmingham Transit Co.*, 280 F. 2d 531 (1960), the rules of a bus company requiring segregated seating were held to be a State act. The court, however, considered two factors: (1) The company operated under a franchise from the State and thus differed from an ordinary corporation; (2) a city ordinance had authorized the company to issue rules for seating of passengers and had made willful refusal to obey a reasonable request of the bus operator relating to seating a breach of the peace.

With respect to businesses like restaurants, for which, if any license at all is required, there is no need for a showing of public convenience and necessity but simply the payment of an annual tax, the Supreme Court has not yet found the link which would transform the discriminatory act of the business into an act of the State and therefore a prohibited one.

The Court of Appeals for the Fourth Circuit considered the license argument in 1959 and rejected it. *Williams* v. *Howard Johnson's Restaurant*, 268 F. 2d 845 (4 Cir. 1959) involved a restaurant's refusal to serve a Negro solely because of his race. The plaintiff conceded that there was no State statute which required the proprietor to refuse him service but pointed to the statutes which required segregation of the races in carriers and by persons engaged in the operation of places of public assemblage. He also emphasized the long established local custom of excluding Negroes from public restaurants and contended that the acquiescence of the State in these practices amounted to State action violative of the provisions of the 14th amendment. Another theory on which the plaintiff argued was that since the State licensed the restaurant it had a positive duty to prohibit racial discrimination in the use and enjoyment of its facilities. The court stated that unless these discriminatory acts were performed in obedience to some positive provisions of State law there would be no basis for a complaint. The court concluded that the restaurant was at liberty to deal with such persons as it might select.[1] (The court also rejected the theory that the discrimination was forbidden because the restaurant was engaged in interstate commerce. This theory will be discussed subsequently under the commerce clause).

Although the Supreme Court continually emphasizes that no inference may be drawn from a denial of certiorari, there are two cases it had an opportunity to consider but did not which should be mentioned. In *Gordon* v. *Gordon*, 332 Mass. 197, 124 N.E. 2d 228, cert. denied, 349 U.S. 947 (1955), a will provided for revocation of a testamentary gift to any child who married a person not born in the Jewish faith. The lower court entered a decree revoking a gift to a son who married a Catholic girl. The Supreme Judicial Court of Massachusetts upheld the decree against arguments, based on *Shelley* v. *Kraemer* and *Barrows* v. *Jackson* (both supra) that court enforcement of such a discriminatory will provision violated the 14th amendment. A discriminatory will provision was also involved in *In re The Girard College Trusteeship*, 391 Pa. 434, 138 A. 2d 844 (—). Girard's will established a trust for a private school for white male orphans and named the city of Philadelphia as trustee. Ultimately the trust was administered by a city board established by State statute. When it first considered this case the Supreme Court held that under these circumstances the 14th amendment prohibited denial of admission to a Negro male orphan because of his race. Thereafter, the Pennsylvania Orphans Court substituted private trustees for the city board of directors. The private trustees continued to deny admission to Negroes. The Supreme Court of Pennsylvania upheld their right to do so. The Commonwealth of Pennsylvania appealed from this decision. The U.S. Supreme Court, in a per curiam opinion, dismissed the appeal and, treating the appeal as a petition for certiorari, denied certiorari. *Pennsylvania* v. *Board of Directors*, 357 U.S. 570 (1958).

Conclusions on the 14th amendment approach

It is clear from the cases thus far decided by the Supreme Court that it has not yet held that, where a State or one of its political subdivisions exercises no element of coercion upon a business to discriminate, the business is not free to discriminate without violating the prohibitions of the 14th amendment. On the contrary, even when it was found some element of prohibited State action (as in *Shelley* v. *Kraemer*), the Court has often commented that individual acts are beyond the reach of the 14th amendment. It is not at all clear, however, whether or to what extent the Court will depart from or distinguish the holding in the Civil Rights cases of 1883 when it considers the effect of the 14th amendment on a private business conducted in a State which neither prohibits nor requires discrimination but leaves the businessman free to make his own choice. There are several approaches the Court might take, but before discussing them, there is an important observation to be made about the power of Congress to influence the Court's approach by adopting the proposed legislation.

Under its 14th amendment powers Congress can prohibit no act of discrimination which is not already prohibited by the 14th amendment. In this respect the 14th amendment power differs from the commerce power, a distinction which will be discussed subsequently under the commerce clause. Moreover, if the proposed legislation were to be held constitutional, it would give no one, except perhaps the Attorney General, any right of action which he does not already have under the provisions of 42 U.S.C., section 1983. That is the section which gives a right of action at law or in equity to any person who "under color of any statute, ordinance, regulation, custom, or usage of any State" has been deprived by another person "of any rights, privileges, or immunities secured by the Constitution and laws." The rights, privileges and immunities mentioned in this section include the 14th amendment rights to due process and equal protection of the laws. *Hague* v. *Congress of Industrial Organizations*, 307 U.S. 496 (1939). If it be constitutional for Congress now to give a right of action to anyone discriminated against because of race or color by another "in the conduct of a business authorized by a State" as one bill would do, or by someone who acts as "a proprietor, manager, or employee of any business or business activity affecting the public which is conducted under a State license" as another bill would do, Congress has already given such right of action, though in less specific terms, in 42 U.S.C. section 1983. To decide whether any exercise of power under the 14th amendment can reach Mrs. Murphy one must wait for subsequent developments in the Supreme Court.

1. It is conceivable that by reading some of the statements in Mr. Justice Bradley's opinion in the Civil Rights cases very carefully it might, as some have argued it will, in some States reach Mrs. Murphy without departing far from his rationale. Examples of such statements are Justice Bradley's acknowledgment that custom can sometimes have the force of law, and his suggestion that if States were not giving a right of action to Negroes against those who deprived them of their rights Congress could adopt corrective legislation. The consensus of the commentators, however, seems to be that the Court will not find, that in a locality where neither the law, nor custom which has the force of law, compels Mrs. Murphy to segregate, Mrs. Murphy is nevertheless not free to segregate without violating the 14th amendment.

2. The Court may extend the doctrine of *Shelley* v. *Kraemer* (supra). As applied to Mrs. Murphy, this would mean that although she was free to refuse to serve a Negro, the State would not be free to convict him of trespass if he refused to leave. Most commentators feel that this would result in chaos. It would leave Mrs. Murphy free to exercise her common law right to use reasonable force to eject the unwanted customer but would deprive her of any right to call upon the State to help her if she has insufficient force at her disposal. Mrs. Murphy who owns the corner grocery store and refuses to serve Negroes as well as people who deal all week at the Safeway and then try to buy a loaf of bread from her on Sunday, would be in the same position as the seller of land who incorporated a restrictive covenant in his deed. She would have a right but no legal remedy for its violation.

Whether such extension of *Shelley* v. *Kraemer* would be wise or not, its adoption by the Court would give Congress no more power under the 14th amendment to prevent Mrs. Murphy from segregating than it has now to enact a law preventing anyone from entering into a racial restrictive covenant.

3. The Court might extend to Mrs. Murphy the doctrine of *Terry* v. *Adams* (supra). That was the case which prohibited the Jaybird Party in Texas, a private club, from excluding Negroes because the function it performed was an integral part of the election process even though not formally recognized by State law. The function the club performed was so much a public function that its private act of discrimination constituted State action prohibited by the 15th

[1] Had the plaintiff argued that the Code of Virginia (1950), title 18, sec. 327 required segregation in the restaurant the result might have been different. The same plaintiff is urging this proposition in a new case.

amendment. (The State action concept is embraced in the 15th amendment just as it is in the 14th.) If the Court were to adopt this approach and find that Mrs. Murphy were performing so public a function that her act was a State act, then of course Congress, under the 14th amendment power, could prohibit Mrs. Murphy from discriminating.

4. The Court might take as its standard the statement from *Marsh* v. *Alabama*, 326 U.S. 501, 506 (1946): "The more an owner, for his advantage, opens up his property for use by the public in general, the more do his rights become circumscribed by the statutory and constitutional rights of those who use it."

This would require the Court not only to liken Mrs. Murphy's store to a company town (and Mrs. Murphy's aisles to company streets), but also to find that Mrs. Murphy's right to select her own customers must yield to her customers' rights to make purchases in her store. Thus far, that customer's right has not been held to exist.

It would be presumptuous to anticipate which of these approaches the Court might take or whether it might take another which has not been considered here. The significant fact is that, except insofar as it is applicable to the kind of public utility or public service organization whose private acts of discrimination have already been held to be State action prohibited by the 14th amendment, a definitive judgment as to the constitutionality of the proposed public accommodations legislation must await a decision of the Supreme Court.

THE POWER OF CONGRESS UNDER THE COMMERCE CLAUSE

It was stated earlier that the power of Congress under the commerce clause differed from its power under the 14th amendment. The 14th amendment gives Congress only the power to enforce its provisions by appropriate legislation. It can prohibit no act of discrimination which is not already prohibited by the amendment. On the other hand, the power of Congress "to regulate commerce * * * among the States" is a plenary power under which Congress can regulate and prohibit activities which would not be prohibited by the commerce clause in the absence of an act of Congress. One example might make this distinction clear. There is nothing in the Constitution which prohibits the transportation in interstate commerce of goods manufactured by laborers who are paid only 10 cents an hour and work 16 hours a day, 7 days a week. However, in the exercise of its commerce power, Congress may establish minimum wages and maximum hours for employees engaged in the production of goods for interstate commerce and forbid an employer to pay his employees less or work them longer than the law allows. *United States* v. *Darby*, 312 U.S. 100 (1941). Mr. Justice Bradley recognized this distinction in his opinion in the *Civil Rights Cases*, 109 U.S. 3 (1883), stating that his remarks on the restricted nature of the power of Congress under the 14th amendment "do not apply to those cases in which Congress is clothed with direct and plenary powers of legislation over the whole subject" as it is in the commerce clause.

Although the commerce power has been said to be plenary this is not to say that any attempted exercise of it is constitutional. On several occasions the Supreme Court has held that Congress overreached its power. In *United States* v. *Dewitt*, 9 Wall. 41 (1869) the Court held unconstitutional an internal revenue provision making it a misdemeanor to mix for sale naphtha and illuminating oil, or to sell such mixture, on the ground that it was a police regulation, relating exclusively to the internal trade of the States and not supported by the commerce power. The *Trade Mark* cases, 100 U.S. 82 (1879) held unconstitutional the original trademark act and certain penal provisions enforcing it because its language was intended to embrace commerce between citizens of the same State. More recently the original Child Labor Law was held unconstitutional in *Hammer* v. *Dagenhart*, 247 U.S. 251 (1918). In *Schechter Poultry Corp.* v. *United States*, 295 U.S. 495 (1935) the commerce power was said not to reach the sale of unfit chickens by a wholesale poultry dealer who purchased chickens shipped in from other States for resale to retail dealers. While acknowledging the power of Congress to regulate intrastate matters affecting commerce as well as commerce itself, the Court thought that it could not reach acts having only an indirect effect: "But where the effect of intrastate transactions upon interstate commerce is merely indirect, such transactions remain within the domain of State power. If the commerce clause were construed to reach all enterprises and transactions which could be said to have an indirect effect upon interstate commerce, the Federal authority would embrace practically all the activities of the people and the authority of the State over its domestic concerns would exist only by sufferance of the Federal Government." Id. at 546.

In *Carter* v. *Carter Coal Co.*, 298 U.S. 238 (1936), the Bituminous Coal Conservation Act of 1935 was held to impose, not a tax within article I, section 8, but a penalty not sustained by the commerce clause.

If, like the holding in the Civil Rights cases, the holdings in these and other cases setting limits upon the power of Congress under the commerce clause had come down to us unimpaired or almost unimpaired, the commerce clause might be no better a basis for legislation prohibiting private acts of discrimination in hotels, restaurants, retail stores, and the like than the 14th amendment would be. Unlike the Civil Rights cases, however, many of these cases have been expressly overruled as was *Hammer* v. *Dagenhart* in *United States* v. *Darby*, 312 U.S. 100, 115–117; or limited, as was *Carter* v. *Carter Coal Co.* in the same case, id. at 123; or distinguished and explained so frequently that they might as well have been overruled, which is the fate the Schechter case has met in *National Labor Relations Board* v. *Jones and Laughlin Steel Corp.*, 301 U.S. 1 (1937) upholding provisions of the National Labor Relations Act of 1935 and *United States* v. *Wrightwood Dairy Co.*, 315 U.S. 100 (1942), upholding the power of Congress to regulate intrastate commerce in milk affecting interstate commerce in that commodity.

In *United States* v. *Darby*, *supra*, the Court said: "The power of Congress over interstate commerce is not confined to the regulation of commerce among the States. It extends to those activities intrastate which so affect interstate commerce or the exercise of the power of Congress over it as to make regulation of them appropriate means to the attainment of a legitimate end, the exercise of the granted power of Congress to regulate interstate commerce." 312 U.S. 100, 118 (1939).

Then, after noting that in the absence of congressional legislation on the subject State laws which do not obstruct commerce are not forbidden even though they affect interstate commerce, the Court continued: "But it does not follow that Congress cannot by appropriate legislation regulate intrastate activities where they have a substantial effect on interstate commerce. See *Santa Cruz Fruit Packing Co.* v. *National Labor Relations Board*, 303 U.S. 453, 466. A recent example is the National Labor Relations Act for the regulation of employer and employee relations in industries in which strikes, induced by unfair labor practices named in the act, tend to disturb or obstruct interstate commerce. See *National Labor Relations Board* v *Jones and Laughlin Steel Corp.*, 301 U.S. 1, 38, 40; *National Labor Relations Board* v. *Fainblatt*, 306 U.S. 601, 604, and cases cited. But long before the adoption of the National Labor Relations Act this Court had many times held that the power of Congress to regulate interstate commerce extends to the regulation through legislative action of activities intrastate which have a substantial effect on the commerce or the congressional power over it." Id. at 119–20.

In a footnote the Court listed some of the activities it had held Congress could regulate: "It may prohibit wholly intrastate activities which, if permitted, would result in restraint of interstate commerce. *Coronado Coal Co.* v. *United Mine Workers*, 268 U.S. 295, 310; *Local 167* v. *United States*, 291 U.S. 293, 297. It may regulate the activities of a local grain exchange shown to have an injurious effect on interstate commerce. *Chicago Board of Trade* v. *Olsen*, 262 U.S. 1. It may regulate intrastate rates of interstate carriers where the effect of the rates is to burden interstate commerce. *Houston, E. & W. Texas Ry. Co.* v. *United States*, 234 U.S. 342; *Railroad Commission of Wisconsin* v. *Chicago, B. & O. R. Co.*, 257 U.S. 563; *United States* v. *Louisiana*, 290 U.S. 70, 74; *Florida* v. *United States*, 292 U.S. 1. It may compel the adoption of safety appliances on rolling stock moving intrastate because of the relation to and effect of such appliances upon interstate traffic moving over the same railroad. *Southern Ry. Co.* v. *United States*, 222 U.S. 20. It may prescribe maximum hours for employees engaged in intrastate activity connected with the movement of any train, such as train dispatchers and telegraphers. *Baltimore & Ohio R. Co.* v. *Interstate Commerce Comm'n*, 221 U.S. 612, 619." Id. at 120.

The court then described the functions of Congress and the Court with respect to determining the scope and validity of such legislation:

"In such legislation Congress has sometimes left it to the courts to determine whether the intrastate activities have the prohibited effect on the commerce, as in the Sherman Act. It has sometimes left it to an administrative board or agency to determine whether the activities sought to be regulated or prohibited have such effect, as in the case of the Interstate Commerce Act, and the National Labor Relations Act, or whether they come within the statutory definition of the prohibited act, as in the Federal Trade Commission Act. And sometimes Congress itself has said that a particular activity affects the commerce, as it did in the present act, the Safety Appliance Act and the Railway Labor Act. In passing on the validity of legislation of the class last mentioned the only function of courts is to determine whether the particular activity regulated or prohibited is within the reach of the Federal power. See *United States* v. *Ferger, supra; Virginia Ry. Co.* v. *Federation*, 300 U.S. 515, 553.

"Congress, having by the present act adopted the policy of excluding from interstate commerce all goods produced for the commerce which do not conform to the specified labor standards, it may choose the means reasonably adapted to the attainment of the permitted end, even though they involve control of intrastate activities. Such legislation has often been sustained with respect to powers, other than the commerce power granted to the National Government, when the means chosen, although not themselves within the granted power, were nevertheless deemed appropriate aids to the accomplishment of some purpose within an admitted power of the National Government. See *Jacob Ruppert, Inc.* v. *Caffey*, 251 U.S. 264; *Everard's Breweries* v. *Day*, 265 U.S. 545, 560; *Westfall* v. *United States*, 274 U.S. 256, 259. As to State power under the 14th amendment, compare *Otis* v. *Parker*, 187 U.S. 606, 609; *St. John* v. *New York*, 201 U.S. 633; *Purity Extract & Tonic Co.* v. *Lynch*, 226 U.S. 192, 201–202. A familiar like exercise of power is the regulation of intrastate

transactions which are so commingled with or related to interstate commerce that all must be regulated if the interstate commerce is to be affectively controlled. *Shreveport* case, 234 U.S. 342; *Railroad Commission of Wisconsin* v. *Chicago, B. & O. R. Co.*, 257 U.S. 563; *United States* v. *New York Central R. Co., supra*, 464; *Currin* v. *Wallace*, 306 U.S. 1; *Mulford* v. *Smith, supra*. Similarly Congress may require inspection and preventive treatment of all cattle in a disease infected area in order to prevent shipment in interstate commerce of some of the cattle without the treatment. *Thornton* v. *United State*, 271 U.S. 414. It may prohibit the removal, at destination, of labels required by the Pure Food & Drugs Act to be affixed to articles transported in interstate commerce. *McDermott* v. *Wisconsin*, 228 U.S. 115. And we have recently held that Congress in the exercise of its power to require inspection and grading of tobacco shipped in interstate commerce may compel such inpection and grading of all tobacco sold at local auction rooms from which a substantial part but not all of the tobacco sold is shipped in interstate commerce. *Currin* v. *Wallace, supra*, 11, and see to the like effect *United States* v. *Rock Royal Co-op., supra*, 568, note 37." Id. at 121–22.

Under the Fair Labor Standards Act held constitutional in the *Darby* case, Congress regulated wages of any employee engaged in any process or occupation "necessary to the production" of goods for interstate commerce in any State. Among the employees held covered under the act were warehouse and central office employees of an interstate retail chainstore system; the employees of an electrical contractor, locally engaged in commercial and industrial wiring and dealing in electrical motors and generators for commercial and industrial use, whose customers are engaged in the production of goods for interstate commerce; employees of a window-cleaning company, the greater part of whose work is done on the windows of industrial plants of producers of goods in interstate commerce. Even publishers of a daily newspaper only about one-half of 1 percent of whose circulation is outside the State were held to be engaged in the production of goods for commerce. *Mabee* v. *White Plains Publishing Co.*, 327 U.S. 178 (1946). (For a longer list of occupations covered by the Fair Labor Standards Act and citations to cases, see note 6, pp. 157–158, "The Constitution of the United States of America" (1953), Senate Document No. 170, 82d Congress, 2d sess.; pp. 118–253 of that volume discuss the Supreme Court cases interpreting the commerce clause.)

The National Labor Relations Act has a broader scope than the Fair Labor Standards Act and enables the NLRB to reach activities "affecting commerce" as defined in section 2(7). (61 Stat. 138, 29 U.S.C., sec. 142(7)). In *Meat Cutters* v. *Fairlawn Meats*, 353 U.S. 20 (1957) the Court held the act applicable to a retailer operating three meat markets in and around Akron, Ohio, even though all of its sales were intrastate and only slightly more than $100,000 of its annual purchases of almost $900,000 came from outside Ohio directly, saying: "We do not agree that respondent's interstate purchases were so negligible that its business cannot be said to affect interstate commerce within the meaning of section 2(7) of the National Labor Relations Act." Id. at 22.

In another comment upon the reach of section 2(7) the Court said, in *Polish Alliance* v. *Labor Board*, 322 U.S. 643, 648 (1944): "Congress therefore left it to the Board to ascertain whether proscribed practices would in particular situations adversely affect commerce when judged by the full reach of the constitutional power of Congress. Whether or no[t] practices may be deemed by Congress to affect interstate commerce is not to be determined by confining judgment to the quantitative effect of the activities immediately before the Board. Appropriate for judgment is the fact that the immediate situation is representative of many others throughout the country, the total incidence of which if left unchecked may well become far reaching in its harm to commerce."

It is perhaps the case of *Wickard* v. *Filburn*, 317 U.S. 111 (1942) which illustrates most dramatically the extent to which the commerce power can reach intrastate activities. Filburn harvested 239 more bushels of wheat than he was allowed to under an Agricultural Adjustment Act of 1938 allotment. This subjected him to penalties under the act which did not depend upon whether any part of his wheat, either within or without his quota, was sold or intended to be sold. Filburn contended that to penalize him for growing wheat on his own farm to be consumed on his own farm was beyond the reach of congressional power since these are local activities and their effect on commerce is at most indirect. The Court said that questions of the power of Congress were to be decided not by reference to any formula based on words like "direct" but rather upon "consideration of the actual effects of the activity in question upon interstate commerce," id. at 120. In holding that even as applied to wheat not intended for commerce but strictly for home consumption the act was within the commerce power of Congress, the Court stated that the effect of the statute was "to restrict the amount of wheat which may be produced for market and the extent as well to which one may forestall resort to the market by producing to meet his own needs. That appellee's own contribution to the demand for wheat may be trivial is not enough to remove him from the scope of Federal regulation where, as here, his contribution, taken together with that of many others similarly situated, is far from trivial." Id. at 127–128. The Court also observed: "This record leaves us in no doubt that Congress may properly have considered that wheat consumed on the farm where grown, if wholly outside the scheme of regulation, would have a substantial effect in defeating and obstructing its purpose to stimulate trade therein at increased prices." Id. at 128–129.

The Supreme Court has also held that in the exercise of its commerce power Congress may prohibit racial discrimination. *Boynton* v. *Virginia*, 364 U.S. 454 (1960). A Virginia court had held that a Negro interstate bus passenger who refused to leave a white-only restaurant in the bus terminal after being denied service and ordered to leave was properly convicted of trespass under a Virginia statute. The Supreme Court held that under section 216(d) of the Interstate Commerce Act (49 U.S.C., sec. 316(d)), which forbids any interstate common carrier by motor vehicle to subject any person to unjust discrimination, the Negro had a Federal right to be served in the restaurant and Virginia could not convict him of trespass for remaining even after he had been ordered to leave. Though the restaurant was not operated by the carrier it was operated as a part of the carrier's terminal facilities and was therefore embraced with the prohibitions of the act. The Court was careful to point out that it was not deciding that the act required unsegregated service every time a bus stops at a roadside restaurant. It should be observed, on the other hand, that the Court said nothing one way or the other about the power of Congress under the commerce clause to require unsegregated service every time an interstate bus stopped at a roadside restaurant.

In the earlier discussion of the 14th amendment aspects of the case of *Williams* v. *Howard Johnson's Restaurant*, 268 F. 2d 845 (4 Cir. 1959), (supra, pp. 8–9), it was mentioned that the Court rejected the theory that the restaurant was forbidden to discriminate because it was engaged in interstate commerce. It should be observed that in this case the Court was considering not the power of Congress under the commerce clause, for there was no statute involved, but rather the reach of the commerce clause unimplemented by any congressional regulation. The distinction is a most important one.

Conclusions on the commerce clause approach

From the cases thus far decided it seems clear that, under the commerce clause, Congress can regulate racial discrimination. It is also clear that, under its commerce power Congress can reach intrastate activities if they have a substantial effect upon commerce. We know that the commerce power can reach retailers whose sales are wholly intrastate and only one-ninth of which purchases are made out of state. *Meat Cutters* v. *Fairlawn Meats* (supra). We know that Congress can reach a farmer who grows wheat on his own farm for his own consumption even though the amount he grows may be trivial. *Wickard* v. *Filburn* (supra). But we know also, because the principle is implicit in even the broadest holdings on the scope of the commerce power, that Congress cannot reach activities which do not in fact have a significant effect upon commerce.

We do not know whether Congress can reach racial discrimination to the same extent that it can reach other activities under the commerce clause. There would seem to be nothing in the decided cases, however, to indicate that the Court would not apply the same standards it has applied in cases dealing with the regulation of prices, wages, hours, labor relations, or any other attempt by Congress to exercise the full extent of its powers under the commerce clause.

Under the 14th amendment, Congress can reach "only such action as may fairly be said to be that of the States." *Shelley* v. *Kraemer*, 334 U.S. 1, 13 (1948). Under the commerce clause, the power of Congress extends to all interstate activities and also "to those activities intrastate which so affect commerce or the exercise of the power of Congress over it as to make regulation of them appropriate means to the attainment of a legitimate end." *United States* v. *Darby*, 312 U.S. 100, 118 (1939). Whether the Congress uses one power or the other as the basis for a law prohibiting racial discrimination in public accommodations, the Court will be required to make the ultimate determination of the law's constitutionality, not in general terms but on the basis of its application to particular activities. Although it seems likely that, in the present state of the law, Congress can reach more activities under the commerce clause than it can under the 14th amendment, one cannot be certain whether Mrs. Murphy's rooming house or Mrs. Murphy's grocery store can be reached under either power.

If Mrs. Murphy's act may fairly be said to be that of the State the 14th amendment already reaches her.

If Mrs. Murphy's act so affects commerce as to make its regulation appropriate, Congress can reach her act under its commerce power.

But just as it would be presumptuous to try to anticipate whether the Court will follow the *Civil Rights Cases*, or *Shelley* v. *Kraemer*, or *Marsh* v. *Alabama* if the Congress adopts the 14th amendment approach, it would be presumptuous to try to anticipate what approach it will take if Congress acts under the commerce power.

Whether the Court will find that a law prohibiting Mrs. Murphy from discriminating in the rental of her rooms or the sale of her canned goods is unconstitutional because it is a police regulation, relating exclusively to the internal trade of the States, as in *United States* v. *Dewitt*, 9 Wall. 41 (1869), or because it is intended to embrace

commerce between citizens of the same States, as in *The Trade Mark* cases, 100 U.S. 82 (1879), or find the law constitutional after weighing not just the quantitative effect on interstate commerce of Mrs. Murphy's act but also "the fact that the immediate situation is representative of many others throughout the country, the total incidence of which if left unchecked may well become far reaching in its harm to commerce," as it said should be done in the *Polish Alliance* case (supra, p. 24), is an inappropriate judgment for us to make.

VINCENT A. DOYLE,
Legislative Attorney.

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

ORDER OF BUSINESS

Mr. SIMPSON obtained the floor.

Mr. BIBLE. Mr. President, will the Senator yield temporarily to me so that I might ask the Presiding Officer to lay before the Senate the unfinished business?

Mr. SIMPSON. I am happy to yield.

AMENDMENT OF LEAD-ZINC SMALL PRODUCERS STABILIZATION ACT

The PRESIDING OFFICER. The Chair lays before the Senate the unfinished business, which will be stated.

The LEGISLATIVE CLERK. A bill (H.R. 3845) to amend the Lead-Zinc Small Producers Stabilization Act of October 3, 1961 (75 Stat. 766).

The Senate resumed the consideration of the bill (H.R. 3845) to amend the Lead-Zinc Small Producers Stabilization Act of October 3, 1961 (75 Stat. 766).

ANNIVERSARY OF WYOMING STATEHOOD

Mr. SIMPSON. Mr. President, proudly I take the Senate floor today to bring to my colleagues' attention the 73d anniversary of the act which created the State of Wyoming in the year 1890.

In Wyoming's three-quarters of a century of participation in the great American experiment of representative government, many accolades have been paid her, but none greater than the reputation she has earned as a State peopled by self-reliant Americans who believe in private enterprise and constitutional government.

From a sod house and mule trail beginning as a Territory just 3 years after the Civil War, the Union's 44th State now holds a respected position in our Republic. However, Wyoming's archives disclose that she has at times in her struggle fared rather sadly at the hands of the Federal Government. In one such instance, the 40th Congress, embroiled in the impeachment of President Johnson in 1868, refused to confirm his governmental appointments for the Wyoming Territory. John A. Campbell was named Wyoming's first Territorial Governor the following year by Johnson's successor, President Grant.

Wyoming's first legislative assembly convened at Cheyenne, October 12, of that year. House members have gaveled to order in the same building that was to provide the setting later in that session for enactment of the world's first women's suffrage bill.

Wyoming's tremendous mineral wealth was recognized as early as 1889 when a Senate committee report ventured the estimate that—

> Few countries on the face of the globe have resources more varied than those of Wyoming * * * no countries could be better supplied with coal * * * it is doubtful if the oil fields elsewhere in the United States equal those of Wyoming.

How prophetic were the glowing passages of that report can be seen in statistics today which prove Wyoming to be truly America's "storehouse of power."

The bill for which that optimistic minerals report was transcribed—S. 2445—died when Congress adjourned 5 days after the measure cleared its committee.

An earlier attempt to create a State from Wyoming Territory ended in a mystery. A bill introduced by the Territory's Delegate to Congress and later Governor, J. M. Carey, unexplainably disappeared from its referred committee and from recorded history.

It was in the House of Representatives that the spark of Wyoming statehood finally grew to a blaze. House Resolution 982, ratifying Wyoming's constitution with its historic and highly controversial women's suffrage provision was passed after protracted debate. Senate concurrence followed, and on this date in 1890 Wyoming's name was enrolled as a member of the family of the United States of America.

I should like to digress a moment and note that the Territorial Governor who became Wyoming's first State Governor, Francis E. Warren, received an appointment by then President Benjamin Harrison. That Chief Executive's grandson, William Henry Harrison, is now serving Wyoming with distinction in his fourth term as our lone Congressman in the House of Representatives.

The man President Harrison appointed as Territorial Governor—the man later elected State Governor—was to etch his name indelibly in the solid granite of greatness. After a brief term as Governor, Francis E. Warren was elected to serve his new State and his burgeoning Nation as a U.S. Senator. It should be noted that Senator Warren's 37 years and 6 days in office constitute the longest period of service recorded in this legislative body.

I digress to state that the senior Senator from Arizona [Mr. HAYDEN] whose service has been continuous, rather than in broken time, will pass that mark in the coming year.

Wyoming's political heterogeneity can be readily perceived by glancing at the list of distinguished men and women who have occupied the Cheyenne State House. Ten, including the Nation's first woman Governor, Nellie Tayloe Ross, were Democrats. Sixteen, including Wyoming's present Governor, Clifford P. Hansen, were elected on Republican ballots. History shows that both political parties have contributed persons of stature and sagacity to lead Wyoming from the wilderness of Mexican and Dakota territory to statehood—men and women whose great catalyst was the desire to govern well the State they loved.

Today Wyoming—the State—ranks ninth largest in land area. Her 350,000 residents constitute a population average of only three persons per square mile. The families that developed—and are still developing—wonderful Wyoming regard their elbow room as a prize asset.

Another top asset, the University of Wyoming, ranks among the top 10 percent of American universities. For that touch of affluency, Wyoming has 40 men listed as millionaires in Casper, a city of less than 40,000.

Crude oil and natural gas are produced in 21 of Wyoming's 23 counties, and Wyoming has no proration laws or similar restrictions on industry. We question the 37½ percent mineral royalty refunded our State when we see the 90 percent refund accorded our distant neighbors of the far north. Wyoming is ranked fifth among States in petroleum reserves and contributes some 40 percent of the funds going to Washington under the Minerals Leasing Act of 1920. Wyoming's return, however, is only slightly more than one-third of the moneys we actually contribute.

Wyoming contains 30 percent of the potential uranium reserves in America—ranking second only to New Mexico in stocks of this vital mineral.

Wyoming is further blessed with rich deposits of iron and steel, of trona and bentonite, coal and gypsum. Sulfur in the Big Horn Basin indicates the location of another lucrative industry that thrives in Wyoming's excellent business climate. All 23 of Wyoming's counties are underlaid with coal. We have reserves estimated at 600 billion tons of the black fuel.

We have a spanking new $3 million gypsum wallboard plant near Cody, Wyo., and the Husky Oil Co., one of Wyoming's "independents," is also headquartered there.

Wyoming's livestock industry occupies a prominent place in the State's economy. With more prudence and commonsense from the administration regarding foreign beef and woolen imports, I trust our livestock producers can continue to have a dependable and profitable industry.

Still another potentially promising business harassed by excesses of bureaucratic redtape is Wyoming's lumber industry. With a U.S. Government stamp on over half of Wyoming's land, with only one-sixth of Wyoming's commercial forest land privately owned, I am sure that my colleagues can readily see that Government manipulation plays a big role in the development of a lumber industry.

For my colleagues who sometimes yearn for the wide-open spaces and the opportunity to trade forensic barbs for a rifle, I can report that Wyoming has the best elk, deer, moose, and antelope hunting in the United States. The fishing in hundreds of clear cold streams is unexcelled.

Wyoming has the mixed blessing of Yellowstone and Grand Teton National

Parks as well as a myriad of national monuments and State parks which attract nearly 3 million visitors annually.

A clear indication of Wyoming's great diversity came July 1 when Fort Warren Air Force Base at Cheyenne, already the first operational intercontinental Atlas missile launching base in the United States, added to its numerous laurels the honor as the largest operational Minuteman missile wing in the Nation. Fort Warren's strategic location within striking distance of any Communist target the world over and its "triple threat" weapons potential bring the so-called cold war to the very doorstep of every Wyoming family.

Wyoming, Mr. President, is a State large in size but small in population. I call it "the land of high altitude and low multitude," but essentially Wyoming is a land of proud diversity. She is proud of her tremendous natural resources, but even prouder of a greater resource—her people. A story published recently in a State magazine reveals with candor and pathos the depth of the Wyoming spirit. A Wyoming cattleman had his herd decimated by drought for the seventh time. He was asked by a neighbor what he intended to do; was he going to quit or try again? He replied that he had a "pretty nice bunch" of yearlings and somehow he could get along by himself, even though he was 82 years old.

In political philosophy Wyoming is conservative although the State has never turned its back on politicians of the Democratic Party. We were represented for 27 years by a man who became a pillar of strength in the U.S. Senate, the redoubtable Joseph C. O'Mahoney. Basically, however, Wyoming's thinking in foreign policy and economics and the relationship of the State to the Federal Government is the very opposite of liberal dogma.

This reference, Mr. President, brings me to another point of digression. Wyoming in the past several weeks has been subjected to an unprecedented and well-planned campaign of vilification and defamation aimed at painting my State as an irresponsible governmental unit manipulated by external forces of some extremist bent. Nothing could be further from the truth.

Last April syndicated columnist, Marquis Childs, in the Washington Post said:

> The John Birch Society has gained more or less open control over the Wyoming Legislature.

Childs said 15 Wyoming radio stations had accepted a retainer of $1,000 from a combine of rightwing organizations.

No sooner had the ink dried on Childs' bit of fiction than liberal commentator Edward P. Morgan blasted the Equality State as a haven of rightwing extremism. His diatribe emanated from the same source as did the Childs' article. So similar were the contents of the two stories—even to repeating the same errors of fact—that they could have been penned by the same author.

Before yielding the floor, Mr. President, I should like to take cognizance of the fact that Wyoming, although dragged through the dark mire of scurrilous innuendo and defamation, could give some excellent fiscal pointers to the Federal Government and some of her sister States, whose economies are represented in varying shades of red.

Marquis Childs and Edward Morgan notwithstanding, Wyoming has accomplished much. Wyoming has no general bond funded debt. Its State highway program is financed on a pay-as-you-go basis. Wyoming has no State income tax and no corporate taxes.

She has one of the lowest per capita crime rates in the United States, together with a history of sensible compatible relationships between State and city governments. Each biennium the legislature meets in a 40-day session. It is guided in its fiscal policy by a law which gives the legislators a mandate wherein no appropriation can be made which would create a deficit. Our general fund established by the legislature has for many years shown a surplus. In this day of deficit spending that is in itself a most laudable accomplishment for any State.

With further reference to the spurious charges leveled at Wyoming's State government, her institutions, and her citizens, I would inform the oracles of the left that Wyoming's PTA is not Birch controlled. Wyoming's Rotary, Kiwanis, and Lions Clubs are not Birch controlled. Wyoming's Farm Bureau Federation is not Birch controlled. Neither are the State's radio and television industries, or the press. I assure the columnists and commentators who have bent their ears to the left that the State which celebrates its statehood today is controlled only by elected citizens of Wyoming—their principal desire being to benefit the State they serve through exercise of their constitutional prerogatives. Neither the John Birch Society on the right nor the Americans for Democratic Action on the far left has any appreciable influence on the Equality State. There are no secret cells controlling Wyoming's institutions and the opposition that may face office holders in my State in 1964 will result from their own political activities as interpreted and judged by the people of Wyoming.

Wyoming's 350,000 residents have much to be proud of this day. The State, carved from the wilderness by the pioneer spirit and courage of the settlers who "dared," now occupies a respected place in our Nation. We are richly endowed with natural and human resources. We have maintained fiscal stability through development of economic literacy, and our business climate is outstanding.

As the last frontier of the Old West, Wyoming looks with anticipation at the years that lie ahead. We combine a proud heritage, an optimistic future, and confidence in the strength of the American way, to remain the land of opportunity—the Equality State.

Mr. DOMINICK. Madam President, will the Senator yield?

The PRESIDING OFFICER (Mrs. NEUBERGER in the chair). Does the Senator yield?

Mr. SIMPSON. I yield to the Senator from Colorado.

Mr. DOMINICK. As a Senator from a neighboring State, I wish to express appreciation of and compliment the Senator on a fine statement. I have visited his State on many occasions. I have relatives living in Wyoming. It is a great State.

Mr. SIMPSON. I thank the Senator. His distinguished relatives in the State of Wyoming are making history in that State, just as he is making history in Colorado.

FEDERATION OF MALAYSIA

Mr. MANSFIELD. Madam President, I should like to call to the attention of the Senate the signing of an agreement in London on July 9 which points the way, in turn, to the creation on August 31 of a new commonwealth in southeast Asia. The agreement will join Malaya, Singapore, North Borneo, and Sarawak in the Federation of Malaysia, and the door is left open to the subsequent adherence of the Sultanate of Brunei.

This agreement, Madam President, has not been easy to achieve. Within the territories involved, there are 10 million people of many cultural backgrounds—groups such as the Malays, the Chinese, the Dyaks, and others—who have heretofore not always had the most friendly contacts with one another. There are ancient fears and contemporary fears which have had to be overcome. There are immediate economic advantages and disadvantages to one group or another in the fusion. All these and other factors have had to be confronted in reaching the accord and they will continue to be present as it is transformed into a working reality.

In time, however, there is every reason to anticipate high returns to all of the inhabitants of Malaysia, in terms of stability, security, and economic progress in freedom.

An exceptional order of southeast Asian leadership has made possible the achievement of the agreement. The leadership has come from the Tunku Abdul Rahman of Malaya who is one of the outstanding and farsighted political leaders of the region. It was my pleasure, along with the Senator from Rhode Island [Mr. PELL] and the Senator from Delaware [Mr. BOGGS] to meet with the Tunku last fall in Kuala Lumpur and to discuss with him, among other questions, the projections which were then already formed for the new federation.

The Tunku, along with Lee Kuan Yew in Singapore, and the leaders of North Borneo and Sarawak are to be congratulated on this important achievement. And so, too, is the British Government. It has shown in this as in many other instances an understanding of indigenous realities and a discreet wisdom in dealing with them in the transfer of political responsibilities in Asia.

Finally, Madam President, I should like to compliment the Governments of the Philippines and Indonesia for interposing no insurmountable objections to the emergence of the federation, despite certain reservations which both nations

have entertained with respect to this development. The legal claims respecting North Borneo which have been raised by the Philippines are still to be dealt with in an appropriate fashion. But the understanding which Manila has shown in connection with the emergence of Malaysia should serve to facilitate the satisfactory resolution of these claims.

In any event, Madam President, the signing of the agreement on Malaysia is an auspicious event. I am sure that the Senate joins with the President in wishing every success to this great venture in unity and freedom in southeast Asia.

I ask unanimous consent that an article from the Baltimore Sun, under date of July 9, by David M. Culhane, and an article from the Washington Post be incorporated at this point in the RECORD.

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

[From the Baltimore Sun, July 9, 1963]

LONDON SIGNATORIES SET UP FEDERATION OF MALAYSIA

(By David M. Culhane)

LONDON, July 9.—An international agreement creating a Federation of Malaysia, southeast Asia's newest nation, was signed here early today.

Prime Minister Macmillan and the representatives of Malaya, Singapore, Sarawak, and British North Borneo signed the agreement which will bring the nation into existence August 31.

BRUNEI BACKS OUT

After all-day negotiations yesterday, the oil-rich State of Brunei backed out of the agreement at the last minute.

But just after midnight, the other parties went ahead with the agreement. It is not known yet what Brunei intends to do.

Other signatories included Tunku Abdul Rahman, Prime Minister of the Federation of Malaysia, and Lee Yuan Yew, Prime Minister of Singapore.

Duncan Sandys, Britain's Commonwealth Minister, who has been preparing the way for the federation, also was on hand for the signing and the midnight celebrations.

The signing took place at Marlborough House, the Commonwealth center near Buckingham Palace, where many of the all-night conferences of the past 10 days took place.

NATION OF 10 MILLION

The new nation will include just under 10 million persons—native tribesmen, industrious Chinese, Tamils from India and Ceylon, and the politically advanced Malays.

The Macmillan signature on the agreement today means that the British flag will be lowered in North Borneo and Sarawak, to be replaced by national and federation standards.

There is still a general expectation that Brunei will at some point decide to join Malaya, Singapore, British North Borneo, and Sarawak in the Federation.

The Singapore Prime Minister said after the negotiations were concluded tonight that his side had been "bludgeoned into this settlement."

He said that Singapore had made extensive concessions to Britain concerning military properties which Britain wants to retain.

Malayan and British spokesmen said that Brunei had opted out solely on the issue of of the "precedence of the Sultan of Brunei."

Other sources suggested there may be some point concerning its financial contribution behind the Brunei decision—the little nation of about 83,000 persons has an annual oil income of about $35 million.

The new nation will include 3,300,000 Malays, 2,500,000 Chinese, 700,000 persons of Indian descent, plus the almost 2 million citizens of Singapore.

Tunku Abdul Rahman will become the first Prime Minister and will direct the affairs of the federation from its new capital, Kuala Lumpur.

The new nation is made up of various lands lying around the South China Sea.

One of the objectives of the federation is to create a bulwark in the area against further aggression from the Chinese mainland.

BRITAIN TO BE DEFENDER

Britain will continue to take responsibility for the defense of the area—from its bases in Singapore and Malaya. It will be many years before the federation can take over its defense.

Besides expected difficulties with Communist China, the new nation may get some trouble from Indonesia. That nation has indicated from time to time considerable objections to the new federation.

[From the Washington Post, July 9, 1963]

PACT SIGNED TO CREATE MALAYSIAN FEDERATION

LONDON, July 9.—The Sultan of oil-rich Brunei balked at the last minute but leaders of four other Commonwealth territories and Britain agreed today to create on August 31 a new Federation of Malaysia. It is dedicated to serve as a bulwark against communism in southeast Asia.

Prime Minister Harold Macmillan called the agreement "the birth certificate" of a new Commonwealth nation. It was signed by representatives of Britain, Malaya, Singapore, and the British territories of North Borneo and Sarawak.

Brunei's Sultan, Omar Ali, was reported by Malaya's Premier to have refused to sign because he was not given precedence over the rulers of the other states.

Later a Brunei spokesman disputed this, saying Brunei's withdrawal was caused by monetary considerations rather than an affront to the Sultan's ideas of precedence. He declined to say whether there may be further negotiations to include Brunei, a tiny British protectorate on the Borneo coast.

OIL MAY BE FACTOR

The money question concerned payments of Brunei oil revenues into the Maylaysia federal treasury.

The agreement was signed at Marlborough House by British Commonwealth Secretary Duncan Sandys, Premier Tunku (Prince) Adbul Rahman of Malaya, Prime Minister Lee Kuan Yew of Singapore, and political leaders of Sarawak and North Borneo.

The new Federation of Malaysia will thus group Malaya, Singapore, Sarawak, and British North Borneo in a 130,818-square-mile crescent stretching from Thailand across the South China Sea to the back door of the Philippines.

Macmillan, flanked by Sandys and Minister of State Lord Lansdowne, joined leaders of the four delegations at the signing ceremony.

Macmillan said "the agreement which we have reached is the product of much anxious thought, careful consultation, and keen argument."

"For many years," he said, "the Federation of Malaya and the bustling, dynamic state of Singapore have provided the success story of free Asia. We hope this story will continue on a larger scale."

For Britain, signing the agreement started a further withdrawal from southeast Asia and a further reduction of what was once the great British Empire.

The federation will have a population of nearly 10 million, primarily Moslems of Malay extraction. However, there are about 3.8 million Chinese, many of them Buddhists.

NEIGHBORS OBJECTED

The proposed federation also met strong objections from neighboring Indonesia and the Philippines.

Indonesia objected to the incorporation of the British Borneo territories. President Sukarno, of Indonesia, contends that given a plebiscite the inhabitants of the Borneo territories would choose an attachment to Indonesia or prefer to go it alone. He charged Britain was rushing them into the federation without popular consultation.

But after a May 31 meeting in Tokyo with Rahman, Sukarno withdrew his protest.

The Philippines has claimed part of North Borneo, but the Manila government has suggested it might drop this claim if the Malaysia members, the Philippines and Indonesia group themselves in a greater Malay confederation.

When Malaysia comes into being the present Anglo-Malayan defense agreement will extend to cover the areas of the new federation.

Britain's base in Singapore will remain, and although it is not spelled out in so many terms, the British are expected to be able to use it for SEATO (Southeast Asia Treaty Organization) purposes when necessary.

THE NATION'S WOMEN LEADERS COMMIT THEMSELVES TO CIVIL RIGHTS EFFORT

Mr. HART. Madam President, yesterday the President of the United States invited to the White House the leaders of almost 100 women's organizations, representing 50 million women from all parts of the country. He discussed with them the civil rights situation which we face and appealed for their help in guaranteeing human rights to every citizen regardless of color.

The women not only accepted the assignment; they stayed over last night and, at a history-making meeting in the Interdepartmental Auditorium, set up the machinery to get to work immediately.

Under the able chairmanship of Mrs. Mildred McAfee Horton, the group established a National Women's Committee on Civil Rights, pledged to carry to every community in the Nation an educational campaign of human equality, and also pledged to support the President's civil rights program.

Madam President, I am told that this meeting, which filled the room to capacity and held its participants until 10:45 p.m., was marked by a spirit of partnership, of determination, of responsibility, and of dedication. For all those who participated, I believe July 9, 1963, marks the beginning of a new day. And it marks a day when the entire Nation moved closer to the realization of full civil rights for all citizens.

I ask unanimous consent, Madam President, that the list of those consulted by the President be inserted in the RECORD at this point, as well as the resolution adopted by the group which met last night.

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

LIST OF WOMEN

Virginia R. Allan, National Federation of Business and Professional Women's Clubs, Washington, D.C.; Mrs. Herbert Arthur, Iowa United Church Women, Ames, Iowa; Mrs.

Bernard Bachman, National Council of Jewish Women, Inc., Verona, N.J.; Mrs. Angela Bambace, International Ladies' Garment Workers' Union (AFL–CIO), Baltimore; Dr. Sarah Bateman, Mental Health Services, Charleston, W. Va.; Mrs. Roland P. Beattie, YWCA National Public Affairs Committee, Murryhill, N.J.; Mrs. L. L. Belknap, Nebraska United Church Women, Lincoln, Nebr.; Fay Bennett, YWCA National Public Affairs Committee, New York, N.Y.; Mrs. John C. Bennett, National Council of Churches, New York, N.Y.; Manche O. Bennett, YWCA State Members, National Public Affairs Committee, Memphis, Tenn.; Margaret Berry, National Federation of Settlements and Neighborhood Centers, New York, N.Y.; Mrs. Kelsey Beshears, St. Joseph, Mo.; Diane Nash Bevels, Southern Christian Leadership Conference, Atlanta, Ga.; Mrs. Stanley Bierdon, YWCA National Public Affairs Committee, Coral Gables, Fla.; Anne D. Blair, American Newspaper Women's Club, Inc., Washington, D.C.

Hazel Blanchard, National Education Association, Washington, D.C.; Mrs. Norman L. Boatwright, National Council of Catholic Women, Augusta, Ga.; Mrs. Earle W. Brailey, Vermont Council of United Church Women, Bethel, Vt.; Mrs. Louis Broido, National Council of Jewish Women, Inc., New York, N.Y.; Mrs. Wright Brooks, YWCA, National Public Affairs Committee, Minneapolis, Minn.; Mrs. Fred Brown, National Council of Jewish Women, Inc., New York, N.Y.; Mrs. Porter Brown, National Council of Churches, New York, N.Y.; Mrs. Ronald Brown, National Council of Jewish Women, Inc., Cleveland, Ohio; Mrs. William H. Bruce, YWCA, Bar Bills, Maine; Mrs. Paul J. Burke, National Council of Catholic Women, Lake Charles, La.; Mrs. Ekdal Buys, Reformed Church, Caledonia, Mich.; Mrs. Roy E. Cabell, Utah United Church Women, Salt Lake City, Utah; Mrs. Everett S. Calhoun, YWCA, Palo Alto, Calif.; Mrs. De Verne Calloway (Member, State Assembly), St. Louis, Mo.; Elsie Carper, Women's National Press Club, Washington, D.C.

Mrs. Moise S. Cahn, National Council of Jewish Women, Inc., New Orleans, La.; Mrs. Howard Carson, YWCA, Fort Wayne, Ind.; Barbara Catton, National Association of Women Deans and Counselors, Washington, D.C.; Mrs. Lytle G. Chambers, YWCA, Brooklyn, N.Y.; Mrs. Emil Chanlett, U.S. Delegate, Inter-American Commission of Women, Chapel Hill, N.C.; Mrs. Stuart Chapman, YWCA, Edmons, Wash.; Mrs. Fred Church, YWCA, Natick, Mass.; Mrs. James Clapp, South Dakota United Church Women, Rapid City, S. Dak.; Mrs. Robert Claytor, YWCA, Grand Rapids, Mich.; Mrs. Dennis Clinton, Illinois United Church Women, Virden, Ill.; Mrs. O. Ivan Cole, Disciples of Christ, Cincinnati, Ohio; Mrs. Louis Cohane, National Council of Jewish Women, Inc., Detroit, Mich.; Mrs. Henry C. Collins, Alabama United Church Women, Montgomery, Ala.; Mrs. Thomas Conlin, National Council of Catholic Women, Boise, Idaho; Mrs. William J. Cooper, National Council of Jewish Women, Inc., Washington, D.C.

Mrs. Ira Y. Copen, National Council of Jewish Women, Inc., Newark, N.J.; Mrs. Henry E. Corner, YWCA, Baltimore, Md.; Mrs. Clifford C. Cowin, National Council of Churches, Oberlin, Ohio; Mrs. Earl Cranston, YWCA, Claremont, Calif.; Mrs. John W. Crawford, YWCA, Raleigh, N.C.; Mrs. William Carothers, YWCA, Salem, Oreg.; Thelma Cullen, National AFL–CIO Auxiliary, Baltimore, Md.; Mrs. Jerome Curtis, National Council of Jewish Women, Inc., Shaker Heights, Ohio; Jeanne Donaldson Dago, Chicago, Ill.; Mrs. Paul David, National Council of Jewish Women, Inc., White Plains, N.Y.; Christine Davis, House Committee on Government Operations, Washington, D.C.; Mrs. Morrell Dereign, National Council of Churches, Carathersville, Mo.; Irma Dixon, Baltimore, Md.; Mrs. Ernest F. Dixson, North Carolina Church Women, Charlotte, N.C.; Margaret B. Dolan, American Nurses' Association, Inc., Chapel Hill, N.C.

Mrs. James M. Dolbey, National Council of Churches, Cincinnati, Ohio; Mrs. Joel Dolkart, National Council of Jewish Women, Inc., Rockaway Park, N.Y.; Mrs. Charles J. Donohue, National Council of Catholic Women, Norwich, Conn.; Dr. Blanche Dow, American Association of University Women, Nevada, Mo.; Dixie Drake, League of Women Voters of U.S., Washington, D.C.; Mrs. Walter B. Driscoll, National Council of Churches, St. Paul, Minn.; Evelyn Dubrow, International Ladies' Garment Workers' Union (AFL–CIO), New York, N.Y.; Mrs. Robert V. H. Duncan, DAR, Washington, D.C.; Mildred Dunn, Washington State Governor's Commission on the Status of Women, Seattle, Wash.; Dr. Helen G. Edmonds, North Carolina College, Durham, N.C.; Margaret Edmunds, National Council of Catholic Women, Danville, Va.; Mrs. Garrett H. Evans, YWCA, Huntington, W. Va.; Mrs. Saul S. Feingold, National Council of Jewish Women, Inc., North Worcester, Mass.; Mrs. Bernard Feitlinger, National Council of Jewish Women, Inc., Columbus, Ohio; Mrs. Leopold Fleischaker, National Council of Jewish Women, Inc., Louisville, Ky.

Mrs. M. T. Fliegelman, National Council of Jewish Women, Inc., Louisvile, Ky.; Margaret Flory, National Council of Churches, New York, N.Y.; Mrs. Paul Furnas, Philadelphia Yearly Meeting of Friends, Media, Pa.; Ruth Gallinot, National Secretaries Association, Chicago, Ill.; Mrs. Neil Gebhardt, YWCA, Erie, Pa.; Catherine Gelles, National AFL–CIO, Detroit, Mich.; Mrs. Paul G. Goebel, Governor's Commission on the Status of Women, Grand Rapids, Mich.; Mrs. Raphael R. Goldenberg, National Council of Jewish Women, Inc., Paterson, N.J.; Mrs. Myron P. Gordon, National Council of Jewish Women, Inc., Mt. Vernon, N.Y.; Mrs. Richard F. Gormley, National Council of Catholic Women, Butler, N.J.; Sylvia Gottlieb, Communication Workers of America, Washington, D.C.; Mrs. Colonel John Grace, Salvation Army, New York, N.Y.; Dr. Rosa L. Gragg, National Association of Colored Women's Clubs, Washington, D.C.; Mrs. Don V. Gray, Seventh-Day Baptist, Milton, Wis.; the Reverend Alvene E. Grice, Community Churches, Covert, Mich.

Mrs. Homer A. Greene, National Home Demonstration Council, Tutwiler, Miss.; Mrs. Howard Grimes, YWCA, Dallas, Tex.; Mrs. H. M. Gronhovd, Montana United Church Women, Billings, Mont.; Mrs. Muriel V. Gross, YWCA, Elizabeth, N.J.; Mrs. J. Paul Gruver, Virginia United Church Women, Staunton, Va.; Mrs. Frank Hall, Alaska, Alaska United Church Women, Juneau, Alaska; Mrs. Paul Halladay, Indiana United Church Women, North Manchester, Ind.; Grace Hamilton, Atlanta, Ga.; Hazel Hand, Ladies Auxiliary of the Conductors' and Brakemen's Union, Pittsburg, Kans.; Mrs. James Harger, YWCA, Annandale, N.J.; Mrs. George E. Hariman, North Dakota United Church Women, Grand Forks, N. Dak.; Dr. Ruth Hartgraves, American Medical Women's Association, Inc., New York, N.Y.; Mrs. Thomas E. Hayes, Omaha, Nebr.; Anne E. Heath, African Methodist Church, Washington, D.C.; Mrs. Douglas Horton, Randolph, N.H.

Mrs. Ralph T. Heymsfeld, National Council of Jewish Women, Inc., Woodmore, Long Island, N.Y.; Grace S. Highfield, American Women's Society of Certified Public Accountants, Chicago, Ill.; Mrs. Grady A. Hodges, District of Columbia United Church Women, Washington, D.C.; Florence Allen Holmes, National Association of Negro Business and Professional Women, Massapequa, Long Island, N.Y.; Mrs. Oze Horton, Atlanta, Ga.; Margaret Hickey, Ladies Home Journal, St. Louis, Mo.; Mrs. Luther Holcomb, Texas United Church Women, Dallas, Tex.; Mrs. Paul E. Horn, Evangelical United Brethren, York, Pa.; Dr. Mary L. Bunting, president of Radcliffe College, Cambridge, Mass.; Mrs. Park Huntington, Delaware United Church Women, Wilmington, Del.; Mrs. Scott D. Hurlbert, Kalamazoo, Mich.; Dr. Dorothy H. Hutchinson, Women's International League for Peace and Freedom, Philadelphia, Pa.; Mrs. Ralph Hyslop, YWCA, New York, N.Y.; Mrs. Henry A. Ingraham, YWCA, Brooklyn, N.Y.; Mrs. James W. Irwin, YWCA, Pulaski, Tenn.

Abbe C. Jackson, National Women's Organization—African Methodist Episcopal Zion Church, Louisville, Ky.; Mrs. Charles Jackson, Metropolitan Women's Democratic Clubs, Washington, D.C.; Mildred Jeffrey, United Auto Workers, Detroit, Mich.; Mrs. Ernest A. Johnson, YWCA, Lake Forest, Ill.; Margaret Jones, State Women's Activities Division, Lewiston, Idaho; Mrs. Paul M. Jones, YWCA, New York, N.Y.; Lucy Josey, COPE, Manning, S.C.; Majorie Stewart Joyner, United Beauty School Owners and Teachers Association, Chicago, Ill.; Mrs. William Kemp, Ladies' Society of the Brotherhood of Locomotive Firemen and Engineers, Tacoma, Wash.; Barbara Kerr, YWCA, New York, N.Y.; Mrs. Marcus Kilch, National Council of Catholic Women, Youngstown, Ohio; Mrs. Ollie L. Koger, American Legion Auxiliary, Indianapolis, Ind.; Helen Kraus, National Federation of Business and Professional Women's Clubs; Mrs. Charles T. Knopa, National Council of Catholic Women, Green Bay, Wis.; Esther Lamarr, Detroit, Mich.

Mrs. Milton C. Lang, Maryland United Church Women, Baltimore, Md.; Mrs. Albertt Lasker, New York, N.Y.; Mrs. Robert Lawrence, National Council of Catholic Women, Memphis, Tenn.; Judge Marjorie Lawson, Juvenile Court, Washington, D.C.; Esther Lazarus, Baltimore Department of Public Welfare, Baltimore, Md.; Mrs. Frederick Lee, YWCA, McLean, Va.; Mrs. Lazare Levy, National Council of Jewish Women, Inc., New Orleans, La.; Mrs. Alfred Baker Lewis, YWCA, Old Greenwich, Conn.; Mrs. Sidney Lewis, National Council of Jewish Women, Inc., Miami, Fla.; Theresa Lindsay, Los Angeles, Calif.; Mrs. Sylvan Libson, National Council of Jewish Women, Inc., Pittsburgh, Pa.; Katie Louchheim, Deputy Assistant Secretary of State for Public Affairs; Florence W. Low, American Home Economics Association, College Station, Tex.; Mrs. Herbert Lund, Ridgefarm, Ill.; Alice Lynch, Los Angeles, Calif.

Edith Macey, Conference on Race and Church, New York, N.Y.; Mrs. Leon A. Marantz, National Council of Jewish Women, Inc., South Orange, N.J.; Mrs. Paul Maravnick, National Council of Jewish Women, Inc., Stamford, Conn.; Mrs. Louis Martin, Washington, D.C.; Mrs. William Ogden McCagg, Rhode Island United Church Women, Providence, R.I.; Mrs. Ralph McCanse, YWCA, Madison, Wis.; Mrs. Joseph McCarthy, National Council of Catholic Women, San Francisco, Calif.; Lillian McDaniel, National Association of College Women, Richmond, Va.; Mrs. Jesse J. McNeil, National Council of Churches, Pasadena, Calif.; Mrs. M. E. McPhail, National Council of Churches, Houston, Tex.; Mrs. H. J. McWilliams, Ladies Auxiliary of Brotherhood of Maintenance of Way Employees, Detroit, Mich.; Mrs. Charles W. Mead, National Council of Churches, Omaha, Nebr.; Margaret Mealy, National Council of Catholic Women, Washington, D.C.; Mrs. Eugene Meyer, Washington, D.C.; Mrs. Joseph Mikelaitis, Tucson, Ariz.

Dr. Minnie C. Miles, Tuscaloose, Ala.; Mrs. J. Culkater Miller, National Council of Churches, Yonkers, N.Y.; Mrs. Robert E. Mims, YWCA, Weehawken, N.J.; Juanita Jackson Mitchell, NAACP, Baltimore, Md.; Mrs. Osa W. Mitchell, Iota Phi Lambda Sorority, Birmingham, Ala.; Mrs. D. C. Montoya, West Virginia United Church Women, Parkersburg, W. Va.; Mrs. William H. Mitchell, Jr., YWCA, New Orleans, La.; Mrs. Robert H. Mooney, National Council of Catholic Women, St. Louis, Mo.; Mrs. Ercella Harmon Moore, Buffalo, N.Y.; Mrs. Edward C. Moyni-

han, National Council of Catholic Women, Washington, D.C.; Dr. Dorothea R. Muller, YWCA, Middle Village, N.Y.; Esther Murray (COPE, AFL–CIO), Washington, D.C.; Mrs. Stanley Myers, National Council of Jewish Women, Inc., Henderson, N.C.; Mrs. Phil Narmore, United Church Women, Atlanta, Ga.; Mrs. Joseph Nathanson, National Council of Jewish Women, Inc., Minneapolis, Minn.

Fannie Allen Neal, COPE (AFL–CIO), Montgomery, Ala.; Sarah H. Newman, National Consumers League for Fair Labor Standards, Washington, D.C.; Mrs. Stephen J. Nicholas, General Federation of Women's Clubs, Washington, D.C.; Mrs. James Noble, Delta Sigma Theta Sorority, New York, N.Y.; Thomasine Norford, New York, N.Y.; Ethel Norton, Connecticut United Church Women, Wallingford, Conn.; Mrs. William Noyes, YWCA, Manchester, N.H.; Mrs. Joe W. Ostenberg, United Church Women of Kansas, McPherson, Kans.; Betty Pearch, Council of Guilds, National Urban League, Cleveland, Ohio; Mrs. Earl Pearlman, National Council of Jewish Women, Inc., Pittsburgh, Pa.; Mrs. Richard E. Persinger, YWCA, Dobbs Ferry, N.Y.; Mrs. Robert J. Phillips, League of Women Voters of the United States, Washington, D.C.; Mrs. Vel Phillips, Milwaukee, Wis.; Harriet I. Pickens, YWCA, New York, N.Y.; Mrs. J. Maris Pierce, Zonta International, Pasadena, Calif.

Sally Ponikarski, COPE, Atlanta, Ga.; Mrs. Herbert Porter, National Council of Jewish Women, Glencoe, Ill.; Julia Porter, Girls Friendly; Mrs. Philip Posner, National Council of Jewish Women, San Francisco, Calif.; Mrs. Edmund G. Price, Lutheran Church in America, Pittsburgh, Pa.; Julia T. Purnell, Baton Rouge, La.; Eve Purvis, COPE, Indianapolis, Ind.; Marjorie Rachlin, Machinist International, Washington, D.C.; Martha Ragland, Nashville, Tenn.; Marguerite Rawalt, Washington, D.C.; Dr. Katherine Rea, YWCA, Oxford, Miss.; Gloria Richardson, Committee for Non-Violent Action, Cambridge, Md.; Pearl Richardson, YWCA, New York, N.Y.; Fostine Riddick, Norfolk, Va.; Beulah Roberts, YWCA, Oklahoma City, Okla.; Mrs. Stanley Roberts, YWCA, New York, N.Y.; Mrs. Rosenwald, National Council of Jewish Women, Kansas City, Mo.; Mary O. Ross, National Baptist Convention, Detroit, Mich.; Pearl Rosser, National Council of Churches, American Baptist Convention, Valley Forge, Pa.; Judge Edith Sampson, Chicago, Ill.; Mrs. Sol Scher, National Council of Jewish Women, Washington, D.C.; Helen Schleman, Dean of Women, Purdue University, Lafayette, Ind.

Mrs. Frederic P. Schrader, California and Nevada United Church Women, Los Angeles, Calif.; Mrs. Harold H. Schroeder, National Council Catholic Women, Wenatchee, Wash.; Daphne Shepherd, Amersterdam News, Brooklyn, N.Y.; Mrs. Alfred Sherrard, American Association of University Women, Washington, D.C.; Matilda Sims, B'nai B'rith Women, Detroit, Mich.; Mrs. Stuart Sinclair, National Council of Churches, Greenfield, Mass.; M. Virginia Sink, Soroptimist International, Clarkston, Mich.; Mrs. Dena Smith, Daughters of Union Veterans of the Civil War, Tulsa, Okla.; Mrs. Robert Smith, United Daughters of the Confederacy, Philadelphia, Pa.; Mrs. Roscoe Snowden, Church of God, Anderson, Ind.; Mrs. Belle Spafford, Relief Society, Church of Jesus Christ of the Latter-day Saints, Salt Lake City, Utah.

Mrs. Eugene M. Sparling, YWCA, Hot Springs, Ark.; Mrs. Harry C. Spender, Tennessee United Church Women, Nashville, Tenn.; Virginia Stafford, National Council of Churches, Nashville, Tenn.; Mrs. John W. Starr, National Council of Churches, Kansas City, Mo.; Manya Starr, Writers Guild of America, New York, N.Y.; Mrs. Mable Staupers, Washington, D.C.; Mrs. Edward Stern, National Council of Jewish Women, Seattle, Wash.; Thelma Stevens, National Council of Churches, New York, N.Y.; Mrs. Charles Stitch, National Council of Jewish Women, New Orleans, La.; Mrs. E. Stokes, National Council of Churches, Moorestown, N.J.; Mrs. John Paul Stone, YWCA, San Diego, Calif.; Velma McEwen Strode, Washington, D.C.; Mrs. Stanley I. Stuber, American Baptist Convention, Jefferson City, Mo.; Mrs. Louis H. Sweterlitsch, National Council of Catholic Women, Corapolis, Pa.

Ellen Terry, New York, N.Y.; Mrs. Wm. Sale Terrell, National Council of Churches, West Hartford, Conn.; Mrs. Earl Thomas, YWCA, Kansas City, Mo.; Mrs. George L. Thomas, YWCA, Los Angeles, Calif.; Margaret Thornburgh, COPE, Okmulgee, Okla.; Mrs. W. W. Thrasher, Florida United Church Women, Ft. Lauderdale, Fla.; Mrs. Merton B. Tice, VFW, Kansas City, Mo.; Mrs. Charles H. Tillett, Charlotte, N.C.; Gladys Tillett, U.S. Representative, U.N. Common Status of Women, New York; Mrs. J. Fount Tillman, Lewisburg, Tenn.; Mrs. M. E. Tilly, Atlanta, Ga.; Mrs. James W. Tindall, YWCA, Montclair, N.J.; Mrs. L. Charles Underwood, Unitarian Universalist Women's Federation, Cincinnati, Ohio.

Mrs. Anthony Verlangia, National Council of Catholic Women, Pueblo, Colo.; Mrs. Harold Vexler, National Council of Jewish Women, Inc., San Antonio, Tex.; Mrs. Robert G. Wade, YWCA, Auburn, Maine; Mrs. LeRoy Walcott, Michigan United Church Women, Grand Rapids, Mich.; Carmen Warschaw, chairman, Women's Division of Southern California Fair Employment Practices Commission, Los Angeles, Calif.; Beatrice Warwood, National AFL–CIO Auxiliary, Barberton, Ohio; Mrs. James Wedeles, National Council of Jewish Women, Inc., Dallas, Tex.; Pauline F. Weeden, Lynchburg, Va.; Beatrice Weiland, National AFL–CIO Auxiliary, Clintonville, Wis.; Mrs. Leonard Winer, National Council of Jewish Women, Inc., Royal Oakes, Mich.; Mrs. Sidney Weinstein, National Council of Jewish Women, Inc., West Orange, N.J.; Mrs. Benjamin J. Weiss, National Council of Jewish Women, Inc., Moreno, Los Angeles, Calif.

Mrs. John Welborn, YWCA, Greenville, S.C.; Mrs. Verda Welcome, Baltimore, Md.; Mrs. James L. Wendell, Colonial Dames of America, Washington, D.C.; Katie Whickahm, New Orleans, La.; Mrs. Norvelle E. Wicker, Kentucky United Church Women, Louisville, Ky.; Mrs. Roy Wilkins, Jamaica, L.I., N.Y.; Mrs. Joseph Willem, National Council of Jewish Women, Inc., New York, N.Y.; Clara Williams, Republican National Committee, Washington, D.C.; Mrs. Walter B. Williams, United Church of Christ, Newport News, Va.; Dagmar Wilson, Women's Strike for Peace, Washington, D.C.; Mrs. William T. Wilson, Girl Scouts, Winston Salem, N.C.; Mrs. Fred Wolf, Jr., NCJW, Wyncote, Pa.; Myra Wolfgang, Hotel & Restaurant Employes and Bartenders International, Cincinnati, Ohio; Mrs. Joseph M. Woods, Pennsylvania United Church Women, Camp Hill, Pa.; Mrs. Eugene Wyman, Los Angeles, Calif.; Hortense Young, Louisville, Ky.; Mrs. Donald Zimmerman, United Presbyterian Church U.S.A., LaGrange, Ill.

RESOLUTION

Whereas the President of the United States, aware of the crisis in racial relations in our country, today called a conference at the White House of leaders of women's organizations, and

Whereas these women, representing 50 million American women, responded to his eloquent plea to provide leadership in their communities, to alleviate tensions, and to eliminate discrimination in all areas of our American way of life: Therefore be it

Resolved, That this group shall do all within its power to create public understanding of our moral responsibilities and to implement the President's civil rights program.

TRUTH IN PACKAGING

Mr. HART. Madam President, there is growing support and understanding of the issues in the "truth in packaging" legislation presently pending before the full Senate Judiciary Committee.

On Monday, the Washington Evening Star spoke eloquently in its editorial on this proposal.

One paragraph is particularly significant:

There is nothing in the bill any honest producer should fear. There is a great deal which will help the homemaker more effectively spend the 20 percent of the family budget used for such purposes.

This is the purpose of Senate bill 387.

I ask unanimous consent that the full editorial be printed at this point in my remarks.

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

WHAT ARE YOU BUYING?

That feeling of bewilderment and frustration often shared by super-store shoppers is no mere coincidence. To begin with, all are wandering through a labyrinth stocked with some 8,000 items of every shape, size, weight, brand and price from which to choose, as economically as possible, the necessities of food, cosmetics, household items and the like.

It would be taxing enough if each knew, as he reached for a certain product, just what he was paying for in comparison with a competing product. But it can be downright defeating when the thrifty shopper, taking the time to read the fine print, finds himself completely baffled by the unmatching assortment of weights, quantities, and sizes offered at a wide variety of prices.

Chances are, he will agree with Senator HART, of Michigan, and the Senate Antitrust Subcommittee of the need for a "truth-in-packaging" bill to curb deceptive labeling and packaging practices. During hearings the past 2 years the subcommittee has vicariously followed shoppers through a stupefying maze of full quarts which grow into jumbo quarts and finally attain giant imperial quart size. The once respectable pint is no more. It has succumbed to the giant half-quart.

These mirages, however, are innocuous compared with other items which bemused the subcommittee, such as economy-size packages of unproven economic worth, sizes dealing in fractions of ounces and almost impossible to compare as to price with other odd-sized packages, impressive-sized boxes partly filled with air, and oddly shaped containers holding less than they appear to.

The "truth-in-packaging" bill would standardize the contents of small, medium and large packages, halt the deceptive "cents-off-regular-price" practice, insist on clearly printed weights and contents prominently displayed on packages, and clarify other misleading points such as the number of persons a package will serve.

There is nothing in the bill any honest producer should fear. There is a great deal which will help the homemaker more effectively spend the 20 percent of the family budget used for such purposes. We think that the public is fed up with this kind of treatment and that the full Senate Antitrust Committee should do something about it by favorably reporting the bill this month.

FERROALLOY IMPORTS

Mr. KEATING. Madam President, several weeks ago, Union Carbide Metals Co. announced plans to close its Niagara

Falls plant, with resultant dismissal of several hundred employees.

Among the causes that were given by the president of Union Carbide in reluctantly coming to this decision was the high level of imports of lower priced alloys. It is recognized, of course, that our overcapacity and the large amount of ferroalloys in our stockpiles also contribute to the problem, but imports have undoubtedly aggravated the situation.

Because of my very deep concern over the jobs that were lost by this shutdown and the tax loss to the western New York area, I requested a report from the Department of Commerce and the Department of State as to what the facts were and what remedies were available.

After receiving and studying the reports, it seems to me it is possible that the right hand of the Government does not know what the left hand is doing. The Business and Defense Services Administration of the Commerce Department—which I have always found to be both informative and helpful in trade problems—wrote as follows:

> This Department is concerned about the impact of imports on this industry. Producers of ferrochromium and ferromanganese especially have been affected by imports which have been increasing since 1957, to the extent that foreign sources are currently supplying 25 percent of our domestic market for these products.

The Department of State wrote as follows:

> Total foreign trade in ferroalloys is small as compared to domestic production. The total annual imports have fluctuated over the past decade, ranging between 92,000 tons in 1954 and 228,000 tons in 1956; they were approximately 207,000 tons in 1961 and preliminary data indicates they will be in the neighborhood of 150,000 tons in 1962. Imports of ferromanganese and ferrochromium were 197,000 tons in 1961 and 133,000 tons in 1962.
>
> The U.S. Government has bartered during the last few years surplus perishable agricultural products for various strategic commodities which are stored in stockpiles under the administration of the General Services Administration. Such acquisitions become part of the supplemental stockpile upon importation and are not subject to sale on the open commercial market. Of the total of 207,000 tons of ferroalloys imported in 1961, 122,000 tons of ferromanganese were imported from India for Government account.

It is astonishing to me that the State Department considers imports amounting to 25 percent of domestic production as "small." In my judgment, imports amounting to one quarter of domestic production are sizable. Moreover, even though a part of imports of ferromanganese in 1961 went into Government stockpiles, there can be no doubt that where overcapacity exists within this country any imports, even as little as 10 percent can create serious disruption.

The President and the Congress approved the Trade Expansion Act last year in the expectation that worldwide trade expansion would occur, and in such a way as to provide overall benefits to this Nation. So far we have been disappointed. Not only has our Government been unable even to keep open the markets that U.S. poultry and farm foods have enjoyed in European states in the past, but also it has failed adequately to recognize the problems faced by other sections of the economy.

Thus, some U.S. producers face an ever-increasing danger of reduced markets, while others are told that imports up to 25 percent of production are small and the Department of State gives no indication that it considers the problem as a serious one.

Madam President, I believe this correspondence shows only too clearly that the Department of State is not making the strong stand it should in behalf of U.S. interests. Almost every time I call such a problem to the attention of the State Department—whether it be with regard to ferroalloys, or lumber, or bread or whatever—the answer received from the Department of State reflects great concern for the other countries involved but relatively little consideration for U.S. producers.

The ferromanganese and ferrochromium industries have filed an application with the Office of Emergency Planning under section 232 of the Trade Expansion Act for relief from the increasing pressure of imports. The Department of State will undoubtedly be called on to give its views during that investigation. I would hope at that time that the Department would reconsider these statistics and make a more serious effort to appreciate the problems faced by U.S. producers when imports add up to nearly 25 percent of domestic production. The impact of imports is not small, where these two alloys are concerned, and should be most carefully weighed.

We face hard bargaining in the trade negotiations ahead of us. The Common Market countries are no pushover, as we have already seen, and unless the Department of State is prepared to give the strongest kind of backing to our trade representative, Christian Herter, in his efforts, the job will be hopeless.

The foreign ministers and foreign offices of other nations are the strongest advocates of their economic interests. It is time for the State Department to recognize that it too must fight with skill and determination for the economic interests of this Nation.

Madam President, I ask unanimous consent to include in the RECORD following my remarks the text of the two letters referred to.

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

DEPARTMENT OF STATE,
Washington, D.C., June 17, 1963.

Hon. KENNETH B. KEATING,
U.S. Senate.

DEAR SENATOR KEATING: In response to your request of May 28 we are pleased to furnish the following information in regard to ferroalloys.

High carbon ferromanganese and ferrochromium are the principal ferroalloys imported. Imports of such alloys are dutiable at five-eighths of 1 cent per pound under the provisions of paragraph 302 of the Tariff Act of 1930 as modified pursuant to action taken under the trade-agreements legislation to obtain concessions of benefit to U.S. exports. The duty initially specified in the Tariff Act of 1930 was 1⅞ cents per pound for ferromanganese and 2½ cents per pound for ferrochromium. There are no quantitative limitations on imports.

Since the steel industry is the chief consumer of ferroalloy products, the production and consumption of ferroalloys has varied directly with the production of steel ingots and castings. In the past decade, total production of ferroalloys has ranged between a low 1.8 million tons in 1954 to a high of 2.6 million tons in 1956; it was 1.9 million tons in 1961 and 2 million tons in 1962. The production of ferromanganese and ferrochromium was 937,000 tons in 1961 and 968,000 tons in 1962.

Total foreign trade in ferroalloys is small as compared to domestic production. The total annual imports have fluctuated over the past decade, ranging between 92,000 tons in 1954 and 228,000 tons in 1956; they were approximately 207,000 tons in 1961, and preliminary data indicate they will be in the neighborhood of 150,000 tons in 1962. Imports of ferromanganese and ferrochromium were 197,000 tons in 1961 and 133,000 tons in 1962.

The U.S. Government has bartered during the last few years surplus perishable agricultural products for various strategic commodities which are stored in stockpiles under the administration of the General Services Administration. Such acquisitions become part of the supplemental stockpile upon importation and are not subject to sale on the open commercial market. Of the total of 207,000 tons of ferroalloys imported in 1961, 112,000 tons of ferromanganese were imported from India for Government account.

In 1961 exports of ferroalloys to other countries totaled approximately 82,000 tons or about 3 percent of domestic production. Of these exports, about 65,000 tons consisted of ferrophosphorus and ferrosilicon. In 1962 total exports of ferroalloys were 27,000 tons.

As regards an improvement in the competitive position of domestic ferroalloys producers, we note that there have been several recent conferences between officials of the Departments of Interior and Commerce and representatives of the industry for the purpose of exploring ways of making the ferroalloy industry more competitive. To this end, the industry is seeking to improve quality and packaging; develop new alloys and new metallurgical processes; improve methods of distribution and marketing; and reduce its power, transportation, and raw material costs.

I have enclosed a copy of the 1962 report of the U.S. Tariff Commission on manganese which provides additional background information on the ferroalloys industry.

Another development which may interest you is the recent institution by the Office of Emergency Planning of an investigation to determine the effect of imports of manganese and chromium ferroalloys on national security under section 232 of the Trade Expansion Act of 1962. Under that section, the President is authorized to adjust imports whenever he finds, on the basis of an investigation and report by the Director of the Office of Emergency Planning, that imports are threatening the national security. The investigation was requested by the Manufacturing Chemists Association, Inc., on behalf of 11 members of the reactive metals and alloys producers segment of the chemical industry.

If I can be of further assistance please let me know.

Sincerely yours,
FREDERICK G. DUTTON,
Assistant Secretary
(For the Secretary of State).

U.S. DEPARTMENT OF COMMERCE,
BUSINESS AND DEFENSE SERVICES ADMINISTRATION,
Washington, D.C., June 18, 1963.

Hon. KENNETH B. KEATING,
U.S. Senate,
Washington, D.C.

DEAR SENATOR KEATING: This is in further reply to your letter of May 28, regarding the

ferroalloy industry, particularly the situation in the Buffalo-Niagara Falls area.

This Department is concerned about the impact of imports on this industry. Producers of ferrochromium and ferromanganese especially have been affected by imports which have been increasing since 1957, to the extent that foreign sources are currently supplying 25 percent of our domestic market for these products.

Citing the difficulties being experienced by ferromanganese and ferrochromium producers in this country, the industry has filed an application with the Office of Emergency Planning for relief under section 232 of the Trade Expansion Act, on the basis of national security aspects. We have been asked for advice in connection with this case and you may be sure we will study this problem very carefully.

Problems in the Buffalo-Niagara Falls area were described in a statement by the president of Union Carbide Metals Co., and published in the May 17 issue of the American Metal Market. The decision by Union Carbide to discontinue its operations at Niagara Falls was based on excess industry capacity, imports of low-priced alloys, and local problems of higher costs of power, transportation, and taxation. It is assumed that these factors were involved also in the decision by Vanadium Corp. to close its Niagara Falls plant in June of 1960.

The enclosed tables contain information on production, consumption, imports and exports of chromium, manganese, and tungsten.

You may be sure of our continued interest in this matter.

Sincerely yours,

PAUL A. UNGER,
Deputy Administrator.

Mr. JAVITS. Madam President, I join my colleague from New York in looking into the situation with respect to the ferroalloy plant in Buffalo. I shall consider the information which is being developed as most useful in that regard. Somehow or other, we must find a balance between the responsibilities of international trade and the problems which it raises in terms of domestic employment. I shall, together with my colleague [Mr. KEATING], address myself to this problem.

THE PEOPLE VERSUS JET NOISE

Mr. KEATING. Madam President, the recent announcement by Pan American World Airways, Inc., of its contract to purchase supersonic airliners from a British-French concern, followed swiftly by the President's call for the rapid development of an American supersonic aircraft under Government and industry auspices, gives added impetus to the urgency of the aircraft noise problem.

It is difficult for those who live a relatively sheltered and comfortable existence, to appreciate the gravity of the jet noise crisis that is upon us at this very moment. Those who reside at or near the fringes of large metropolitan airports under the flight paths of jet aircraft, whose very health and sanity are jeopardized by the roar and whine of the turbojets, whose children attend school and play under constant dread of disaster from overhead, have literally begged for mercy from all those who might conceivably be able to alleviate these intolerable burdens—the airlines, the aircraft manufacturers, local, State, and Federal officials, and particularly the Federal Aviation Agency. But at nearly every turn, these beleaguered citizens confront a curious admixture of inertia, buckpassing, and outright confessions of powerlessness. Sympathy and good intentions, of course, are always in evidence. But somehow, lost in the rhetoric of handwringing and pity, of plausible excuses and procrastination, is the horror that has reality only for those afflicted.

Can we in the Congress continue to temporize with this issue until jet aircraft development outraces the techniques of noise suppression and abatement so far that the situation will be irretrievable? Can we, in short, refuse any longer to translate the pleas of our citizens into a concrete, concerted effort to tackle the problem before it overwhelms us?

I do not think the Congress and others that are involved can end up on the wrong side in the case of the people against jet noise. Our Government is in being to serve the people, and the Government must help wage the technological counterrevolution against jet noise.

That is the conclusion reached in a remarkable series of articles spotlighting the jet noise problem that appeared recently in the Long Island Press. Authored by a brilliant writer-photographer, Leonard Victor, who has received many national awards for both his pictures and feature stories, the 10 articles of the series grapple in depth with every facet and angle of the jet menace—from the basic physics and practical operation of the turbojet aircraft, to documented health hazards of jet noise, to the engineering techniques of noise suppression, to the politics of the situation.

One of the articles is entitled "Congress on the Jets: Just a Lot of Noise."

Mr. Victor knows what he is talking about. The Congress has not met its duty to our aggrieved citizenry. Perhaps this is because its duty has not been clearly understood. Perhaps the underlying human problem has simply not been brought home. Mr. Victor's articles make the problem plain and I believe will help every elected official, Federal, State, and local, perceive the seriousness of the situation.

Last year, the Senate passed S. 3138, 87th Congress, a bill I introduced to provide for research to determine criteria and means for abating objectionable aircraft noise. Unfortunately, the other body was unable to reach the measure before adjournment. It has been reintroduced in this Congress as S. 825. It has received widespread civic and official endorsement. I am hopeful it can be enacted soon so that a start can be made in the right direction. But even more important, in my judgment, we need not only bills and resolutions on the problem; we need to bridge the gap between vague sympathy and concrete understanding. If Mr. Victor's articles can achieve even modest results in riveting our sights on the dimensions of both the problem and the undone tasks confronting us, they will have served an extremely valuable public purpose.

I ask unanimous consent that three key articles in this series be printed in the RECORD.

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

[From the Long Island Press, June 4, 1963]

CONGRESS ON THE JETS: JUST A LOT OF NOISE

(Jet noise is no longer a localized nuisance. It plagues big cities from coast to coast. This story in a series about the problem tells the part Congress hasn't played in facing up to the still-worsening situation.)

(By Leonard Victor)

Congress hasn't done a thing about jet noise abatement—except to make speeches, hold hearings and send out reams of press releases.

But as far as laws that will bring relief to the millions living around airports—whose lives are lashed by screaming jet noises—the congressional score is an absolute zero.

Don't blame your Long Island Congressmen.

They're among a valiant minority honestly trying to get something done by the only agency big enough to cope with the problem—our Government.

Every Long Island Congressman who could be there sat through a recent series of hearings on jet noise held by the Interstate and Foreign Commerce Committee in Washington.

They passed the word about the sessions to their absent colleagues. Jet noise abatement for the people of Long Island is a bipartisan project, with no dissenters from Astoria to Riverhead.

What they heard at those sessions held either gloom or promise, depending on the speaker and his special interests.

The airline operators pointed out the financial burdens they are carrying. They were telling the truth. Air carriers all over the country are trying to merge.

Profitable firms don't seek mergers—they buy out the opposition. The big airlines trying to make mergers now want to meld their companies so they can survive.

A spokesman for the pilots told the hearing that the men flying the noisy jets were doing their best and had wrung the last ounce of quiet out of those machines.

The boss of the Federal Aviation Agency, Najeeb Halaby, echoed their words, saying he "wouldn't jeopardize safety for serenity."

A constant plea for more noise suppression research ran through the 3 days of the Washington sessions.

Even the FAA reversed an earlier stand against laws from Congress ordering it to undertake noise research.

James Hill, deputy general counsel of the FAA said passage of a law ordering research "wouldn't hurt."

The general counsel for the port authority—the operators of LaGuardia and Idlewild—urged that the Government go to work on the noise problem, "especially by directing and conducting research."

Some engineers and acoustics experts "put the finger" on plane manufacturers. They said the plane makers were just "tacking on an engine after the rest of the plane was designed."

Paul S. Veneklasen, a west coast acoustics expert, said great steps toward licking noise could come from better designs that integrated the plane and its engine.

He pointed out that technical experts had warned years ago of the noise problem that lay ahead and warned that "Congress should act now."

Frank Kolk, an American Airlines engineering executive, echoed the plea for changes in airline design. "The time to change the design of a plane is before it is built," he said.

"It's a devil of a job after," he added, referring to the suppressors and motor changes the airlines have made to cut jet noise.

FAA Boss Halaby told the committee that his agency was spending $1.5 million this year for noise research work. Under prodding from the committee chairmen, he broke down the research.

The sum of $554,000 is going into the hunt to find a way to quiet the engine noise of the future supersonic commercial transport.

Another half million, he said, was being spent directly by the FAA in experimental work by their own staff, such as tests looking for better takeoff techniques to improve what engineers call the plane's "flight profile."

An even $100,000 was going to an acoustics firm "to evaluate the PNdb scale of plane, helicopter and sonic boom noises, adding up all the previous work."

The other contracts, he said were for smaller sums. For example there was a $40,000 contract with another acoustics firm for noise contours of various aircraft.

Then there was a $10,000 contract to transfer the previous contract's finding to PNdb readings.

In contrast, Halaby told the committee later in the session that $450 million was being spent this year on air traffic control. It would go, he said, for urgently needed radar used for long-distance control and precision approaches, tower lights, high-speed turnoffs and other aids to speeding air transport and making it safer.

He also told the committee that he hoped his agency would never be given the job of policing zoning around airports.

This remark came after spokesmen for both the big and little airport operators pointed up their plight. There are over 1,200 suits pending against airports, started by homeowners complaining that their normal lives are disrupted by jet noise.

The 809 cases filed by Laurelton-Rosedale taxpayers are among those 1,200 suits.

The operators want the Government to step into the zoning question before, as they put it, "our operations are strangled by lawsuits." They too asked for laws from Congress.

The Nation's pilots are in favor of Congress putting the FAA into the zoning act too. With that Federal control, they point out, would come a uniform system of air controls in and out of all fields.

Charles H. Ruby, the spokesman for the Airline Pilots Association, told the committee that some pilots have to learn as many as 60 separate sets of airport takeoff and landing rules.

"We'd be a lot safer if there was one set of standard rules for all airports," he said.

Another single suggestion recurred throughout the hearings.

Industry spokesmen said the public should be educated, to "take some of the fear out of jet noise."

FAA-head Halaby cited figures that showed the death rate to "third parties" outside the vehicles from all types of transport.

Based on the fact that one-third of all intercity traffic is now by plane, they showed that buses killed 140 times as many people as planes. The train kills 330 times as many and the auto brings death to 3,000 times as many as aircraft.

With figures like this, and the opinion expressed at the hearings by psychologists that understanding reduces irritation, don't be surprised if one result of these hearings is a public relations campaign.

The campaign would be designed to induce the public to accept jet noise as one of the prices of progress—a friendly noise that means no harm to the homeowners beneath.

But don't expect any laws from Congress.

Those hearings were the last in a long series, including public hearings across the United States dating back to 1960.

When those hearings ended, Long Island's Congressmen expected that action would follow. They were certain that some of the many bills they had introduced to do something about jet noise would become the law of the land.

Practically every one of the Congressmen from our area told me that "we'll get some results this time."

They felt that the hearings pointed squarely at the need for laws ordering the FAA to expand and speed up noise abatement research. However, they weren't so sure the Government should get deeply involved in local zoning matters—unless vast Federal funds were involved.

"It is too late for zoning at Idlewild and LaGuardia," one of them pointed out. "We need tougher noise reduction rules, plus plenty of research that isn't even being thought of now.

"That $1.5 million noise research figure is ridiculously low, when you think that we blew $650 million on the Skybolt missile, which was just one of the many experimental failures that have cost us billions in the last few years."

The long-awaited report from the House Interstate and Foreign Commerce Committee came out recently.

It was full of recommendations shoving the problem back into the hands of the industry.

There were no suggestions for laws.

Jet noise abatement, to sum up the committee findings, "isn't the responsibility of Congress—yet."

[From the Long Island Press, June 6, 1963]

HOW TO FIGHT JET NOISE?—MONEY

(This story in a series about the problem of jet noise probes the reasons why the Federal agencies, who could do research to lessen the racket, are very carefully avoiding the job.)

(By Leonard Victor)

Remember the story of the man hauled into court for hitting his wife?

He told the judge, "She keeps on nagging me for money, money—all the time money."

"What does she do with it?" the judge asked.

"I don't know, Your Honor," the man answered, "I never give her any."

And that's just about the story of jet noise abatement.

No one has ever spent enough money to find out how to solve the growing problem—even though it is now on the verge of becoming a national health menace.

Why hasn't the job been tackled, especially now that there are clear signs of real breakthroughs in the science of quieting jet engines and planes?

Industry can't tackle it alone. It would cost too much.

Remember the estimate given me by General Electric's chief jet engine researcher just for the cost of finding the right sonic block jet intake design that would blot out all turbine whine?

Dr. Spirodan Sucui told me in his Cincinnati lab that the research tab would top $500 million—too much for even a commercial giant like GE to shoulder.

Don't forget that the Government is footing the research bill for the 2,200-mile-an-hour supersonic commercial transport we need to stay in the worldwide air-carrier race.

The Federal Aviation Agency says the ship will cost $800 million. Industry says it will cost much more, perhaps $1.5 billion.

And it all must come from Uncle Sam's pocket because even a combine of our biggest planemakers couldn't pick up the bill.

Why hasn't our Government's own division, the FAA, taken on the job? Aren't they the right ones to halt jet noise?

They are, but they've literally been ducking the noise problem.

The FAA sees itself primarily as an air police outfit. They're dedicated to speeding more air traffic more safely all the time.

That's a vital job, and like every other Government agency, they must constantly lobby, plead and prod to get funds for their work.

This year the FAA is spending $480 million for new long-range radar, longer runways and other safety and speed items—all necessary but having almost nothing to do with noise abatement.

They may not admit it, but they fear the loss of funds for these services if they are handed a big bundle of cash and told to really knuckle down and solve the nerve-racking noise headache.

The second reason the FAA isn't panting to get into noise elimination is the boss, Najeeb Halaby. A dedicated flier, he just doesn't believe there really is any jet noise.

Halaby told a recent congressional jet noise hearing that we are an anxious Nation, in a continuous state of anxiety and that jet noise is just another anxiety.

Having suggested the psychiatrist's couch for the Nation instead of large-scale anti-noise research, he told the committee that the FAA was spending $1.5 million to stem noise this year.

Under prodding, it turned out that the only big lump, $600,000, was for efforts to keep the future supersonic transport "as quiet as present-day jets!" The exclamation point is mine.

The rest of the funds are spread out between the FAA, other Government agencies and private firms. One of the few expenditures Halaby could remember offhand was a $100,000 study by a private firm to find a jet noise scale that measured human annoyance.

Records of 1960 hearings before the congressional Committee on Science and Astronautics show experts urging that study then.

The current job, incidentally, is being done by the firm that set up special noise measuring standards, including the human irritation factor, in 1957. They used the then-new scale to set noise limits for Idlewild and LaGuardia Airports.

The failure to move faster than this snail's pace on an urgently needed measurement (which some acoustic experts say we already have) was lashed by Representative JOSEPH ADDABBO of Ozone Park as "a fine example of slowmanship."

Until they get this new measuring tool, the FAA can say "so sorry" to pleas for action they would rather not get into anyway.

How about the National Aeronautical and Space Agency?

Aren't they our country's biggest research team—best suited to tacke a tough research problem?

NASA has done some work in the field, but lately they've abandoned most of it. Their eyes are on the stars.

They too want to spend their money and expend their best brains on their main goal: Outer space.

The same story is true of every other agency that might get on top of this growing, gnawing national nerve cancer.

A congressional report last month pinpointed the problem.

It said that there is no organized coordination in the research and development work by the Armed Forces, NASA, the Bureau of Standards, other Government agencies, the FAA, and industry.

Their words: "At the moment there is no force which serves to solidify these efforts."

Having taken a step forward, the report then retreated hastily in a long paragraph which boils down to "We don't think Congress should do anything until valid measurements are available."

Again that "so sorry," that slowmanship that leaves an out for lack of action.

The remainder of that congressional report suggested tactfully that everyone else do the job.

One angry Long Island Congressman, FRANK J. BECKER of Lynbrook, labeled the report—expected to recommend honest action after 3 years of hearings—as "sweeping the whole mess under the carpet again for another 2 years."

Every other Long Island Congressman agreed. They know, because they live with the jet noise problem, that strong medicine is needed now.

Since they do, why hasn't the only body that could order research—our Congress—done the job?

First, you must remember that the growing noise plague is still localized. Our nine Congressmen know what it is.

So do a few dozen more whose districts surround airports in Chicago, Los Angeles, and San Francisco. They fight, but they are still a handful.

Perhaps 50 Congressmen in big cities, representing somewhere between 10 and 20 million people, are really trying to get action.

Arrayed against them are these things:

The FAA keeps saying nothing can be done about noise.

The agency ignores the possible breakthroughs of a crash research program: The sonic block, the use of lower-noise higher by-pass motor designs and the promise of the vertical takeoff planes soon to get limited military tests. Unfortunately, Congress takes the FAA's word, despite expert testimony that "the word" is wrong.

A good part of the aircarrier industry is in hock. Their lobbyists point out that the lines can't afford the bill for planemaker's research into quiet flight—and that's true.

The planemaker's lobbyists make the same case.

There are hundreds of Congressmen, in the blue hills of Kentucky, the wilds of Washington and similar places to whom the day and night terror around jetports is only hearsay.

Where they will vote billions for defense or the space race, they are still too uninformed to be willing to vote vast sums to still jet noise.

Another Long Island Congressman gave this bitter warning recently, "By the time they wake up, it will be too late."

Is there no hope for congressional action?

Must we wait until "sometime in the 1970's" when the FAA predicts there may be vertical takeoff and landing aircraft in commercial service, using airfields without agonizing surrounding communities?

There are only two hopes.

Today, 1,200 noise suits against airports are pending in the courts. The number won't diminish. As it grows, it will force the problem more and more into national focus.

There's one other possibility. Nearly every serious disease has a voluntary national society raising funds for research.

Perhaps the cancer of jet noise needs its own society, a group dedicated to forcefully bringing home to Congress the distress millions suffer from jet roar and whine today.

Perhaps what is needed is a citizen's lobby in Washington, like the lobbies of the Air Transport Association, the Airline Operators Association and the other air industry groups so ably represented before our top governing body.

Maybe we need a national organization—something like STOP, meaning Start Tackling Our Problem—to force Congress to do its long overdue duty by allocating enough funds for real antinoise research now.

[From the Long Island Press, June 7, 1963]

CONGRESS MUST ACT ON JET NOISE

(This final story in a series about noise sums up the many things that Congress should be—but isn't—doing about the problem. It also tells what the airlines and local authorities should do to improve a still-worsening situation that must be altered for the well-being, not just of Long Islanders alone, but for people across the entire United States.)

(By Leonard Victor)

Instead of ducking, what should Congress be doing now to end the jet noise headache?

First, they should pick one Federal agency and shove the urgent job of finding out how to quiet jetplanes and engines squarely at them.

At the same time they should give them enough money to really get the job done.

The law Congress passes ordering this work should be very specific. It should include instructions like these:

"Attack every possible scientific solution that would dim the frightful racket around our major jet ports.

"Dig into the dozen good untried ideas for making the fan-jet motor much less noisy.

"Try those promising noise suppression designs the engine and plane makers can't afford to test themselves.

"And at the same time, start work on the vertical takeoff and landing commercial plane. The FAA says it will take 10 to 17 years before this kind of plane evolves slowly from military experiments.

"Shorten that gap, and while you're at it, bypass the military designs and concentrate on a plane that will be best for the public and the air carriers."

There's a lot more Congress could put in its directive.

For example, there's the high wing, to replace the universal low wing now in use. Designers brought the wing down for two reasons: It is easier to work on the motors close to the ground and the chord of a high wing eats into cabin space.

On the other hand, the low wing, with its four jet engines almost scraping the ground, stymies a lot of cross-wind landings that could otherwise be made on quieter runways.

Lift the wing and its motors further off the ground and pilots will be able to use the less noisy preferential runways a lot more often.

Those orders from Congress should have built-in time limits. A small group of distinguished scientists—who don't have an axe to grind—should be appointed to monitor the work and let Congress know how well and swiftly it is being done.

Don't forget that when the need became urgent, Einstein's famous formula grew from a scrap of paper into an atomic pile and then an A-bomb in very little time.

There's almost as urgent a need today to quell the jet racket—for the health and sanity of large portions of America's population.

With the orders for the crash research program there should be a law setting maximum plane noise limits that will be allowed—say 5 years from now.

There are some wild comparisons possible between the only noise standard we have and, for example, the noise level allowed for trucks.

The British Government has a maximum allowable level of 85 decibels 25 feet from a moving truck. The American Trucking Association's standard is 87 decibels 50 feet from a truck.

Our lone standard—set up by the port authority—is 112 decibels.

And that's for a plane 2½ miles after takeoff, already over 1,000 feet high.

Won't all of this cost an awful lot of money?

Certainly. But this must be considered part of the cost of aviation progress.

It's a design cost that is for the welfare of our Nation, just the same as our military spending and the work of other agencies, such as Health, Education, and Welfare.

We should think of it as a direct investment in protection for our citizens as well as an investment in our aviation future.

Let's hope Congress starts thinking so soon.

While we are waiting for congressional action, is there anything that can be done locally?

What can New York City, Nassau, the State and the port authority do now to help ease an intolerable situation shredding the nerves of hundreds of thousands of Long Islanders?

Plenty. Even though I and my camera were banned from Idlewild Airport by the port authority, I spent an awful lot of time there, both day and night.

One thing became clear to me in a hurry.

There are too many night to morning flights leaving and landing near empty. They're "milk runs," some of which are probably designed to bring planes to New York or other big cities without a total loss for the next day's profitable flights.

These flights, and some of the jam-packed late bargain trips should be seriously reevaluated.

I don't suggest that we should slap a curfew on night flights, as some civic leaders have. That would strangle air travel all around the world. Even the Tokyo Airport has pushed back the date for their much ballyhooed night curfew.

But I do think an impartial survey would show that a lot of these flights are unnecessary. They're inconveniencing hundreds of thousands trying to sleep on Long Island, just for the benefit of a small handful of people in each screaming plane.

Another thing I realized after watching flight operations at LaGuardia (I wasn't banned there) was that when the wind forces a noisy approach to LaGuardia's instrument runway, low over Jackson Heights homes and apartments at 1 a.m., the plane should be ordered to Idlewild.

The same wind allows an over-the-ocean approach and a landing on the instrument strip now being lengthened into the bay at Idlewild.

This use of the quieter runway should be law during sleeping hours. Especially so, since the prop-planes and small jets slated for LaGuardia can jockey onto the preferential runways at Idlewild without splattering large areas of South Shore sleepers with sound.

All of this doesn't help the people of Laurelton, Rosedale, the Rockaways and the arc of nearby Nassau villages edging the giant jet-port.

They will get a little relief soon, when the runways aimed like daggers at their sleep are lengthened. Planes will be coming in higher over homes—and that points the way.

Both sets of runways, 25L and 31L, can be extended still further.

Not cheap—but how cheap are the normal lives of the people who owned their homes three, four and five miles from Idlewild long before the jets came?

Another possibility that would bring great relief is an air corridor in the Rockaways.

Strip a mile-long stretch of the narrow peninsula bare of homes, perhaps west of the Arverne housing project and turn it into a park.

That houseless corridor would still three-fourths of the complaints—long, loud, and legitimate—from residents of the Rockaways.

One way that's been suggested to keep the cost of this mammoth project reasonable is a land-swap deal, foot for foot, with equally valuable land at Riss Park or Fort Tilden.

Will Congress, New York State, the city, Nassau, and their legal and health departments—all those who could act—really do anything?

The pressures both ways on all of them are terrific.

Enormous payrolls, tremendous investments and the very continuation of the metropolitan area's busy commerce depend on good flight service. What's more, the air industry itself isn't the most stable business in the country today.

Only some small segments, such as a few air carriers and the port authority, are really making a buck.

On the other hand, the interests and welfare of millions of voters are also involved.

What, if anything, will our representatives, all the way from the local level to Congress, do?

Let me end this series with a story that tells my feelings and answers.

Two swaggering bullies decided to mock their town's wisest elder.

"I'll hold a bird in my hand and ask him what I'm hiding," one of the bullies said. "If he guesses right, I'll ask him if the bird is dead or alive.

"If he says 'alive,' I'll crush the bird and if he says 'dead' I'll let it go."

The pair found the wise old man, and barring his way, the one with the bird asked, "What's in my hand?"

"A bird," the old man answered.

Startled, the young tough asked, "Is it dead or alive?"

The old man slowly turned and started walking away.

As he left, he looked at the swaggerer holding the bird and gave his answer: "It's in your hands."

And that's the future of jet noise abatement—strictly in your hands. You'll get exactly as much as you are willing to work for, through and with the people you elect to protect your welfare.

BALANCE - OF - PAYMENTS PROBLEM — INTERNATIONAL MONETARY CONFERENCE

(At this point Mr. EDMONDSON took the chair as Presiding Officer.)

Mr. JAVITS. Mr. President, I propose today to deal at some depth with a very grave economic problem which faces our Nation and the world, and upon which I believe we have not focused an adequate amount of attention. I want to emphasize that it is a people's problem. It is the very serious, continuing, endemic imbalance in the U.S. international balance of payments.

The reason why this is so critically important to the people of the United States is that we are no longer a nation pursuing a domestic economy which preponderates in all the effects that it has upon the people. Instead, we are now the banker for the world; we are the economic leader of the world. We are carrying the heaviest responsibility in terms of the defense of the free world, not only militarily, but economically, as well. The U.S. economy today is an integral part of the world's economy. It cannot be operated in any other way. If we were to operate in any other way, we would find, first, a dangerously increased hazard to our own security, because it would imperil the security of the entire free world; and, second, we would find a very serious difficulty in the operation of our huge industrial plant, which depends very heavily upon raw materials imported from abroad and which has a wide margin in terms of the export-import trade of the United States.

For all these reasons, plus the fact that the dollar is now a pivotal international currency, upon which the fate of government after government depends, because they are maintaining a substantial part of their reserves in dollars, when we suffer from a serious imbalance in our international payments, this imbalance plays the role of a thermometer. It shows that the patient has a fever; and the patient can be very sick in terms of the role which the patient is carrying out for all mankind, in the way I have just described.

What can happen? Serious things can happen. Let us remember that one of the events triggering the collapse of the world monetary system in the 1930's was brought on by the failure of Kredit Anstalt, in Vienna. It almost ground the whole economic machinery of the United States to a halt. Let us remember also that there are speculators throughout the world who believe that the United States will devalue the dollar. If the United States should devalue the dollar, there would be a cataclysm. Such an event would literally shake the economic foundations of the international monetary system.

There is no reason to be alarmed. We are an exceedingly powerful country, having vast resources. Although it is often said that we have a rather narrow gold base, now only about $16 billion, of which about three-quarters is committed as backing for our gold notes—incidentally, we could by congressional act repeal that situation, and the gold notes, I am sure, would circulate just as well—it is also a fact that we have $60 billion, in round figures, in investments all over the world, which represent assets of the United States.

We are willing and able to meet any demand made upon us for gold by central banks in other countries, in the magnitude of $20 to $22 billion, if we have the opportunity to employ our reserves for that purpose. But like any larger banker or bank, it is not possible to pay every depositor 100 cents on the dollar immediately upon demand. One could not possibly operate a bank on that premise; hence, the fundamental premise is that the creditor will not demand his money, because he knows the bank is perfectly good and solvent.

The imbalance in our international payments, if it persists, represents jeopardy to our economic system, with the dangerous consequences that make this situation a critical problem for the American people.

We are brought face to face with this reality in the Joint Economic Committee, of which I have the honor to be a member, where we have just completed 2 days of hearings on the U.S. balance-of-payments situation. In the course of these hearings—and we shall return to the subject during the latter part of the month of July—we have engaged in a thorough examination of the U.S. balance-of-payments situation.

We had before us Secretary Dillon on Monday and Under Secretary Roosa on Tuesday. From their testimony it is clear that the administration is discouraged by the results of the measures it has taken thus far, and that it feels that progress toward ending the balance-of-payments deficits has been disappointingly slow. Secretary Dillon stated, in response to my question during Monday's hearing, that the United States is not in a position to continue a deficit on our balance of payments at its present rate—$2.2 billion in 1962, $3.2 billion during the first quarter of this year, at an annual rate—for more than a brief period, say 1 or 2 years. Should the deficit continue at this rate beyond that period, said Secretary Dillon, we would be in real trouble.

I think it is only fair to say that I doubt that the Secretary of the Treasury is giving us the worst view of the situation. There is a growing consensus throughout the world that we are now in real trouble.

Yet when it comes to dealing with this highly critical problem, the administration has no new proposals to make, beyond favoring an increase in short-term interest rates. A little later I shall discuss that point in detail.

While the Secretary agreed at Monday's hearing that the world's monetary system must be overhauled at some indefinite future point, he expressed his opposition to calling for a world monetary and economic conference in the near future. At one point, he recognized that "it seems clear that the time will come when new facilities or arrangements will be required to insure for the future an adequate overall growth in monetary reserves and credit availability"; at another point he opposed the idea of a world monetary conference at this time, on the ground that private discussions within the OECD finance ministers conference or within the 10-country group who are signatories to the recent standby agreement signed to broaden the credit base of the International Monetary Fund would be more preferable. I disagree with the Secretary of the Treasury.

I submit that our payments deficit situation has reached such critical proportions that we must take action now, while there is still time and room for maneuver to handle this problem.

At the end of June our gold reserves reached the lowest level since 1939—$15.7 billion. The ratio of gold stock on hand to Federal Reserve liabilities stood at 31.7 percent—6.7 percentage points above the minimum gold coverage required under present law. Our payments deficit during the first quarter of this year is running at an annual rate of $3.2 billion, very close to the rate maintained since 1958. Outflows of private long-term capital during the first quarter of this year totaled more than $1 billion—nearly double the amount in the first quarters of the past several years, exceeded only by the extraordinarily large outflow in the second quarter of 1957. During the same period there was an extraordinary concentration of new foreign security issues in the United States—again a drain on our international balance of payments—amounting to $510 million.

Another very important drain—the net tourist balance, the difference between the expenditures of our tourists overseas and the expenditures in the United States of foreign tourists—has been steadily worsening, having risen from a deficit of $1.2 billion in 1960 to $1.4 billion in 1962. Data for the first few months of 1963 suggest a further increase in this imbalance of our deficit attributable to tourist expenditures.

Our oversea military expenditures have remained unchanged between 1960

and 1962, at about $3 billion, while the net deficit due to these military expenditures has been somewhat reduced—to about the $2 billion net level, due to certain offset agreements negotiated with our allies in 1962.

The seriousness of the situation arises by virtue of the fact that these responsibilities which we shoulder for the leadership of the free world in terms of economic aid to developing countries and military expenditures for Western defense, plus the fact that we are maintaining a very high standard of living as demonstrated by the large outlay of our tourists expenditures, plus the fact that we are the principal market for foreign borrowers of large amounts of capital, plus the fact that we are losing gold because other nations which have experienced a great resurgence of economic prosperity in terms of the excess of their exports over their imports are not fufilling their responsibilities—all these things, taken together, have gravely imperiled the position of the United States. Today I call attention to that peril and what we must do about it.

As the U.S. balance-of-payments deficit continues without improvement since 1958, showing little or no response to the intricate technical measures put into effect by the Treasury and other Government agencies, the pressure begins to mount with the United States and abroad for more effective and longer range measures.

I believe that despite Secretary Dillon's testimony before the Joint Economic Committee to the effect that this is not the time to press forward with new measures to reduce our deficit to manageable proportions, events will soon force this administration to propose such new measures. The temporary and short-term measures taken thus far, rather than truly easing our basic situation, have tended to obscure the magnitude of the balance of payments deficit problem and to permit the indefinite postponement of the inevitable and hard measures that must be taken to resolve it finally.

It is for these reasons that I have joined the gentleman from Missouri, Representative THOMAS CURTIS, in a resolution designed to marshal congressional sentiment behind those who believe that strong and vigorous measures should be taken now in order to eliminate the balance-of-payments deficit. I think this resolution is an essential first step in coming to grips with our balance-of-payments deficit problem.

Therefore, Mr. President, I submit, and send to the desk, for appropriate reference, a concurrent resolution which declares it to be the sense of the Congress that elimination of the balance-of-payments deficit should receive the highest priority in the formation of our national economic policy; that the maintenance of such equilibrium in our international payments should be a continuing goal of our economic policy; and that the world's monetary mechanism should be strengthened. The resolution shows two avenues through which to provide: First, improved means of financing balance-of-payments deficits until basic corrective forces restore equilibrium; and second, sufficient liquidity to finance increases in world trade and payments, once we have restored the balance-of-payments equilibrium through measures which we ourselves must take domestically.

Mr. President, one approach proposed in the resolution is the taking of new initiatives within the International Monetary Fund. I am satisfied that the administration intends to do so. The other is the calling of an international monetary conference to deal with the long-term problems. In view of the interest expressed in this resolution by several of my colleagues, I ask unanimous consent that it be held at the desk until July 17, for additional sponsors.

The PRESIDING OFFICER. The concurrent resolution will be received and appropriately referred; and, without objection, the concurrent resolution will be held at the desk, as requested by the Senator from New York.

The concurrent resolution (S. Con. Res. 53) was referred to the Committee on Foreign Relations, as follows:

Whereas the United States has had a deficit in its international balance of payments every year, except one, since 1950; and

Whereas largely as a result of these deficits, United States short-term dollar liabilities to foreigners totaled $25,300,000,000 at the end of April 1963; and

Whereas these liabilities constitute a potential claim against the United States gold stock of $15,700,000,000, of which less than $4,000,000,000 is "free gold" not required to serve as backing for our currency; and

Whereas the health of our domestic economy and strength of the dollar and its ability to serve as a key international reserve currency depends upon the early elimination of the balance-of-payments deficit and the creation of improved arrangements to serve the liquidity needs of an expanding international trade and payments system: Now, therefore, be it

Resolved by the Senate (the House of Representatives concurring), That it is the sense of the Congress of the United States that achievement of balance-of-payments equilibrium in a manner consistent with the dollar's role as a key international reserve currency should receive the highest priority in the formation of national economic policy; and be it further

Resolved, That the maintenance of equilibrium in its international accounts should be a continuing and major goal of United States international economic policy; and be it further

Resolved, That the United States take the initiative within the International Monetary Fund to devise new and improved methods of permanently strengthening the international monetary and credit mechanism in order to provide (a) improved means of financing balance-of-payments deficits until basic corrective forces restore equilibrium, and (b) sufficient liquidity to finance increases in world trade and payments once United States balance-of-payments equilibrium is achieved; and be it further.

Resolved, That the President be requested to consider calling for an International Economic Conference to review the long-term adequacy of international credit; to recommend needed changes in existing financial institutions; to consider increased sharing of economic aid for development and military assistance; and to consider other pressing international economic problems placed before it by a preparatory committee for such conference.

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

Mr. JAVITS. I yield.

Mr. PROXMIRE. The Senator from New York is making one of the most important speeches of the year in the Senate. He is speaking on a measure which is extremely difficult to discuss because it is complicated. It is exceedingly complicated to most people. It deals with gold, international banking, and so forth. But, as the Senator from New York has so well said, this is a people's problem. As many experts in this area have said, there is no greater financial or economic problem—confronting the American people and the American Government at this time.

I should like to ask the distinguished Senator from New York if it is not true that in view of the nature of our economy, in view of the fact, as the Senator from New York has said, that we are the bankers of the world and the leader of the free world, and in view of the fact that the usual measures of combating an adverse balance of payments are pretty much impossible for us to use, is this not now a problem of peculiarly serious difficulty as compared to any period in the past—for example, as compared to the 1933 situation or any previous period?

What I am asking the Senator is this: First, we are now unquestionably the leader of the free world.

Second, we know that if we follow a policy of austerity in our domestic economy, that is, of drastically reducing our governmental spending, sharply increasing taxes, and hiking our interest rates—if such action were politically possible, which it is not—it would be disastrous for our economy and also disastrous for the world economy. Therefore, is it not true that we are prevented from following the usual method of coping with an adverse balance of payments?

Mr. JAVITS. My answer to the Senator is distinctly "yes." I agree with the Senator. As we stand now, it would be a mistake to take domestic austerity measures in that order of magnitude, because we still have room for maneuver.

I shall develop the idea—and I hope the Senator will join me in developing it as we go along—that the real danger we face is that if we tarry at this point, when we still have room for maneuver, we will be "up against the gun" very soon. The Secretary of the Treasury has said we would be in that position in 1 or 2 years. Perhaps we shall be there even sooner. Once we are, we shall have no choice. We shall have to take drastic austerity measures, which will have an impact upon employment as well as savings and the economic activity in this country of the most deleterious character and in a most regretable way. We shall then be left with no choice, and we shall have been deprived of the room for maneuver. In my opinion, this is about the last opportunity that we shall have.

Mr. PROXMIRE. Is it not true that there is available another alternative solution, which is equally difficult and perhaps even more repugnant to the Senator from New York and the Senator from Wisconsin, namely, abandoning our position of leadership in the world by withdrawing our military commitments

and also withdrawing from our economic responsibilities overseas.

There is no question that that would be one way of reducing the seriousness of our balance of payments, because unquestionably our troops stationed abroad, and our military commitments abroad, our military assistance abroad all directly and adversely contribute to our serious balance-of-payments difficulties. Is that not correct?

Mr. JAVITS. There is no question about it. The Senator knows as well as I that there is no substitute. There is no one to step into the breach. The most uninformed person reading the newspapers will be the best witness of the fact that Britain cannot. France both cannot and will not, considering the strictly nationalistic policies it is pursuing, which in my opinion are hampering the world. As much as I love General de Gaulle and the great things he has done, he is now a big stone on the road of progress. West Germany is out of the question. Germany has been the world's principal enemy for a long time, and is just now returning to the international community of nations. The same statement applies to Japan. Where is one to look?

Our country is the only one that gives any hope for leadership for peace. We are the principal beneficiaries of this leadership in terms of the maintenance of the world's peace and the world's freedom. So there is no alternative.

To all those who say, "Let us get rid of this burden," I put the question, "To whom?" If we canot get rid of it to anybody and we throw it overboard, are we not depriving ourselves? Is that not a suicide mania? I think that is the thrust of the Senator's question, and I thoroughly agree with him.

Mr. PROXMIRE. The only other question which I have at this moment for the distinguished Senator in his important speech is as follows: Under those circumstances, recognizing the experience that nations have had with austerity as a means—and an effective means—of combatting the condition of which we speak, does it not make sense for us to keep our domestic and foreign spending as low as possible, insist upon the most complete justification, and seriously question the proposal of the administration for a substantial tax cut? I do not desire to open up a whole new problem in the middle of the important speech by the Senator from New York. At the same time, I was struck by the fact that the administration's solution for the situation is, first, a less than 1 percent increase in short-term interest rates and, second, a tax reduction, when all experience has indicated that what a tax reduction does is to stimulate the economy. It tends to expand the economy, and has at least an inflationary tendency, whereas the way to cope with an adverse balance of payments is to reduce costs in the affected country, to increase taxes, to cut spending, and through a deflationary policy make possible the sale of more goods abroad.

The point I am raising is that it is necessary for us to consider some degree of austerity along with other policies, recognizing that we cannot go all the way.

No one would advocate an increase in taxes. No person would expect that Congress will in fact reduce spending very much. No one would expect us to entirely eliminate our foreign commitments program if we wish to stand up to communism. Nevertheless, does not the situation persuade us that we should proceed with caution, and conservatism, and as carefully as possible, together with the other sensible proposals which the Senator from New York is making today, if we are to meet the problem?

Mr. JAVITS. The question of the Senator from Wisconsin is a tribute to his erudition and skill in this field. I am delighted that he has chosen to question me this afternoon. The Senator has stated the classic proposal which is involved. I speak for myself, on the basis of a thoughtful consideration of the problem and perhaps as much study and understanding of the facts as any Senator can claim. I have lived with the problem for many years, even before I became a Representative or a Senator. I feel that there is a real difference in timing. We must be cautious and hardheaded about expenditures. But I do not believe that as yet we are deprived of the freedom of maneuver which will make it unnecessary, if we use our time, to go in for the retrenchment and the austerity to which the Senator has referred.

At the moment I still think—perhaps it is the last moment—and there I would certainly consider with the greatest respect the Senator's view—we have time to go either way. The classic way of dealing with the situation which I am describing is austerity. There is no question about that. Nations have made a great success of it. We saw the virtue of the standstill on wage increases in Germany and the German miracle which Erhardt performed, which was heavily attributable to the fact that workmen tightened their belts, and let productivity charge forward without increasing materially their wages and salaries. That was an example of austerity.

The same thing occurred in Japan, where an economic miracle was also performed. Those nations were virtually destroyed in war, and had a much longer road to travel than that.

We have a powerful and effective productive machine; a vast credit structure; and the confidence of most nations throughout the world. We have many assets.

We still have time to utilize all of our productive resources to stimulate our economy, provide investment, capital, credit and often types of assistance to accelerate the development of the underdeveloped areas of the free world, with an enlargement of the world's credit base. We are resilient enough and strong enough, and we still have enough "muscle" to do all of that and to deal with our problem by moving forward.

We are not as yet reduced to the only alternative of austerity as a way to solve this problem. But our days are numbered. It may not be very many days or weeks or months before much against my will and unhappily, I shall have to join the Senator in the feeling that the opportunity is gone, because the situation is approaching that point.

I still say that, with the measures which I shall be describing, with which the Senator is thoroughly familiar, we can go forward—to use the words of the President—though he has not done so. I still think we can deal with this problem and at the same time develop our country and discharge our obligations and responsibilities in the world more effectively, more successfully, and more decisively in the cold war.

The problem with regard to the austerity approach, which I think everybody would fear, including the Senator from Wisconsin, is, though it might save us, how much would be thrown overboard in the process? How many countries, or how many continents would be left to communism?

Mr. PROXMIRE. I started by asking a couple of questions, to indicate that I agree wholeheartedly that we cannot go all the way with the classic method. At the same time, if we adopted the constructive proposals of the Senator from New York, it would make sense that we also take certain austerity measures to a limited extent. We should hold down spending as much as possible. We should eliminate unnecessary—and I think we can calculate that there are some which are unnecessary—foreign aid expenditures.

Mr. JAVITS. Yes.

Mr. PROXMIRE. We should keep the reins as tight as we can in this area, and reconsider, at least, the tax cut.

I thank the Senator very much for yielding to me.

Mr. JAVITS. I thank the Senator from Wisconsin.

I was about to complete the point in regard to inflation. The Senator made that point. I think it is a valid point, except for the fact that there is a tremendous underutilization, both of our productive and our human resources, with 5 million people unemployed and 30 percent of our American industrial plant underutilized. The figure of 30 percent is not entirely valid, because much of it is obsolescent. However, a good deal of it is not obsolescent.

With all these underutilized resources, we have an opportunity, if we retain a freedom of maneuvering, to move forward in the direction of fuller utilization of our resources, rather than retrenching at this point. We will not run into the danger of inflation as a result of a tax cut so long as such a serious underemployment and underutilization of our resources continues.

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

Mr. JAVITS. I yield to the Senator from Colorado.

Mr. DOMINICK. I join in congratulating the Senator from New York for presenting this important question before the public for debate.

I have been using a fairly dramatic statement in connection with this problem, to try to alert the people. I should like to ask the Senator whether he thinks it is a valid statement.

I have been pointing out that the dollar holdings by foreign sources which could be converted to gold at any given time amount to some $21 billion or $22 billion, and that the available supply of gold to meet such foreign holdings is only $3.8 billion.

When I have mentioned this problem, my point has been that all that would be required would be for a few of the central banks to become unhappy about the eventual value of the dollar, to make a call on the holdings of the central bank in Europe, on gold reserves, which would immediately put us in a position of technical bankruptcy. It could happen next week, or next month, or at any time a "run" might be started on our gold supply.

Does the Senator agree that this is a possibility?

Mr. JAVITS. It certainly is a possibility.

No banker in his right mind would say that that is not a possibility. We are the banker for the world.

However, the gold base which we have is adequate for the time being, especially in view of our control as to how much of it will be committed as backing for our currency. The Congress can take action in that regard in a minute.

In view of the fact that, as a country, we are international bankers to the world, we must recognize both the risks and the advantages of banking. No bank could pay all of its depositors in cash on demand. Therefore, the big missing ingredient is, "Will the central banks of our principal creditors have any reason to make such a request?"

What I have been dealing with—and what I am sure is implicit in the Senator's question—is that we should present a posture to the world in which this would be unreasonable, arbitrary, hostile, and would represent no prudent exercise of discretion on the part of any bank in the world. We must keep ourselves in that position, so long as we are the world's banker.

Mr. DOMINICK. I appreciate the Senator's statement very much. There is a statute now in existence which requires a backing of 25 percent gold reserves behind our gold notes. The statute can be waived temporarily by the Federal Reserve, but it cannot be waived on a permanent basis. If there were to be such a "run" it would be necessary, as I see it, for the Congress of the United States either to default on the gold obligations to foreign holders or to change our law in order to reduce the amount of gold behind our currency.

Mr. JAVITS. I am confident that the Congress would never lend itself to a default, and I am sure that the country would not, either. I am confident there will be no default.

The Senator has described the legal situation accurately.

Mr. DOMINICK. I thank the Senator from New York.

Mr. JAVITS. Mr. President, the key aspects of the resolution which I have sent to the desk, in my view, are twofold. The first is to highlight our balance of payments problem as the No. 1 economic problem of our country in terms of where we stand in the world. We cannot forego world leadership both in banking, which we represent, and in terms of peace. The second is to call for a world monetary conference, to review the long-term adequacy of international credit; to recommend needed changes in existing financial institutions; to consider burden sharing in economic aid for developing friendly countries and military expenditures for Western defense, in terms of the imbalance of our international payments; and to consider other pressing international economic problems, such as borrowing in this market by long-term borrowers from abroad—which would be placed before the conference by a preparatory committee of such a conference

Secretary Dillon expressed certain doubts as to the desirability of such a conference. In my opinion, these doubts are answered by the need for urgent action on our part to deal with the imminent danger which the imbalance of our international payments poses for us, and the need for world recognition of the special responsibilities we are carrying and have carried for so long and with which we must now have the help of international cooperation—again as dramatized for us by this endemic imbalance in our international payments.

Such a conference can avoid the inadequate preparation which wrecked the London Economic Conference of the early 1930's by more intensive preparation and due to the fact that, unlike the Franklin D. Roosevelt administration, the present Kennedy administration is more prepared to adjust domestic economic policies, if need be, to the demands of our international position.

Also we must remember that in the 1930's we occupied no such comparable position of international financial leadership as we do now, nor was the dollar then the principal banking medium for the entire free world, as it is now.

As I told the Secretary in the course of our questioning at the Joint Economic Committee hearings on Monday, it is necessary to dramatize for our own people and for all of mankind the grave crisis to which the United States is being brought in terms of its international monetary position by virtue of the heavy burden of responsibilities it is carrying. This is quite a different approach to all of mankind than the feeling, "They ought to help us." We are proposing an action which is extremely desirable and necessary for all of us to do collectively.

Here it is, posed for us in terms of the serious dangers to our country, in very hard and realistic terms of dollars and cents, which people can very well understand.

Now to return to my proposal for an international monetary conference, I agree with Secretary Dillon's objections to ill-conceived, hastily called, ill-prepared international conferences with no specific objectives in mind. The failure of the London Economic Conference of 1933, to which Secretary Dillon referred at Monday's hearings, was partly the result of such inadequate preparation and organization. The basic reason for its failure was due mostly to the irreconcilable conflict between the postdepression inflationary domestic economic policies of the Franklin D. Roosevelt administration, necessitated by our situation at that time, and the anti-inflationary objectives advocated by leading members of the Conference, principally Britain and France.

For example, reestablishment of the international gold standard and currency stabilization proposed by the London Conference ran counter to President Roosevelt's efforts to raise prices at home. Therefore, he had to reject them. It was the flat rejection of the proposed joint declaration of the Conference, which was calling then for a conservative banker's line, that destroyed the Conference.

Today totally different conditions prevail. The United States is the international leader in finance, as well as in respect of peace, and the bankers abroad have a different relationship, both to the concept of banking and the leadership of the United States, than before.

The best evidence to sustain the fact that we have become the principal economic power in the world in the postwar period and what can be achieved through a well-planned conference in this field is the Bretton Woods Conference of July 19, 1944, which resulted in the establishment of the International Monetary Fund and the World Bank. It showed what can be achieved when countries with common objectives, having a limited, clearly defined objective in mind, sit down to a well-prepared conference. Therefore, I believe such a conference, called together after careful preparation, to examine and make recommendations on the world liquidity problem, and to modernize present international monetary institutions, could meet with better success than ever before.

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

Mr. JAVITS. I yield.

Mr. MILLER. By way of reaffirming what the Senator from New York has been saying, I want to point out that for some time we have been hearing statements by some of the administration spokesmen to the effect that our friends in Western Europe should take hold of more of the burden of aiding developing nations and military assistance than they are now doing. All of us agree this is so. Just as the Secretary of the Treasury said the other morning in his testimony before the Joint Economic Committee, it would be helpful if those countries contributed more adequately in sharing the burden of providing for our common defense and the economic development of the less developed areas of the world.

Nobody doubts that this would be hopeful, but the problem is that we are on dead center in getting them to assume more of the burden.

What is sought by the resolution of the Senator from New York, in which I am privileged to join, is to get us off dead center by having an international economic conference so these problems may be aired far more than they have been heretofore.

I ask the Senator from New York if he does not think these occasional statements of policy, namely, that it would be helpful if our friends across the

oceans would share more of these burdens, have still failed to produce the results we must have, and if the conference would not at least serve the useful purpose of getting us off dead center in furthering that policy.

Mr. JAVITS. First, let me thank the Senator for cosponsoring the resolution. His name appears on it. I welcome him as a sponsor of the resolution. What the Senator has said is true. It is strange and anomalous that at one and the same time the central banks of European countries, countries which have greatly benefited from the Marshall plan, including the revival of their economies, and making possible the economic integration of Western Europe—all of which I favor, but which we made possible—now stand off with their demands which can theoretically put us in bankruptcy, and do not give any recognition to the fact that even relatively minor aid could lift some of the burden from our backs and would help very materially in dealing with the situation.

As the Senator from Iowa so very properly said, it is in the effort to dramatize this problem, in the hard reality of dollars and cents, that I think an international economic conference would be very helpful. I agree with the Senator on that score.

Mr. MILLER. I thank the Senator.

Let me ask one further question. Does he not have the feeling that there are some important people in other nations who agree with us that their nations should assume greater responsibilities than they have heretofore and that an international economic conference could serve as a vehicle for the individuals to make known their views, which until now perhaps have not been made known effectively, and which would help public opinion in those countries to exert enough influence in the direction concerned so that they would in fact take action which should be taken?

Mr. JAVITS. There is no question about that. I believe that when we project the banking and financial position we are approaching, the people would be most unhappy to find the United States compelled to be in that position. We are the banking and financial leader, and there is no substitute. I think the people in the European countries concerned will realize that the base upon which they have built their postwar prosperity would be undermined and swept away if the concrete base of the U.S. dollar and the strong banking support which it represents were necessarily withdrawn. Therefore, I believe that this is the way to pose this problem most effectively to the world—that we may not have any choice in taking drastic action unless we get help promptly.

Mr. MILLER. Does not the Senator think the situation which is confronting us with respect to the balance of payments deficit is something which has not yet been brought home to the average person in those countries?

Mr. JAVITS. I do not think there is any question that our own people and the people in other nations have not been brought face to face with hard money realities. The purpose which we had in the hearings before the Joint Economic Committee in which the Senator from Iowa participated in so very ably, and to which I previously referred, and the purpose of this speech, and other speeches—and I hope the Senator from Iowa will make one and that others of our colleagues will make similar speeches—is to present to the people what is really implied in this situation, so that they may not wake up some morning and be hit by a tornado of financial difficulty, with great damage to them, without at least having given, by those in a position to be able to outline the problem, an opportunity to do so long before it became a reality.

Mr. MILLER. I thank the Senator.

Mr. JAVITS. I thank the Senator for his contribution.

Even before we can submit our payments problem, as the Senator from Iowa [Mr. MILLER] and I are proposing, to such a world forum, we must take effective domestic steps dealing with our balance-of-payments situation consistent with our role as banker of the world.

So I suggest a series of steps on that score, as follows:

First, I think we need an ad hoc committee appointed by the President and charged with the responsibility to correlate our domestic economic policy with our international economic policies imposed on us by our responsibility as bankers of the world and to establish priorities in that regard. It might conceivably be an inter-Cabinet committee. It might be a joint committee of Cabinet members and distinguished nongovernmental members.

I believe that we need to have a total look at our international payments situation and our domestic economic policies, together, with a recommendation by such a committee of the priorities which need to be established in order to deal with our international balance-of-payments problem.

Second, I believe that there is a serious weakness in our export promotion system. We have an export surplus of $4 billion to $5 billion on an aggregate foreign trade of roughly $35 to $40 billion. Therefore, roughly, we have a 10 percent surplus of exports over imports. Normally, one would say that is fine. However, in our situation, considering the responsibilities we carry, it is not enough.

In view of the fact that a relatively small proportion of American business participates in exports, and in view of the fact that we are underutilizing our industrial plant, it seems to me that one of the prime domestic needs with which we are confronted is to step up our exports.

So I urge the administration to give serious consideration to devising a system of tax credits and other direct incentives to our exporters and to accelerate our exports. Also we must take into consideration measures through which material increases in our exports could be brought about rapidly, including the broadening of our present investment guarantee system directed toward the less developed, friendly countries, and the possibilities of added credits for goods and services acquired in the United States and needed to accelerate the development of underdeveloped countries.

When American companies invest abroad in less developed areas, when it is possible to extend longer term credits in underdeveloped areas, we open new markets for exports.

Therefore, on the one hand we should accelerate the desire of the American producers to export by extending direct tax incentives; and, on the other hand, we should try to expand markets for our exporters by the improvement of our investment guarantee system in newly developing areas, and by materially expanding the credit base upon which they may draw.

I was saying the other day—and I wish to make this statement parenthetically in my speech today—that we hear a great deal about the instability of countries in Africa and Latin America and Asia. However, there are many countries there which are very stable and which have almost limitless opportunities for investment and developments.

Countries which come immediately to my mind in that regard, and about which there is no argument in this respect, are countries like Nigeria in Africa, and the Philippines in the Pacific; and in Latin America, a number of nations like Mexico, Colomba, Peru, Chile, Argentina, and Venezuela are on the threshold or actually have arrived at a point where there can be no question about the stability of their institutions and the accessibility of those countries for rapid investment in trade expansion programs.

Secretary Dillon, in a letter dated July 5, informed me that he was against granting specific tax incentives to exporters. He said he did not feel it advisable to propose a substantial modification in our tax system which would be required as an effective incentive, as he felt it would conflict with our GATT obligations. Instead, he informed me that the U.S. Government is taking a firm stand against the proliferation of special export tax incentives by our Western European trade competitors.

Such incentives exist in the countries which have enjoyed a major expansion in their exports, which in turn has indirectly brought about our present balance-of-payments situation.

I believe that the outright rejection of a tax incentive to exporters may prove to be unwise. Those of us following the export promotion activities of the Federal Government over the past 2 years have felt for sometime that a direct incentive tied to improved performance—such as a tax credit—was needed to put teeth into the drive to increase our exports to a sufficiently high level to offset our international balance-of-payments deficit.

Our competitors in Europe have not hesitated to give such advantages to their exporters. We should recognize that we are tying our own hands by reason of our GATT obligations and are thereby giving a permanent advantage to our European competitors. There is no logical reason why waiver by their home governments of the value-added tax on the exports of our European competitors should be considered consistent with GATT, while waiver of U.S. income taxes, other than

the Federal excise tax, should be viewed as an export subsidy and therefore illegal under GATT. I believe that it is unrealistic to expect that the Europeans could be induced to abandon their own tax incentive for exports.

It is legal under GATT, and it works to their advantage. Instead, the United States should go ahead now and devise its own system of tax credit for needed exports in order to remove this competitive disadvantage to our exporters.

The question of the legality of various export incentives under GATT should be dealt with either through a revision of existing rules, which would recognize realities, permitting a variety of such incentives, or by restricting all such incentives, direct or indirect, on the part of ourselves and of our European competitors, at a GATT conference called for this purpose. In that case we would not suffer competitively as we do now. Therefore, I urge the extension of incentives to our exporters and an expansion of our export markets through an improved investment guarantee program, which we are able to bring about.

Third, we must do all we can to maintain competition in world markets by maintaining wage and price stability. So far we have done a pretty good job. Our people have shown good discipline, with some problems—as, for example, in the building construction field. On the whole, our record has not been too bad.

Fourth, the President should reexamine our policy with respect to the unrestricted expenditures by our tourists, which totalled $2½ billion in 1962. We showed a net tourist deficit of $1,400 million in the same year, which is more than half the imbalance in our international payments. No one wishes to restrict travel. At the same time I believe that the President should make recommendations to Congress as to these expenditures. We should also lodge strenuous protests in the International Monetary Fund, in GATT, and in the OECD against the continued restrictions which are placed by a number of European and Latin American countries, as well as Far Eastern countries, on the sale of dollar exchange to their nationals for travel purposes.

Let us understand the situation. At the present we place no restrictions whatever on our tourists, unless you regard the lowering of the duty-free treatment of goods brought into this country by our own returning tourists as a restriction. We have a right to continue not to place any restrictions—and of course we may have to place such restrictions—but we should at least insist that European and Latin American and Far Eastern countries, which can afford it, should not place restrictions upon dollar expenditures of their tourists in our country.

While in the case of developing countries with shortages of convertible foreign exchange such restrictions are understandable, they should be removed by all other countries that do not have such a difficulty.

Mr. President, I ask unanimous consent to have printed at this point in the RECORD a letter dated June 18, 1963, from the Treasury Department and a letter dated July 9, 1963, from the Department of Commerce, which relate to these restrictions and state what could very readily be done by a number of countries about them, and what we are doing at the present time to close the gap between the expenditures of our tourists overseas and our income resulting from foreign tourist expenditure in the United States.

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

TREASURY DEPARTMENT,
Washington, June 18, 1963.

The Honorable JACOB K. JAVITS,
U.S. Senate,
Washington, D.C.

DEAR SENATOR JAVITS: I am pleased to furnish you information on several matters related to our net tourism balance, in accordance with the request of Mr. Szabo of your staff. These aspects are: (a) Public Law 480, section 104(s) sales of local currencies to American tourists; (b) estimated effect of the $100 limitation on duty-free imports by returning American tourists; (c) allowances of Western European countries, Canada, and Japan to their residents for tourist travel; and (d) data on foreign tourist expenditures abroad for 1960, 1961, 1962, and the first quarter of 1963.

The possibility of Public Law 480, section 104(s) sales of local currencies to American tourists is limited by the fact that there are relatively few countries whose currencies the U.S. Government holds in amounts excess to its needs. These countries and the amounts of excess as of December 31, 1962, are shown below:

[Thousands of dollars]

Country	Dollar equivalent of excess U.S. Government holdings	(Of which accruing from Public Law 480, title I, sales)
Burma	4,754	(181)
India	154,165	(33,438)
Pakistan	56,308	(6,033)
Poland	375,297	(375,297)
United Arab Republic (Egypt)	18,039	(16,455)
Yugoslavia	32,979	(18,070)
Indonesia	4,928	(4,311)
Israel	12,812	(510)
Total	659,282	(454,295)

It would not benefit the U.S. balance of payments if we were to sell to American tourists local currencies which are needed for current operations of our Government abroad, because we would then have to use dollars to buy these currencies from foreign governments to cover U.S. Government needs. Hence, we have followed the policy of making available for sale to American tourists only those currencies which are in excess of U.S. Government needs. These are currencies of countries which do not get a very large share of American tourism and in the case of India and Pakistan particularly are recipients of large amounts of U.S. assistance extended in order to ameliorate difficulties caused by these countries' shortage of foreign exchange. Accordingly, these countries are reluctant to agree to U.S. Government sales of Public Law 480 title I local currency proceeds to American tourists since it would tend to reduce their own dollar income from American tourists. Only two of the above countries—United Arab Republic (Egypt) and Israel—have agreed to the sale of Public Law 480, title I, proceeds to American tourists.

In the case of Egypt, the U.S. Government through April 30, 1963, had made available for sale to American tourists $12 million equivalent of Egyptian pounds, and through the same date had sold only $8,824.98. Egyptian pounds were announced as being available for sale to American tourists through a Treasury Department January 7, 1963, press release. Notice is also being given through the Commerce Department's Foreign Commerce Weekly, "International Commerce." In the case of Israel, our excess holdings have been reserved for dollar-repayable loans to the Weizmann Foundation and none has been made available for sale to American tourists.

The $100 limitation on duty-free imports by U.S. residents returning from abroad is estimated to have resulted in a reduction of $123 million in their foreign purchases in 1962 as compared with 1960, the last full year before the reduced exemption.

Table I, enclosed, shows the travel allowances granted by other advanced countries to their residents, according to our latest information. You will notice that seven of the countries have unlimited allowances. Denmark and the Netherlands are close to being in that category. In the case of France and the United Kingdom, it is more difficult to judge the liberality of the allowance in view of the fact that amounts in addition to those shown may be granted upon justification to the authorities. In these cases as well as those of some of the smaller Western European countries, and in the case of Japan, there is room for further liberalization. The U.S. Government has pressed in the OECD and elsewhere for full liberalization.

Table II, enclosed, shows the U.S. tourism account for the years 1960–62 and the first quarter of 1963 (seasonally adjusted). The increase in our tourism deficit last year despite some increase in our tourism receipts is not encouraging, and it has led us to redouble our efforts to reduce the deficit in 1963.

Please let me know if you have need of further information on this subject.

Very truly yours,

JOHN C. BULLITT.

(Enclosures 2: Table I—Foreign Travel Allowances Granted to Their Residents by Various Countries; table II—U.S. Tourism Account, 1960–62.)

TABLE I.—*Foreign travel allowances granted to their residents by various countries*

	Amount of allowance that traveler can convert before departure from his country	Additional amount of allowance in form of bank notes which traveler can take abroad and convert
Austria	$577 per journey [1]	$385.
Belgium	Unlimited	Unlimited.
Denmark	Any reasonable amount	$290.
France	$700 per journey [1]	$150.
Germany	Unlimited	Unlimited.
Ireland	$706 per journey [1]	$140.[3]
Italy	Unlimited	$80.
Luxembourg	do	Unlimited.
Netherlands	$1,194 per journey [2]	
Norway	$500 per year	$50.[3]
Portugal	Unlimited	Unlimited.
Spain	$500 per journey [1]	$50.
Sweden	$1,160 per journey	
Switzerland	Unlimited	Unlimited.
United Kingdom.	$706 per journey [1]	$140.
Canada	Unlimited	Unlimited.
Japan	No automatic allowance [4]	

[1] Additional amounts may be allowed upon justification.

[2] An additional amount of $40 is also granted automatically for each day of travel beyond 14 days, up to $3,781. Unlimited additional amounts are granted on request

[3] May be spent only on carriers of traveler's country.

[4] Japanese declaring themselves as business travelers are allowed $500 per year plus fares.

NOTE.—For countries in the above table where the allowance is not unlimited, the allowance is generally in addition to fares.

TABLE II.—*U.S. tourism account, 1960–62*

[In millions of dollars]

Year	Exports			Imports			Net tourism balance
	Transocean fare receipts from foreigners	Travel by foreigners in United States	Total tourism receipts	Transocean fare payments to foreign carriers	Travel by U.S. tourists and businessmen abroad [1]	Total tourism payments	
1960	+110	+887	+997	−490	−1,744	−2,234	−1,237
1961	+112	+900	+1,012	−515	−1,747	−2,262	−1,250
1962	+117	+921	+1,038	−563	−1,905	−2,468	−1,430
1963 1st quarter (adjusted)	[2]	+231		[2]	−482		

[1] Roughly 80 percent pleasure, family, etc., and 20 percent business.
[2] Not available quarterly.

THE SECRETARY OF COMMERCE,
Washington, D.C., July 9, 1963.

Hon. JACOB K. JAVITS,
U.S. Senate, Washington, D.C.

DEAR SENATOR JAVITS: I am writing with further reference to your letter of June 19, 1963, concerning efforts by the Department of Commerce to attract greater numbers of visitors to the United States from abroad.

As you know, the U.S. Travel Service was established within this Department by the International Travel Act of 1961 for the specific purpose of promoting more foreign tourism in this country. As a cosponsor of this legislation, you will be pleased to know that I consider the USTS to be one of the most successful investments the Federal Government has ever made. Thanks to the fullest cooperation by other Government agencies and by the private travel industry, the Travel Service's Visit USA program has succeeded in stimulating a substantially higher rate of increase for inbound oversea travel than that applying to outbound travel—the first step in narrowing that part of our balance-of-payments deficit caused by international tourism.

In 1962, we received 604,000 business and pleasure visitors from countries other than Canada and Mexico, an increase of 17 percent over 1961—almost double the average annual rate of increase over the previous decade. By comparison, the number of Americans who traveled abroad last year was 1,767,000, only 12 percent more than in the previous year. The rise in foreign travel this year is even more encouraging with 23.7 percent more visitors from abroad during the first 5 months than came in the same period of 1962.

With regard to last year's increase in the payments deficit attributable to travel, our revised figures show a net loss of $847 million in 1961 and $984 million in 1962, exclusive of transportation payments. This increase stems primarily from two causes. (1) Because their base is almost three times as high the absolute gain in Americans traveling abroad more than offset the record number of new oversea visitors to the United States. (2) Devaluation of the Canadian dollar during 1962 resulted in an unfavorable balance in our travel account with that country, for the first time in 10 years.

I share your concern over the continuing increase in our travel dollar deficit. However, so long as the right of our own citizens to undertake foreign travel remains relatively unrestricted we must expect some prolongation in the travel deficit problem. The important point, I believe, is to assure that our Government is doing everything it can to attract the greatest possible number of new visitors to this country. I welcome this opportunity for comment on the Department of Commerce program for accomplishing this.

I have enclosed a copy of my most recent report to the Congress and the President on the U.S. Travel Service, containing a broad description of this agency's recent activities. We will be happy to answer any questions you may have on this report. Meanwhile, I am attaching a memorandum from Mr. John W. Black, Deputy Director of the USTS, in response to the specific points raised in your letter.

Sincerely yours,

LUTHER H. HODGES,
Secretary of Commerce.

U.S. DEPARTMENT OF COMMERCE,
OFFICE OF THE SECRETARY,
July 8, 1963.

To: Secretary Hodges.
From: John W. Black, Deputy Director, U.S. Travel Service.
Subject: Senator JAVITS' letter re Department's travel program.

The following report is submitted in response to the five questions posed by Senator JAVITS in his letter of June 19 to you.

(1) Lessons learned from other tourist programs: It is our judgment that the most successful foreign country tourist programs have been built on these factors:

An attractive, reasonably priced tourist product: Here, the United States competes well with any other country. In fact, none can rival us in variety of tourist attractions.

Ease of entry: Most tourist-conscious countries have led the way in reducing entry formalities to a bare minimum, most notably by abolishing the visa requirement, or substituting for the visa a more easily-obtainable tourist card. Although the United States still requires a visa from most foreign visitors, entry documentation requirements have been eased significantly in the past several years, as noted below.

Vigorous advertising and publicity programs by Government: Virtually every major tourist-seeking country conducts a large-scale advertising and publicity program aimed at attracting potential travelers. Best available estimates indicate that foreign regional and national tourist offices spent between $5 and $6 million in the United States alone for mass media promotion in 1962.

Counteracting this expenditure the USTS advertising and publicity budget in fiscal year 1963 for attracting travelers to the United States was only $1.2 million. Our projected budget for these items in fiscal year 1964 (based on the House-approved $2.6 million appropriaion for USTS) will be cut to $800,000.

Representational activities: Closely related to the Government-financed promotional campaign carried out by the foreign countries are their activities aimed at winning friends and influencing people among key groups in the field of tourism—top agents, leading travel writers, distinguished personalities, travel fraternities, and associations. Many foreign governments typically make substantial money available for hosting international travel conferences, subsidizing tours by travel agents and journalists, entertaining dignitaries in the travel field as well as providing routine representational funds to their foreign offices.

The United States is at a distinct competitive disadvantage in this area. Funds for hosting meetings and conferences or for other representational expenses here in this country are normally not made available to agencies such as USTS. Oversea representational allowances granted to USTS to date have been substantially lower than those provided by other government tourist offices to their representatives abroad.

By securing free transportation from U.S.-flag carriers and using funds made available by the State Department's Office of Cultural Affairs USTS was able to sponsor 1 tour of the United States by 13 foreign travel writers last year. We had planned another tour for this fall but it now appears that neither State nor USTS will have sufficient funds to carry this out.

Close cooperation between Government and industry: Participation by and service to the international travel industry is a crucial element of any successful national tourist program. This cooperation includes such things as: joint or tie-in promotional programs, provision of sales promotion materials and other travel information to carrier and travel agent offices abroad, and Government encouragement or assistance in developing tourist arrangements or facilities geared to the special needs of foreign visitors.

Our Government does not exercise the same degree of influence and control over its domestic travel industry as is common in a number of foreign countries. (For example, many foreign-flag carriers are state-owned; foreign governments typically enjoy inspection or licensing authority over private tourist facilities. For this reason many government-industry promotional practices found abroad cannot be copied here.

Within the framework of our private enterprise system, we believe that USTS had achieved an excellent degree of cooperation with industry. Examples include: establishment of the Department's Travel Advisory Committee and numerous Visit USA committees abroad; a $500,000 annual sales promotion program patterned after those of foreign countries, including distribution of sales aids and regular calls on carriers and agents; encouragement of special rates and fare plans for foreign visitors, such as the $99/99 day bus pass; participation in carrier Visit USA programs and seminars abroad; publication of special aids to industry, such as the plant tour guide and travel agents and tour operators offering services for international visitors to the USA.

A hospitable citizenry: Most tourist-conscious countries—particularly those in Western Europe—have a long history of being international hosts. Their close proximity to many foreign lands has bred a high degree of awareness to the special problems of international tourism, especially the language problem. Because of its long relative isolation from other major tourist-generating nations the United States has not developed this same awareness. We are still apt to look on the foreign visitor as something of a curiosity.

Realizing that a satisfied customer is the best form of promotion, USTS made a major effort to assure that guests from abroad are given a friendly welcome wherever they travel in the United States. In cooperation with the advertising council we have mounted full-scale campaigns in newspapers, magazines, radio, TV, through car cards and Post Office truck posters on the theme "Company's Coming—Let's Welcome Them," designed to inform the average American how he can be a better host to foreign visitors. On the local level, USTS has distributed thousands of community kits showing how civic groups can improve their locality's facilities for visitors. Taking our cue from such hospitality programs as "Meet the

Danes" and "Get in Touch With the Dutch," the community kit stresses the value of providing visitors with the opportunity to meet Americans "at home."

Travel incentives: Our leading competitors in tourism normally rely upon solid promotional and industry service programs rather than on incentives, as such, to attract the U.S. traveler. Certain nations with multiple currency exchange rates—the Soviet Union, Venezuela, and Indonesia could be cited as examples—often grant foreign tourists a more favorable rate as an incentive to travel. But such practices are not common among leading tourist nations.

Perhaps the major governmental incentive to European travel by visitors from abroad is the eurail pass—a flat-rate, 30-day pass good for unlimited first-class travel on any Western European railroad. Similar incentives are now being offered to visitors to the United States, including the 99-day bus pass, special reduced rates given by several hotel chains, and flat-rate and reduced fare plans extended by local service air carriers and the railroads, respectively.

Foreign restrictions on travel: Our principal country markets for travel to the United States have greatly liberalized their currency restrictions on pleasure travel within the past 4 or 5 years. Although most countries continue to impose some form of travel currency control only the Japanese, who bar the conversion of yen for oversea pleasure travel, present a major obstacle to full realization of current Visit U.S.A. potentials.

A list of travel currency restrictions imposed by foreign governments is attached. It should be noted that in most cases the currency allowance applies only to expenditures made within the country of travel. Except in countries with extremely weak currencies international carrier fare payments can be made in local exchange.

Also attached is a representative list of duty-free allowances granted by foreign governments on purchases by returning travelers. As shown by this list even the reduced allowance of $100 granted by the United States is still one of the most generous.

Methods and organization for tourist promotion: Some of the more important methods and facilities utilized by leading tourist promoters were reviewed under heading (1) above.

We have made no systematic study of organizational methods employed by other government travel promotion offices. However, we do know that organizational structures vary widely from country to country, depending upon the relative importance of tourism to the national economy, the extent of private industry participation and whether the office exercises regulatory powers in addition to its promotional function.

Some countries have placed tourism under their Department of Trade and Commerce (the United States and Canada), others under their Interior Ministry (Canada until 1963), others under the Ministry of Transport and Communications (Belgium). In some countries the travel office is an autonomous body with cabinet level status (Mexico, Haiti).

In certain cases the responsibility for national tourism affairs is divided between publicity and regulatory bodies (Italy), or between an operational and policy agency (Mexico). In other cases national tourist promotion is handled by an association with membership from both government and private industry, and with financial support from each (Great Britain, Australia).

Streamlined visa and documentary procedures: Beginning with the waiver of fingerprinting of nonimmigrant visa applicants in 1957, there has been a progressive relaxation in documentary requirements for tourists entering the United States. In March of 1961 the Department of State took several additional steps to facilitate visitor visa issuance including abolition of the so-called long form visa application, and the waiver of a personal appearance for a visa renewal.

Concurrently with his request for establishment of a Federal travel promotion program in February 1961, the President asked the Congress for legislation to authorize a waiver of the visa requirement for bona fide foreign visitors on a reciprocal basis. A bill to accomplish this (H.R. 12069) was introduced in the last session of Congress. Although this measure was not enacted its introduction led to the consideration and adoption of a procedure for waiving mandatory personal appearances by first-time visitor visa applicants. As a result of this new procedure, the Department of State reports that 25 percent of all new visitor visas are now being issued by mail, thus removing one of the greatest inconveniences in applying for travel to this country.

Customs formalities have also been significantly improved in recent years, beginning with the introduction of a shorter declaration form in 1956. Recently the Customs Bureau cut redtape even further by initiating a system of oral declarations on a selective trial basis. Customs reports that the oral declaration is working well and may soon be adopted by all inspection stations.

RESTRICTIONS ON THE SALE OF DOLLAR EXCHANGE FOR TRAVEL PURPOSES—COUNTRY AND RESTRICTIONS

CARIBBEAN

Barbados: $280 per person per year with additional amounts granted.

Bermuda: Sums up to $500 with additional amounts granted.

British Leeward Islands: $280 per person per year with additional amounts granted.

British Windward Islands: $280 per person per year with additional amounts granted.

Dominican Republic: $100 per person at the discretion of the Central Bank.

Jamaica: $700 per person.

Nassau (Bahamas): $700 per person.

Trinidad and Tobago: $700 per person per year with additional amounts granted.

CENTRAL AMERICA

El Salvador: $200 a person each 6 months with additional amounts approved.

SOUTH AMERICA

British Guiana: $393 per person per year.

Brazil: $250 a person with approval of Bank of Brazil in foreign bank notes and travelers checks, with no limit on domestic currency.

Surinam: $1,050 per person per trip with additional amounts granted.

EUROPE

Austria: $576 per person per trip with additional amounts granted.

Cyprus: $700 per person per year with additional amounts authorized.

Finland: $250 per person per trip.

France: $1,200 per person per trip with additional allocations granted.

Greece: $266 per person per trip.

Iceland: $338 per person per year with additional amounts granted.

Ireland: $700 per adult per year with additional amounts granted.

Italy: $880 per person per trip with additional amounts granted.

Malta: $700 per person per year with additional amounts granted.

Monaco: $1,200 per person per voyage with additional allocations.

Netherlands: $830 per person for a 2-week trip, plus $42 a day up to 75 days with additional amounts granted.

Norway: $500 per adult per year and $250 per year for children under 12.

Portugal: $3,480 per person per trip.

Spain: $275 per person per year.

Sweden: $1,160 per person per trip with additional amounts granted.

Turkey: $222 per person per year.

Yugoslavia: $10 per year per person.

United Kingdom: $840 per person per trip with additional amounts granted.

AFRICA

Cameroon, Republic of: $162 per person per year.

Ethiopia: $480 per person per year.

Ghana: $308 per adult per year and $196 for minors per year.

Guinea: Allowance subject to individual license.

Libya: $446 per person per year; $195 for children under 12.

Malagasy Republic: $300 per person per year.

Morocco: $160 per person per year.

Nigeria, Federation of: $700 per person per year with additional amounts granted.

Rhodesia and Nyasaland, Federation of: $28 per day up to $840 per person per year; $14 per day up to $420 per child under 12 with additional amounts granted.

Sierra Leone: $700 per person per year with additional amounts granted.

Sudan: $288 per person per year; $72 per child under 16 per year.

Tanganyika: $700 per person with additional amounts granted.

Tunisia: $71 per person per year.

Republic of South Africa: $2,800 per adult per year, and $1,120 per year for children under 12.

Uganda: $700 per person per year with additional amounts granted.

Zanzibar: $700 per person per year with additional amounts granted.

MIDDLE EAST

Aden: $840 per person per year with additional sums granted.

United Arab Republic (Egypt): $172 per year per adult.

Iran: $500 per adult; $250 per child under 10 years of age.

Iraq: $504 per person per year, and $210 per person under 18.

Israel: $433 per person per trip.

Jordan: $500 to $600 per month.

Syria: Allowance subject to authorization from exchange control authorities.

FAR EAST

Australia: $4,400 per person per year with additional amounts granted.

British Borneo: Sarawak: $700 for each person in any travel year with additional amounts granted.

Brunei: $1,500 for each person with additional amounts granted.

North Borneo: $700 for each person with additional amounts granted.

Burma: $31 allowance.

Cambodia: Allowance subject to individual license.

Ceylon: $430 per person and $210 per child under 12 years of age. Residents who have traveled abroad in past 7 years will not be allowed further exchange.

India: Allowance subject to approval by reserve bank.

Indonesia: Allowance subject to approval by reserve bank.

Japan: Allowance subject to absolute control by Bank of Japan.

Korea: Allowance subject to approval by the Bank of Korea.

Laos: Allowance subject to approval by the exchange control authorities. No limit on export of national currency.

Nepal: Application must be made to Ministry of Finance for allowance.

New Zealand: $1,668 per person per year, and $1,167 per child under 12. In addition, $1,112 available to those who had not received an allocation for travel during previous 5 years.

Pakistan: $420 per person once every 3 years for a limited number of tourists per month.

Singapore: $1,400 for each person with additional amounts granted.

Taiwan: Foreign travel must be made with self-provided foreign exchange only. Tourists may take out $200 in foreign currency and $12 in national currency.

Thailand: $630 per person up to 90 days with additional sums available.

Vietnam: $140 to $200 converted authorization required from the National Exchange Office.

Source: International Monetary Fund, Exchange Restrictions Division, July 5, 1963.

DUTY-FREE ALLOWANCES IN U.S. DOLLARS ON SOUVENIRS AND GIFTS PURCHASED ABROAD GRANTED TO RETURNING NATIONALS AND RESIDENTS

EUROPE AND MEDITERRANEAN

Austria: $11.54.
Belgium: $12.
Denmark: $50.67.
Finland: $3,125.
France: $10.12.
Germany: $12.50.
Israel: $11.67 up to 1 year; $25 after 1 year.
Iraq: None.
Ireland: From Europe, $14; outside Europe, $56.
Jordan: No duty on gifts of no commercial value.
Luxembourg: $12.
Poland: Up to $41.67 (value of articles).
Tunisia: None.
Turkey: All articles exempt on which customs duty does not exceed $2.78.
Switzerland: $23.28. There is also a quantity restriction of food products, alcoholic beverages, and tobacco, and a customs fee of one franc.
Netherlands: Up to $12.43 on intra-Benelux frontiers; $41.44 from other areas.
Norway: $49.
Rumania: Cannot exceed amount of Romanian money obtained from tourist office "Carpati" or national bank.
Sweden: $53.16; in transit $115.99; living outside Europe, $521.94.
United Arab Republic: $46.
United Kingdom: None.
U.S.S.R.: No fixed amount.

AMERICAS

Argentina: None, but exemption from exchange rate surcharge granted up to $100.
Canada: $23.36, every 4 months if returning from the United States; $70.09 annually if returning from overseas.
Costa Rica: $37.74; $75.47 maximum per family.
Paraguay: No fixed amount.
U.S.A.: $100 (wholesale value).
Venezuela: Used personal effects plus additional amount of new effects in an amount up to $220.26 depending on length of stay outside of Venezuela. (Does not include vehicles.)
Mexico: Air passengers various personal effects and up to 6 objects for gifts worth not over $80 (art. 300, Customs Code).
Netherlands Antilles: None.
Surinam: None.

ASIA AND OCEANIA

Australia: $72.
Ceylon: None.
India: $105.
Malaya: None.
Philippines: $100.
Thailand: Reasonable amount; otherwise, 27.5 percent of purchase price.
Korea: $50.
Republic of China: None.
Japan: Provision is not made for exemption on gifts; however, those of small value may be exempted from duty by treating them as personal effects. Duty-free allowances are granted for personal effects taking into account their items and quantities in consideration of the profession of a person entering into Japan, the reason of his entry, the period of his stay, etc.
New Zealand: $27.81 (value of goods).

AFRICA

Morocco: $50.
Sudan: None.
Union of South Africa: $70 per person if articles accompany the passenger.

(NOTE.—Above is a partial list, July 5, 1963.)

Source: Office of Regional Economics, U.S. Department of Commerce; United Nations Economic & Social Council Report—Development of International Travel & Tourism, February and October 1961.

Mr. JAVITS. Fifth, Congress should carefully examine the balance-of-payments implications of the unrestricted flotation of new foreign security issues in the United States. Let us remember that these resulted in a long-term capital outflow of half a billion dollars in the first quarter of this year alone.

Most of us—and I am included—are opposed to placing direct controls on capital flows, whether it involves U.S. investment abroad or the sale of foreign securities in the United States. I believe, however, that serious thought should be given by Congress to placing a condition on the right of foreign firms or governments to borrow in U.S. capital markets or float new security issues here, namely, that a substantial proportion of the funds obtained here should be spent on U.S. goods and services for the duration of our U.S. balance-of-payments crisis. There should be an opportunity to make exceptions in that regard, of course. Nevertheless, a consideration of that policy could be very helpful at the present time.

Sixth, the question of higher short-term interest rates and their effect upon U.S. economic growth and capital flows to and from the United States should become the subject of a careful study by Congress. There are wide differences of opinion on this question within the private sector and in Government circles. Some suggest that higher short-term interest rates would do little harm to the domestic economy, and might greatly help in the payments problem, both by attracting direct short-term capital to the United States and by making it less attractive for foreigners to borrow.

On the other hand, both the State Department and the Treasury Department, in their replies to my questions on our balance-of-payments situation, which I placed in the RECORD of June 20, 1963, state that other factors, such as the capacity of U.S. capital markets to accommodate large borrowings and the relative backwardness of European and Japanese capital markets, are decisive in the decision of foreigners to borrow here, even at higher interest rate levels. I understand that even a fractional difference of perhaps one-half of 1 percent in the short-term interest rate would make a difference in attracting capital here. I note with satisfaction that this is one of the urgent items that is being given consideration by the administration.

Mr. MILLER. Mr. President, will the Senator from New York yield?

Mr. JAVITS. I yield to the Senator from Iowa.

Mr. MILLER. I believe the Senator's point with respect to short-term interest is very important. It was stressed by the Secretary of the Treasury that a competitive problem exists with respect to short-term interest rates, a problem which is causing a substantial outflow or a substantial deficit in our balance of payments. It was stated that on the London market the rate of interest is about 4 percent, compared with the rate of 3¼ percent on the New York market. That is an increase of about three-quarters of 1 percent in our short-term interest, which would be necessary to put us on a competitive basis.

On the other side of the question, statements are made to the effect that an increase in interest rates would be harmful to our own domestic economy and would curtail business expansion and investment. In the case of a businessman or a corporation which borrowed a million dollars for the purpose of plant expansion, at 1 percent interest cost would amount to $10,000, and a three-quarters of 1 percent interest cost would amount to only $7,500. By the time the businessman or corporation took a deduction on the Federal income tax return—let us say it is a corporation in the 52-percent bracket—the net out-of-pocket cost increase to the corporation as a result of the increase in the short-term interest rate would be only $3,600 on the $1 million borrowed.

Does the Senator from New York agree with me that the $3,600 out-of-pocket interest cost on a $1 million annual borrowing will not be likely to deter business productivity?

Mr. JAVITS. The history of the situation appears to be that it will not deter business activity. However, I favor the general proposition of interest rates being lowered all the time. As the security and stability of our country improves and increases, the cost of money ought to be less. It has always been an onerous burden to require people to pay an excessive interest rate as the cost of money. So I favor lower interest rates over the long term.

But I wish to point out that, faced with the choice of many alternatives, such as a sharp austerity program in the United States, if we really were confronted with a dire situation with respect to balance of payments, I would certainly prefer some fractional increase in the interest rate, especially on a short-term basis, for it would attract capital here.

The best opinion which I have from the banking community—and I think it is a very reliable one—is that this proposal would have no effect whatever upon personal credit rates, which are at higher-than-time rates for money and for mortgages. Incidentally, interest rates on mortgages are now very low, and will not be affected materially by what we are talking about in terms of the kind of interest rate which would attract capital back to the United States.

Therefore, my answer is that under the present alternatives available to us, certainly this is far more desirable and a far less harmful alternative than some of the alternatives to which we may be

pressed if the situation is allowed to deteriorate further.

Mr. MILLER. The Senator from New York has expressed the situation better than I could. I thoroughly agree with what he has said. I think all of us would like to see lower interest rates. But as a matter of alternatives, in terms of the problem which we face, it seems to me that we must fish or cut bait; we must make up our minds. Shall we let the balance-of-payments problem remain unsolved until a tornado is upon us? Or shall we take remedial action? We hope that the remedial action would be of a short-term nature.

When we make these suggestions, when the Secretary of the Treasury makes the suggestion that we ought to be competitive in the short-term interest market, if someone should come along and pull out of a closet some old skeleton in the form of a fear that it would cause a depression in our business activity, I do not think it would stand up to the facts.

Granted that we would like to see lower interest rates; I do not think we can or should expect any hampering of our business expansion as a result of an increase in the short-term interest money.

Mr. JAVITS. I thank the Senator from Iowa for his valuable contribution.

The seventh item of action which ought to be taken is to broaden our liquidity base and add to our dwindling gold reserves, a situation which has been caused by the annual imbalance of our international payments. Our role as the world's banker, as creditor to the world, our postwar efforts to rebuild the ruined economies of Western Europe and Japan, and our economic assistance to developing nations and the high cost of military expenditure for Western defense are the key reasons why our gold reserves today are at their lowest level since 1939. The unequal sharing of Western military defense burden, for example, is indicated by the fact that in 1962 we spent 9.8 percent of our gross national product on defense, while France spent 6.5 percent; Germany, 5.1 percent; Italy, 3.5 percent; Turkey, 5.4 percent; Canada, 4.5 percent; and the United Kingdom 6.4 percent of their gross national product.

The first order is to bring international balance of payments under control. Assuming our ability to achieve that objective through a suitable economic and fiscal policy, we should make permanent arrangements with our principal creditors, through the International Monetary Fund, as a result of the International Monetary Conference which I propose, for sufficient credit to take care of present and foreseeable needs of international trade and investment. I believe our European friends should cooperate with us in such a venture out of self-interest. The present liquidity base, considering foreseeable conditions today, is too narrow for a growing world. We must come to grips with this problem, and the international monetary conference method is the way to do it.

Eighth. We should constantly keep in mind that the maintenance of barriers to trade by ourselves and by our major trading partners is very much tied in with our balance-of-payments problem. I therefore urge that our trade negotiators make full use of existing authority under the Trade Expansion Act in the forthcoming GATT trade negotiations. Should the authority under this act be insufficient, Congress should immediately consider amendments that have been or may be proposed at this session of Congress, to obtain for the President additional tariff-cutting authority. The Senator from Illinois [Mr. DOUGLAS] has offered such a proposal. I introduced a bill to this effect as far back as January 30. Both of these proposals are designed to deal with the problems caused by the rejection of membership for the United Kingdom in the European Economic Community. It is already clear that this has materially hampered the increased trading possibilities which we gave the President in the Trade Expansion Act. These are the key activities which I believe he must undertake, and which will be relevant to the present situation.

Mr. President, from reading an article published this morning in the Washington Post, I notice that the administration is now proposing some additional action on the international balance-of-payments situation. For one thing, the article informs us that we are going to draw on the International Monetary Fund, in accordance with our drawing rights in order to demonstrate our appreciation of the situation and in order to make this an established aspect of the aids of which we can avail ourselves in the world. Furthermore, from reading the article, I notice that the administration is planning an increase in short-term interest rates—this was clearly indicated by the testimony of Secretary Dillon and Under Secretary Roosa which has been given in the past several days before the Joint Economic Committee; also, that the administration is exploring ways to further cut Government spending abroad, although it is determined to carry on with our military and economic aid—and with that, I agree; and that it is considering what it may do to promote exports. But these plans seem to me to be completely inadequate to deal with the situation which confronts us. The article also states that the administration is thinking of enlarging the number of Government personnel who are looking for American trade prospects; but that is rather small potatoes, compared with the size of the problem we are faced with in regard to the need to expand our exports.

From the article we also learn that the administration is planning to make further bilateral borrowings of foreign currencies; while it is stated that the United States has already borrowed $630 million of Swiss and Belgian francs, Austrian schillings, lire, and marks. However, that would seem to me again to be only a temporary palliative.

It looks to me that the article indicates, and the testimony the Joint Economic Committee has received also indicates, that the administration is reaching for a "package" aimed at reducing the balance-of-payments deficit and at improving our international situation. But, if we are to have such a "package," I believe it should be one which would do some real good. That is the purpose of my speech today. I believe we have had some helpful action, but it has not been enough, inasmuch as the imbalance of payments continues at about the same rate as that since 1958. We do not want to turn to domestic austerity—which other countries have done, but we do not think it either necessary or desirable. Neither do we want to relinquish our world leadership.

If we do not do that, we must do something else, which means really to move in terms of enlarged and increased exports through granting effective incentives to our exporters and improving our international credit basis and our activities as an international banker, in terms of the interest rate we charge for funds loaned, and also in terms of dealing with other countries, and also in terms of what we are prepared to do in connection with international capital transactions, which are so important throughout the world.

I invite the attention of the administration—which obviously is seeking a "package"—to a real "package" which would enable it to deal with the situation without having to resort to the dread alternatives of domestic austerity—and I use that word in deference to the very fine views which have been expressed by the Senator from Wisconsin [Mr. PROXMIRE]—or relinquishing our world leadership.

We still have room to maneuver; but the administration must proceed in a far more comprehensive way than it has done thus far. So I urge it to take the bold step of calling an international monetary conference in order to dramatize to our own people and to the rest of the world what needs to be done about this matter.

Mr. PROXMIRE. Mr. President, will the Senator from New York yield?

Mr. JAVITS. I yield.

Mr. PROXMIRE. The Senator from New York has referred to an article published today in the Washington Post, which also has been discussed by Secretary Dillon and Under Secretary Roosa before our committee. The Senator from New York was correct in referring to those proposals as "small potatoes." Is it not true that the one proposed step of concrete character which stands out is an increase in interest rates?

Mr. JAVITS. I think that is true.

Mr. PROXMIRE. Is it not also true that that proposal is based on a report by Professor Kenen, of Columbia University; but in the conclusion of his report he said:

> I am loath to recommend that the United States raise interest rates to discourage short-term capital movements, even that they be kept at present levels if the domestic situation argues for reduction. My conclusions as to interest sensitivity are not decisive—and even if they were, the costs at home would be excessive.

Furthermore, in the June report of the Bank for International Settlements—and this is the latest report—we find the statement:

> Short-term interest differentials have largely been eliminated, and a substantial

attraction of liquid funds from London would not be desirable.

In my opinion, all this means that we cannot rely to any significant extent on such an increase in short-term interest rates. The Bank for International Settlements discourages it, and disagrees with such a proposal; and outstanding economists, on whose opinions the recommendation is said to have been based, at least to some extent, disagree with such a policy.

Furthermore, yesterday Under Secretary Roosa said he would not increase short-term interest rates more than 1 percent. He also admitted that in all history no country has been successful in reversing an adverse balance of payments by making so small an increase in interest rates.

On this basis, I submit that the steps recommended by the administration can properly be characterized as very small and probably too little. Does the Senator from New York agree?

Mr. JAVITS. Mr. President, I may not necessarily agree with the Senator from Wisconsin on the matter of interest rates, in terms of the effect of such an increase on our country and in regard to what it would mean to mortgage money in our country and to the cost of personal finance loans, and so forth; but certainly I can agree with the Senator from Wisconsin that this would not be a major point, and would not make a major difference, and that if this is the only "hard" thing the administration is going to do, it will be very much too little, and will not have the desired effect, and, therefore, on the doctrine of de minimis, probably is not worth the effort.

As a part of the desirable and necessary "package," I think several things can be done. As the Senator from Wisconsin has said, lower interest rates are always desirable; I agree as to that. But I say something else must be done. We must undertake to find some way out of this problem. It may very well be that for a short time a fractional increase in short-term interest rates would help stem this capital outflow, if it were part of a concrete "package"—a heavy "package"—of really doing things in this area. In that case, I could reluctantly go along with that proposal, although probably the Senator from Wisconsin could not. But I agree with him that if this is the only "hard" thing that is going to be done, certainly it is not provident in terms of facing the issue.

Mr. PROXMIRE. I should like to say that the studies made by Professor Bell and by economist Robert Gemmill and by Mr. Kenen all indicate that this will have little influence. I agree that it might have some constructive influence in diminishing the balance-of-payments difficulties, but the influence would be small.

Furthermore, the Senator from New York feels that under these circumstances a tax cut should be favored—although I disagree. I feel that a tax cut would worsen our balance-of-payments difficulties.

Under these circumstances, does the Senator from New York agree that if a tax cut is to be made, it is all the more important that we follow a far more imaginative, constructive, and effective policy of counteracting the adverse balance of payments—far more than we might otherwise have?

Mr. JAVITS. I agree. The Senator from Wisconsin may remember the very dark days when Britain was being blitzed, and before we got into the war, when Churchill performed what I consider to be one of the most brilliant acts of his career—namely, when he sent either one or two motorized divisions into north Africa, notwithstanding the fact that Britain was then so heavily beleaguered and that we were not then in the war. Such a division of forces is always very risky. But the imaginative decisions of mankind are often made on that basis. I think there is a considerable analogy between that kind of thinking and our present situation in international terms. The tax cut represents that kind of boldness. But once we undertake a bolder policy, we cannot do so haltingly. We must do everything which that policy requires. In that respect I agree with the Senator that if we are to favor the tax cut—and I believe we should—we must support it with a program which is as imaginative as the idea of a tax cut itself.

Mr. PROXMIRE. I thank the Senator for his very excellent speech.

Mr. JAVITS. I thank the Senator from Iowa [Mr. MILLER] and the Senator from Wisconsin [Mr. PROXMIRE] for their most helpful participation with me in the debate. I hope that the administration and those in the world who hold our paper, as it were, will give the situation serious attention.

I yield the floor.

Mr. MILLER. Mr. President, I commend the Senator from New York for his excellent statement on the international balance-of-payments problem. I point out that in my judgment no Member of this body is better qualified or more knowledgeable concerning the problem than is the distinguished Senator from New York. I trust that his statements and comments on the problem and his suggestions will not go unnoticed by the administration.

One point I believe I should mention is that the keynote statement of the Secretary of the Treasury before the Joint Economic Committee was with respect to the tax-cut proposal of the administration. During the testimony of Under Secretary Russo yesterday I elicited from him, in response to my question, that the administration is cognizant of the fact that a tax cut must be meaningful, and that there will not be a stoppage in our outflow-of-gold problem in the absence of a stable dollar.

Yesterday I pointed out that we do not have a stable dollar. Our dollar has been steadily slipping away in its purchasing power for several years. It has been going down at the rate of about 1 percent a year. Two years ago the dollar was worth 46.6 cents in purchasing power, compared to a 1939 dollar worth 100 cents. Today the value of the dollar is around 45.6 cents. That represents a decline in the purchasing power of the dollar of 1 percent a year.

Also the Under Secretary agreed that, so long as foreign creditors see our dollar slipping in its purchasing power, we cannot blame them for asking to be paid in gold rather than in dollars. So the administration recognizes the importance of keeping the purchasing power of our dollar stable.

On the other hand, the administration now states that the tax cut will not be inflationary. I suppose we could agree with that statement. But what it does not bring out is that the tax cut, within the framework of a $10 or $12 billion deficit, would be inflationary. We have had inflation to the tune of $14 billion during 1961 and 1962. At the same time, we had a deficit of not quite $14 billion. I cannot believe that if we have a $10 or $12 billion deficit for fiscal year 1964, we will not have another slippage in our purchasing power to the tune of $4 billion, $5 billion, or $6 billion of inflation. What good does it do to give the people $2.8 billion more of purchasing power, through a tax cut for fiscal year 1964, with the right hand, and, with the left hand, take away $4 billion, $5 billion, $6 billion, or $7 billion of purchasing power through inflation as a result of a $10 or $12 billion deficit?

I am afraid that the administration is not facing the facts. Until it does, it will be difficult to persuade the American people that a tax cut proposal, in the setting of a terrible deficit, would be meaningful to them.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Hackney, one of its reading clerks, announced that the House had disagreed to the amendments of the Senate to the bill (H.R. 5279) making appropriations for the Department of the Interior and related agencies for the fiscal year ending June 30, 1964, and for other purposes; agreed to the conference asked by the Senate on the disagreeing votes of the two Houses thereon, and that Mr. KIRWAN, Mr. DENTON, Mr. CANNON, Mr. HARRISON, and Mr. REIFEL were appointed managers on the part of the House at the conference.

The message also announced that the House had agreed to the amendment of the Senate to the bill (H.R. 6681) to improve the active duty promotion opportunity of Air Force officers from the grade of major to the grade of lieutenant colonel.

ENROLLED BILLS AND JOINT RESOLUTION SIGNED

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

S. 292. An act for the relief of Yoo Chul Soo;

S. 312. An act for the relief of Danusia Radochonski;

S. 380. An act to amend the act of June 29, 1960 (Private Law 86–354);

S. 409. An act for the relief of Yeng Burdick;

S. 504. An act for the relief of Domenico Martino;

S. 535. An act to extend the principles of equitable adjudication to sales under the Alaska Public Sale Act;

S. 581. An act to amend the Agricultural Adjustment Act of 1938 to extend for 2 additional years the provisions permitting the lease of tobacco acreage allotments;

S. 686. An act for the relief of Millie Gail Mesa;

S. 735. An act for the relief of Peter Hopeton Maylor;

S. 762. An act to provide for increased wheat acreage allotments in the Tulelake area of California;

S. 787. An act for the relief of Zofia Miecielica;

S. 866. An act for the relief of Enrico Petrucci;

S. 969. An act to provide medical care for certain Coast and Geodetic Survey retired ships' officers and crew members and their dependents, and for other purposes;

S. 1031. An act to repeal the Inland Waterways Corporation Act; and

S.J. Res. 60. Joint resolution providing for acceptance by the United States of America of an instrument for the amendment of the constitution of the International Labor Organization.

RAILROAD LABOR DISPUTE

Mr. MILLER. Mr. President, I know that Senators have read with regret that the railroad strike appears still to be on, and that the President's proposal to have Associate Justice Arthur Goldberg serve as an arbitrator of the problem has been rejected.

I point out that while the suggestion of the President to have an Associate Justice of the Supreme Court, whom we all admire and respect, undertake to arbitrate this dispute has a certain amount of novelty and glamour, it certainly does not represent the ultimate in suggestions to solve the problem. It is only the first round. I hope that during the interim, during which the unions and management have been requested to stand by the President, another suggestion will be forthcoming, and another one after that, and then another one. Perhaps we can find something that both parties can agree upon. But to suggest that this is the last suggestion, that it is the ultimate, and that unless it is adopted or approved the roof will cave in, does not make sense.

The able Senator from Nebraska [Mr. CURTIS] has suggested that an arrangement be arrived at whereby the individual unions might be permitted to negotiate with the individual railroads on this particular problem. I do not say that this is a perfect suggestion, but it is a suggestion that has some merit, and it should be considered. What it illustrates is that there are other ways and means of resolving this dispute than by compulsory arbitration or seizure of the railroads.

CAPTIVE NATIONS WEEK

Mr. MILLER. Mr. President, there comes a time when all of us, despite the press of work, must pause long enough to remind ourselves of the plight of those behind the Iron Curtain. Such will be the case during observance of Captive Nations Week July 14 through July 20. This observance should serve as a warning that we cannot, that we dare not, permit other nations to fall prey to the aggressive tentacles of Communist Russia. We failed in the case of Cuba, although this certainly is not a hopeless outlook since we still can do much to eliminate this blot in the Western Hemisphere. And we must not let South Vietnam, Laos, and other countries be swallowed up. This observance is an excellent time for us to remind ourselves to be continually on our guard.

I ask unanimous consent that a letter which has been received by various Members of Congress from the National Captive Nations Committee, dated July 5, and signed by the chairman, be printed in the RECORD at this point in my remarks.

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

NATIONAL CAPTIVE NATIONS COMMITTEE,
Washington, D.C., July 5, 1963.

DEAR FRIEND OF WORLD FREEDOM: During July 14–20 Americans across the Nation will celebrate the fifth observance of Captive Nations Week. We urge your joining them with an address on the occasion in Congress.

Provided by Public Law 86–90, the week has developed into a veritable institution symbolizing America's determination to advance the liberation of all captive nations in the interest of our own survival. With your generous support this committee has nurtured this institution so that today Governors and mayors throughout the country are proclaiming the week in behalf of their constituents.

Fortunately, millions of our citizens recognize these essential facts: (1) Since 1959 the one great goal of Soviet Russian cold war maneuvering has been the growing acquiescence of Americans to the permanence of Moscow's vast empire; (2) similar to old imperial Russian techniques, the spurious call for "peaceful coexistence" and the calculated spread of nuclearitis in this country have produced phenomenal success for Moscow as we witness those in high places as well as low seeking an accommodation with this barbaric empire, attempting to play down the captive nations because its truths would irritate Khrushchev, justifying cold war inaction with the false doctrine of mellowism in the U.S.S.R., and on the basis of the Empire's present conflicts creating the illusion that we are winning the cold war; and (3) the nationalism reflected in the party rivalries throughout the Empire is the prime result of a whole decade of captive nations' opposition to Moscow's imperio-colonial rule, in Poland as well as Georgia, in Rumania as well as Ukraine, in Red China as well as Turkistan.

Nothing would serve Moscow's cold war ambitions more than our neglect of the more than 2 dozen captive nations—the ultimate source of its present Empire troubles and also the most strategic instrument in our arsenal of cold war weapons. We are today committing many grave sins of omission in the cold war, for which we shall unquestionably pay heavily later, but beyond all rationality is the thought of allowing the avowed enemy a "breather" to put his Empire in order and strengthen it for further thrusts against the free world.

What can we do? This favorite question of timid inactionists, who with nuclearitic fear instantly invoke the robotic Moscow-made answer "it may lead to war," has been answered concretely a hundredfold. The theme of the 1963 week is "Liberate Cuba—To Restore the Faith in All Captive Nations—To Win the Cold War." Cuba, the latest in the roster of captive nations, can be liberated if we revive the Kersten amendment to the past Mutual Security Act and apply it thoroughly to Cuba.

At this stage of the cold war, when Moscow can ill afford a hot global one, we can also proceed with the following: (1) To expose the last remaining colonial empire, place heavy emphasis on the captive nations by establishing a Special House Committee on the Captive Nations; (2) to put into effect the President's recent suggestion for a reexamination of our views toward the U.S.S.R., open up for public discussion the captivity of the dozen captive non-Russian nations in the U.S.S.R.; (3) to advance U.S. cold war education, create the Freedom Commission and Academy; and (4) to focus free world and U.S. understanding on the real nature of the enemy, move for a full-scale debate in the United Nations on Soviet Russian imperio-colonialism. Our failure to at least start with these few proposals would justify raising the question, "Who will be next on the long list of captive nations?"

In appreciation of your contribution to the most impressive week yet and with best wishes.

Sincerely,

LEV E. DOBRIANSKY,
Chairman.

BALANCE-OF-PAYMENTS PROBLEM

Mr. LAUSCHE. Mr. President, several years ago when the lead and zinc subsidy bills were before the Senate I voted against them. Today a vote will be taken, I assume, on bills connected with that item.

In our stockpile there is lead and zinc sufficient to run out of our ears, yet 2 years ago the Congress in the face of that situation, decided that lead and zinc mines of smaller size should be subsidized.

What was done then was in conformity with the great trend toward subsidization which is constantly gaining momentum in the Congress. There are subsidies for all—subsidies for mass transportation, subsidies for urban renewal, subsidies for lead and zinc, subsides for the airlines, and for the merchant marine and others.

We ought to recognize the situation confronting our country, as reflected by the talks made by the Senator from New York [Mr. JAVITS] and the Senator from Iowa [Mr. MILLER] dealing with our dwindling gold reserves. A number of factors have been driving gold out of our country. One is deficit operations. The deficit operations are partly caused by subsidization.

I cannot understand the tranquility of the people of our country in the face of the fact that here is only $3½ billion of free gold, with $25 billion of short-term foreign liabilities in a position to demand payment in gold.

When will one of the short-term creditors become alarmed? When will one of them say, "I fear that the American dollar will be devalued," and suddenly demand payment of the moneys we owe?

For 2 years in the cloakrooms and in conferences mention has been made about the gravity of this problem. It seems that only within the past month has the talk become open and severe.

I read a transcript of a speech made by the vice president of a New York bank. That was made within the past month. He says that the problem faces us, that we should attack it before it breaks loose. He recommends that we follow one of three plans.

I have a $10 Federal Reserve note in my hand. This is supported by 25 percent in gold reserves.

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

Mr. LAUSCHE. I yield.

Mr. DOUGLAS. Suppose the Senator from Ohio would present that $10 Federal Reserve note for payment. Could the Senator get gold for it?

Mr. LAUSCHE. No. One cannot get gold, but at least there is an anchor which prohibits the Government from printing Federal Reserve notes except when there is a 25-percent gold reserve. That anchor exists.

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

Mr. LAUSCHE. I yield.

Mr. DOUGLAS. Is it not true that one cannot get gold for Federal Reserve notes?

Mr. LAUSCHE. That is true.

Hr. DOUGLAS. How is it an anchor, then?

Mr. LAUSCHE. The anchor exists because the Government cannot print more Federal Reserve notes than four times the gold in the vault to support them. If we should remove that 25-percent gold requirement, the Representatives and Senators, to stimulate business, would be urging the printing of money. That is a problem we run into.

No arguments of sophistication will change my mind to the belief that there is not now an anchor.

Mr. President, I proceed with my remarks. The vice president of the bank in New York advised removing the gold coverage. He recommended two other plans. He did not come out fully with his opinions, but he said, "Something has to be done."

I say that something has to be done. Unless something is done the annuitant, the minister, the schoolteacher, the pensioner, the person who has some money in the bank, and the person who has bought Government bonds will suddenly find the bottom taken out of the value and find themselves robbed of a part of their savings.

There are a number of things which could be done, and they have not been done. The problem has become so critical that it must be faced. In my judgment, we must keep ourselves in a competitive position to sell our goods in the world market. To keep ourselves competitive in world markets we cannot lift wages 8 or 10 percent and we cannot lift prices constantly.

Second, to stop the flow of our money into foreign countries we shall have to raise interest rates in the United States.

Third, we shall have to reduce foreign aid. Comparing the good which comes from economic foreign aid with the catastrophe which might result because of a flight of gold, I say that we must join in the movement to reduce our foreign aid.

Something must be done, and unless some things are done there will be a tragedy ahead.

Finally, we must stop extravagant spending. I mentioned the mass transportation bill. Those who were most optimistic about the lowness of its cost have said it would cost $6 billion.

The area redevelopment bill and other bills involve giving money. That must be stopped if we are to face realistically the problem which confronts us.

Getting back to the problem of lead and zinc, I shall vote against those bills. They are miniature, so far as expenditures are concerned, but they involve a principle; and that is the principle of subsidization which is urged so vigorously constantly on this floor.

Mr. President, I wish to read from a Canadian newspaper:

> Gold is quiet. Is this a deceptive calm? Could clouds be blowing upon the horizons? When does some country, loaded with dollars, get scared into demanding gold for them? Misgivings among the monetary talent are in existence. They report that people who a short time ago were certain the United States could pull through are now telling friends that devaluation may be in sight.

We cannot devalue so far as our foreign creditors are concerned, for if we do we break faith; we break trust. But this article from the Canadian paper is significant. It finally states:

> What about the understanding of the European governments that they will not draw on American gold? These semisecret deals do exist, masked by schemes whereby the parties swap each other's paper money and provide a gold pool to smooth out any upsurge of demand from the republic.

I shall not identify the country, but there is one country that can demand payment in gold, instead of dollars, in an amount in excess of the free gold we have. If that happens, where do we stand?

I yield the floor.

Mr. DOUGLAS. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. DOUGLAS. Who has the floor?

The PRESIDING OFFICER. No Senator has it.

Mr. DOUGLAS. May I seek recognition?

The PRESIDING OFFICER. The Senator from Illinois.

Mr. DOUGLAS. Mr. President, I had not intended to speak today on the subject of the balance of payments, because I approve of the general nature of the remarks of the Senator from New York, but certain comments of the Senator from Iowa and the Senator from Ohio deserve to be placed in their proper perspective.

I agree that the balance-of-payments problem is serious, but I think these two addresses do not really go to the center of the difficulty. The truth of the matter is that they do not seem to distinguish between the balance of trade and the balance of payments. So far as the balance of trade is concerned, or the exports of goods and services as compared with the imports of goods and services, we have had a so-called favorable balance for a number of years.

For example, last year we exported $29,800 million worth of goods and services, and imported only $25 billion worth, or we had a "surplus" in the balance of trade of $4,800 million.

The previous year of 1961 we had a surplus of $5,400 million.

The year before that, or 1960, we had a surplus of $3,800 million.

In 1959, the balance was just about even.

In 1958 the surplus was $2,200 million.

The truth of the matter is that, so far as commodities and services are concerned, we have constantly exported more than we have imported. It is also true that, so far as wholesale prices are concerned, prices now are approximately the same as they were in 1957–59, being, in May of this year, 100–1 as compared to a general average of 100 in 1957–59.

This country therefore has had a stability in the prices of goods for 6 years.

I am a little bit pained when I hear Senators speak of the alleged horrendous inflation which we have been having. The truth of the matter is that the United States has had the most stable price level in the world, or at least among the Western European countries and the Asiatic countries, including Japan. Their prices have been rising in recent years, whereas our own have been steady. The cost of living has been rising at the rate of about 1 percent a year. About half of this has been due to the increase in the price of services, such as medical care, which do not affect the balance of payments. The remainder is almost entirely attributable to improvements in quality and hence do not constitute net increases. Prices on the contrary are rising more rapidly abroad.

Furthermore, there is no indication that our labor cost per unit of output is rising. The increase in the wage bill is at least compensated for by the increase in the productivity per man-hour. So the labor cost per unit of output, which is the test, has remained practically constant.

Labor cost per unit of output is rising rapidly in Japan and on the continent, and our goods are moving into a still better competitive position.

The trouble arises entirely from what are called "invisible" items, namely, first, military expenditures abroad, second, expenditures abroad by members of the Armed Forces and their families; third, economic aid; fourth, travel expenditures by Americans; and fifth, investment of American capital. It is these invisible items which have transformed the favorable balance of trade into an unfavorable balance of payments. I think we should recognize where the difficulty lies.

I agree with the Senator from New York, whose speech I have read, but which, unfortunately, I was not able to hear, that the situation so far as the balance of payments are concerned is serious. I believe the administration and the country must grapple with it very firmly, and do it rather quickly.

I point out in this connection that the United States and Great Britain are the two countries in the world whose currencies are treated as the equivalent of gold insofar as the settlement of international balances are concerned. The pound and the dollar can be substituted for gold in the settlement of international balances. It is interesting that these two countries have the lowest growth rates of any of the countries in the democratic world. The growth rate

for Western Europe is between 5 and 6 percent. The average growth rate for the United States in recent years has been 2½ percent, and for Great Britain 2.2 percent a year.

I suggest that that is because the banking authorities in both those countries, in order to maintain their international position, have kept interest rates relatively high, and held back the expansion of the money supply in order to prevent an outward flow of their currencies.

This points to the necessity for a better handling and better settling of international balances. The senior Senator from Ohio admitted that we cannot get gold if we present paper money to the Federal Reserve and ask for its redemption in that coin. We are not on the gold standard so far as domestic currency is concerned. We already have what might be otherwise called irredeemable paper money and a managed internal currency. We have gold with which to settle this international balance of payments. This is the only use which the supply of gold provides. This is the essence of the international gold exchange standard.

I do not think the heavens would fall if we either eliminated or reduced the 25-percent coverage which the Federal Reserve Board is supposed to maintain against its domestic obligations. Mr. Henry C. Alexander, head of the banking house of Morgan-Stanley, proposed this remedy several years ago. He is a careful financier.

It might be necessary to slightly loosen the restrictions binding us in that respect. I feel that it could be done without action by the Congress, under the discretionary powers granted to the Federal Reserve System.

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

Mr. DOUGLAS. I yield.

Mr. JAVITS. That is very temporary authority.

Mr. DOUGLAS. That is true.

Mr. JAVITS. It extends only for a matter of days.

Mr. DOUGLAS. But it could be renewed. It could be suspended for 30 days, and the authority could be extended for another 30 days, and so forth.

Mr. JAVITS. Will the Senator yield for a brief comment?

Mr. DOUGLAS. I yield.

Mr. JAVITS. The Senator knows how much I value his general feeling that a constructive contribution has been made by my speech. Secondly, I agree with the Senator about the bonds we put on ourselves in term of international affairs.

Our international balance-of-payments situation is like a thermometer. It shows that we are not healthy, that we are running a fever, and that we had better do something about it, because it could develop into anything.

Mr. DOUGLAS. The point I wished to make was that the fever is not due to an increase in prices.

Mr. JAVITS. Yes.

Mr. DOUGLAS. Second, so far as commodities are concerned, or the exchange of commodities and services for commodities and services, we have no deficit. The deficit is due to the heavy military burdens that we bear. It is due to the heavy economic aid that we provide. It is due to the desire of our people to travel abroad; also to the investments of American capital abroad and the expenditure of American servicemen and their families abroad.

Mr. JAVITS. Mr. President, will the Senator yield further?

Mr. DOUGLAS. I yield.

Mr. JAVITS. I made the point that I thought the administration had done a rather good job in terms of the question of costs and the question of wage and price stability. I wish it had done as good a job in other respects.

One of the main things in connection with which, as chairman of our Joint Economic Committee, the Senator could himself be most important is to underscore the fact that we should not be quite as afraid of our own situation as we seem to be.

We are told, for example, privately, but the public should know it, that when our banking authorities and our Treasury representatives sit down with the banking authorities and treasury representatives of other countries, and point out to them what it is costing us as a nation to be the banker for the world, our foreign friends say, "Well, it is just too bad. You are the banker. You are stuck with the job. If you have to go into a program of domestic austerity, that is your responsibility."

I do not believe our people are as willing as I think it may become necessary, if we found ourselves in this position, to say, "All right; let us decide that there are going to be no capital flotations for foreign corporations or governments in our country. We cannot stand it, Our balance of payments cannot stand it."

We must be prepared for such an eventuality. We must be prepared not to continue to talk until our situation deteriorates and we reach the point where we are forced to adopt domestic austerity.

Mr. DOUGLAS. I agree with the Senator. I urged this course, unavailingly, under the Eisenhower administration, because I thought they were knuckling under to the European banking authorities. I do not believe that we have stood up to them in the past 2 years in the way that we should have done. I quite agree with the Senator that we must be much tougher.

Mr. JAVITS. We must be prepared. The Senator from Illinois and I agree that there should be a free flow of money across borders. We want it to be that way. We want capital to be able to flow in and out at will, depending upon confidence and markets and the economy, and so on. At the same time, when we face a series of alternatives, one of which is more dire than another, we must be willing to take on the less dire alternative. If we can thus inspire our monetary authorities and make them feel that they will have our support, and are not facing the situation constantly of being able only to remonstrate, they may decide that they will have to be tougher than they have actually been, if we can inspire them to be that.

Mr. DOUGLAS. We may have to reduce our military expenditures abroad and reduce the expenditures by the dependents of servicemen abroad, reduce economic aid somewhat, and cut down on travel expenditures abroad, and also on the investment of capital abroad. All this may be necessary.

I quite agree that perhaps these methods should be employed. I did not want the Senator from Iowa and the Senator from Ohio to shoot the wrong person. They were talking of an increase in domestic prices, which has not occurred, and implied that the difficulty was due to an increase in labor costs per unit of output. That is not the actual situation.

As the Senator from New York [Mr. JAVITS] has indicated, there are fundamental cures and there are minor cures. I am very glad that he emphasizes the desirability of setting up a better system for meeting the international balance-of-payments problem than the present gold exchange system.

The answer of the bankers has been that we should raise the interest rates and cut wages. This is their only answer but it chokes off domestic growth. We may have to develop an international monetary fund which will be used for international settlements in the same way that the Federal Reserve System is used domestically.

Let us make no mistake about what that could mean. This will entail giving to the international authority the power to create monetary purchasing power, and to get a more liquid international currency to correspond to the increase in the volume of international trade.

Mr. Harold Wilson, the leader of the British Labor Party, has suggested this in his speeches in this country and abroad. It may well be the line of action which the British Labor Party will take if it should win in the coming election. We should be prepared for it. I have always believed that the administration has not given sufficient attention to what has been said on this subject by Professor Triffin, of Yale University, and to Edward Bernstein, formerly of International Monetary Fund.

I believe that another possibility would be to move to a system of free or flexible exchange rates, instead of freezing the exchange rate at $2.80 to the pound. Could not the exchange rates fluctuate with the relative balance of payments and with the respective demands for the various currencies? This would provide some of the automatic agreements which the former gold standard performed in the days before the movements of prices could be largely insulated from gold movements.

This would produce a more or less automatic adjustment. In a sense it is an alternative to an international currency, such as I previously hinted at. However, it is possible that the two could be combined.

I agree that the Treasury and the Federal Reserve System have not been bold enough in dealing with the emergency.

If I may close on a minor note, in addition to these fundamental matters, there are two immediate measures which would be of appreciable importance. The first is the point to which the Senator from New York has referred; namely, that we hold large amounts of counterpart funds in various countries. The Senator from New York has suggested on previous occasions—and while I did not hear him today, I assume that he also suggested this today—that we sell these counterpart funds for dollars at American embassies to American tourists. In this way we would diminish the trend and the tourists could make their travels with local currencies without creating demands upon the American gold supply. If the foreign countries object to this, I would say that that is just too bad. I am aware of the fact that the counterpart funds exist primarily in places which are little traveled. But still I believe that several hundred million dollars a year could be used in this way.

If the State Department and the Treasury were realistic enough to grapple with the subject and to push it aggressively, it could succeed.

There is a final point that I shall refer to in more detail on either tomorrow or on Friday, and that is the fact that we are acquiescing in a system of ocean freight rates which directly discriminates against American exports and favors imports into our country. The hearings of our Joint Economic Committee show that rates are 20 percent, 30 percent, and in some cases 40 percent higher on commodities exported from New York to Hamburg, or New York to Cherbourg, than on identical commodities coming from the same German or French port to New York on the same ships; and that the differentials on the Pacific coast between the United States and Japan are even greater. We have acquiesced in this situation. We have not only acquiesced, but we have denied subsidies to any American line which broke away from the international shipping cartel and tried to establish different rates of its own. We have used the subsidies paid by the American taxpayers to force our shipping lines to put ocean freight rates into effect which directly discriminate against American products.

This is in large part responsible for the decrease in the export of steel from 4 million tons in 1957 to 2 million tons last year, and in the increase in imports from 1 million to 4 million tons. On these items alone, we lost $800 million in the balance of trade.

We have been calling this situation to the attention of the Department of Commerce. I do not believe it is the fault of the Secretary of Commerce, who has given us encouragement; but it has been very difficult to move the Maritime Commission and the Maritime Administration. In fact, the Assistant Director of the Maritime Administration, Mr. Gulick, declared his support of the differential rates and upheld the use of American subsidies to punish American lines which broke away from them.

In my judgment, a stern determination to break the international shipping cartel rates, which operate against the United States, would save several hundred million dollars a year. That would diminish imports and increase exports. It would help to redress a part of the balance. I do not say these two latter methods would remove the difficulty; I say they would markedly reduce the difficulty. Before we turn to the question of still higher domestic interest rates, which would have a repressive effect on American industry and employment, we should consider the possibility either of flexible exchange rates or more elastic international currency, or a combination of the two.

In addition we should not only urge but put pressure on other Western nations to carry a fairer share of the defense burden and the foreign aid burden. They should be pressed to allow our wheat, poultry, wool, tobacco, and other products to be sold in their markets without discriminatory tariff rates or quotas being imposed against them. Atlas cannot bear the world on his shoulders any longer. The load must be shared.

Mr. President, I yield the floor.

INCREASE OF LENDING AUTHORITY OF EXPORT-IMPORT BANK OF WASHINGTON

Mr. BIBLE. Mr. President, I ask that the Chair lay before the Senate a message from the House of Representatives on H.R. 3872.

The PRESIDING OFFICER (Mr. NELSON in the chair) laid before the Senate a message from the House of Representatives announcing its disagreement to the amendment of the Senate to the bill (H.R. 3872) to increase the lending authority of the Export-Import Bank of Washington, to extend the period within which the Export-Import Bank of Washington may exercise its functions, and for other purposes, and requesting a conference with the Senate on the disagreeing votes of the two Houses thereon.

Mr. BIBLE. Mr. President, on June 24, 1963, the Senate passed H.R. 3872, a bill to amend and extend the Export-Import Bank Act. In passing the bill, the Senate adopted amendments to the bill. The only substantive amendment was to reinstate in the bill the authorization to use borrowing authority for the additional funds provided by the bill, in accordance with the practice which the Congress had followed with respect to the Export-Import Bank ever since its creation in 1934.

Yesterday the House took up H.R. 3872. The House refused to accept the Senate amendments, asked for a conference with the Senate, and appointed conferees.

I move that the Senate insist upon its amendments, agree to the request of the House for a conference, and that the Chair appoint the conferees on the part of the Senate.

The motion was agreed to; and the Presiding Officer appointed Mr. CLARK, Mr. SPARKMAN, Mr. PROXMIRE, Mr. WILLIAMS of New Jersey, Mrs. NEUBERGER, Mr. MCINTYRE, Mr. DOMINICK, Mr. TOWER, and Mr. JAVITS conferees on the part of the Senate.

UNFAVORABLE BALANCE OF AMERICA'S INTERNATIONAL ACCOUNTS

Mr. MORSE. Mr. President, we are all indebted to the great Senator from Illinois [Mr. DOUGLAS] for his very scholarly discussion of one of our monetary problems. I had planned to discuss it from another angle; but I believe the educational lecture that this great economist from Illinois, who is one of the recognized experts on this subject in the whole Nation, has just given us is deserving of very careful study by Members of the Senate. In my judgment, the Senator from Illinois has given us this afternoon a discussion that will stand all the tests of rebuttal that those sharing a different point of view could put to it.

However, the statement of the Senator from Illinois and the earlier statement of the Senator from New York [Mr. JAVITS] prompt me to make now the statement I had planned to make at a later time. It is a statement that involves some of the facets of the comments of the Senator from Illinois and the Senator from New York, but from a different angle.

It is obvious to all who care to hear and observe what is taking place in Washington these days that both in Congress and in the administration there is a rising concern over the unfavorable balance of America's international accounts and a rising feeling that it must be remedied. But the issue of how to remedy it is one that promises to be widely debated in Congress, and we heard a part of that debate today.

Several factors are involved in our balance of payments. One of these is trade, and on this score we do very well. Our exports greatly exceed our imports. But in the other areas we do not do very well. One drain of American dollars is in tourism. As you know, far more Americans travel and spend money abroad than foreigners travel here and spend money here.

A second cause of outflow is the foreign aid program.

A third cause is the stationing of large numbers of American troops overseas. These men, with the services they need and the presence of their families, mean a very large expenditure abroad both by the Government which supports them and in their personal spending.

A fourth, and especially large cause of our payments difficulty is in the investment of American capital abroad. American companies are building plants in Europe in order to get in on the ground floor of the Common Market prosperity, and foreigners seeking capital are finding it very easy to obtain in the U.S. money market.

It is unfortunate, but still to be expected, that the investors who are contributing so heavily to this loss of American capital have a solution that they expect to protect their profits no matter what, and that is to raise interest rates. Obviously, if they could be guaranteed as good a return on their investment in this country as they can get abroad, they would be willing to keep their capital at home. Short-term interest rates here are about three-quarters of 1 percent less

than those prevailing on the Continent, and the pressure for an increase in U.S. interest rates is very severe.

This, in my opinion, would be a short-sighted and destructive remedy. It is the last remedy we should undertake, rather than the first.

Before we raise interest rates, we should curb all the other sources of loss of U.S. dollars. Before we raise interest rates, we should drastically cut the foreign aid program. This is a remedy for which I have been pleading every day on the floor of the Senate, for some days.

Before we raise domestic interest rates, we should bring home many, if not most, of our forces stationed overseas. We hear each day that France is anxious to replace the United States in Europe; let France begin by replacing the American forces in Germany, France, Spain, and elsewhere in Europe. Let her begin by taking over our burden of foreign aid to Greece, Turkey, and the other European nations.

Before we raise domestic interest rates, we can curb expenditures by American tourists overseas.

And before we raise domestic interest rates, we should curb the outflow of the capital itself. Oh, the cries go up that there must be an absolute freedom of capital to enter and leave the United States. My answer is, not when it threatens the national economy. We complain vigorously that our financial aid to Latin America is just about offset by the flight of private capital out of those countries, and there are steps that could be taken by those countries to curb it without touching interest rates. We also know that the "austerity" plans of most industrial nations have included curbs on the outflow of capital.

Finally, I am opposed to higher interest rates as a means of inducing capital to remain here because I believe higher rates would further restrict the economic growth and prosperity of the Nation at a time when we need to continue to expand our economy.

It is the health of our economy that is not only the foundation of our defense, but the source of investment capital, as well.

What was the figure I read in the press yesterday? That some 90,000 new jobs a week are needed to take care of the loss of jobs through automation; to take care of the increase in new job descriptions resulting from the population explosion.

Mr. President, that presents us with the problem of expanding—not restricting—the economy. In my judgment, higher interest rates will restrict—not expand—our economy. The health of our economy not only is the foundation of our defense; it also is the source of investment capital.

The first obligation of the U.S. Government is to the people of America. To me, a high and persistent rate of unemployment is of greater concern than the fact that investors can earn three-fourths of 1 percent more by investing abroad than by investing in the United States.

Therefore, I shall oppose in every way I can the use of increased interest rates as a means of inducing American capital to stay home, because the price of that increase will be paid for eventually in unemployment and higher interest prices for every American citizen.

THE RAILROAD LABOR DISPUTE

Mr. MORSE. Mr. President, I ask unanimous consent to have printed at this point in the RECORD an editorial from today's issue of the Washington Daily News entitled "The Railway Clerks Won't Strike."

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

THE RAILWAY CLERKS WON'T STRIKE

For the second time recently, the Brotherhood of Railway Clerks has made an agreement with an employer not to strike over future contract disagreements.

The union represents about 300,000 clerks, freight handlers, and terminal employees of railroads, steamship lines, and airlines.

The latest contract has just been signed with Pan American World Airways, which employs nearly 6,000 members of the union. This contract provides that in future disputes over wages, working conditions or other issues, the two parties, if unable to agree otherwise, will submit their differences to binding arbitration.

In short, they will forego the strike or lockout as a bargaining weapon.

The clerks previously had signed a similar contract with the Southern Pacific Railroad. Pan-Am previously had made like agreements with the flight engineers and a union of guard workers.

Labor Secretary Wirtz has applauded all three contracts as evidence both the employers and the unions had learned there is a "better way than economic warfare to settle their differences."

The steel industry and the big United Steelworkers Union for 2 consecutive years have negotiated new contracts without strike. Another railroad union, the Telegraphers, last summer worked out an arrangement with the Chicago & Northwestern Railroad to avoid strikes by submitting tough issues to arbitration. Two car makers, General Motors and Ford, already have agreed with the United Auto Workers to start studies looking toward next year's contract renewal—hoping in this way to avoid strikes.

(Neither the railway clerks nor the telegraphers are involved in the current railroad war.)

These all are signs that some employers and some unions, at least, have decided walkouts, lockouts, public squabbles, and last-minute "crisis" negotiations under a gun no longer are useful; that there are, as Mr. Wirtz noted, better ways to hammer out agreements.

The strike, or the lockout, or any such precipitous device, is indeed as obsolete as the wood-burning railroad engine. The question is: How soon will other employers and unions, especially those currently in the page 1 news, find this out?

Mr. MORSE. Mr. President, in essence, the editorial points out that the railway clerks have entered into what amounts to a voluntary arbitration agreement with the carriers. The editorial states, in part:

For the second time recently, the Brotherhood of Railway Clerks has made an agreement with an employer not to strike over future contract disagreements.

* * * * *

The latest contract has just been signed with Pan American World Airways, which employ nearly 6,000 members of the union. This contract provides that in future disputes over wages, working conditions or other issues, the two parties, if unable to agree otherwise, will submit their differences to binding arbitration.

I speak with great sadness on the subject of the pending railroad controversy. Certainly it is within the right of the railroad brotherhoods—and I would fight to protect that right—to decline to accept the President's recommendation for settlement of this dispute by way of voluntary arbitration. But I wish the record to show that I completely disagree with a statement by the chiefs of the brotherhoods to the American public, setting forth their reasons for refusing to accept the President's recommendation—a statement which seeks to leave with the American people the impression that the proposal would amount, in effect, to an opening wedge to compulsory arbitration. Mr. President, let me say to the chiefs of the brotherhoods, that they are not being fair to the President of the United States. The President did not propose compulsory arbitration. On the contrary, his plea to the carriers and to the brotherhoods was to exercise their precious right—to enter into voluntary arbitration—a right which they possess as free men under an economic system that guarantees to them free collective bargaining. It is voluntary arbitration that the railroad brotherhoods have rejected.

The President's proposal has nothing at all to do with compulsory arbitration. The brotherhoods have lauded Associate Justice Goldberg in a statement they sent to the President and released to the public. I share their laudatory views, for I think Associate Justice Goldberg is just as great and just as able a man as they say he is. But I say good naturedly to the brotherhoods that if Associate Justice Goldberg is that able, they should have welcomed the opportunity to have such a great judicial mind brought to bear upon the evidence they would present in a voluntary arbitration hearing; and I am sorry that they did not accept the proposal for the appointment of Associate Justice Goldberg. However, no language that they use in the letter which they have sent to the President and in the release they have made to the press changes the fact that they are saying that they are unwilling to enter into a voluntary arbitration agreement with the carriers—because that is what the President offered to them. It is their right to decline to accept the suggestion; and not only will I fight to protect them in that right—although I think their judgment in the exercise of it at this time is mistaken—but I shall also fight to protect them in their right to strike. If they really feel that they are in a situation which calls upon them to do that as free men in a free society, one of the pillars of which is the right of employers and workers to resort to economic force in an endeavor to protect what they consider to be their legitimate economic interests, I shall fight to protect the brotherhoods in the exercise of that right. But I want them to know that the exercise of that right carries with it, of course, other responsibilities, both on their part and on the part of those who serve in the Congress,

for those of us who serve in the Congress do not sit here as representatives of the railroad brotherhoods or representatives of the railroad carriers, save and except that the members of the brotherhoods and the members of the carriers are members of the general citizenry.

We serve here with the primary responsibility of representing the public interest of all the people of the Nation. Whenever any economic segment of that citizenry follows a course of action which may develop a fact situation in which its course of action sacrifices the general public interest, then it will become the responsibility of Congress to proceed to protect the public interest, for the right to strike is not an absolute right, and never has been. Most rights we have must be exercised in connection with their relationship to other rights. It is very easy for us to say we have a right to do such and such. We may have the right, it is true, but it may not be used in a manner which will destroy other rights with which it must be reconciled.

I do not yield to anyone in the entire Congress so far as my record is concerned in fighting for many years in the Senate to protect the legitimate rights of organized labor. I am very unhappy when I find myself confronted with a situation in which responsible labor leaders are following a course of action which in my judgment is based upon a mistake of judgment. But they have made their decision. I hope they will reconsider it. If they seek another arbitrator, I think their desires can be met, cognizant also with legitimate rights of the other party to the dispute. But the present railway controversy is rapidly developing into a controversy that involves three parties. It involves not only the brotherhoods and the carriers but also the public. The spokesman for the public is the President of the United States. As a result of my conversations with the President, I am satisfied that the carriers and the brotherhoods could not possibly have a man who is more dedicated to the protection of their legitimate rights, but who also recognizes his responsibility of carrying out his public trust of protecting the public interest, than the present President of the United States.

The hours are slipping by. The scheduled time for the strike is 12:01 a.m. tomorrow. I do not think I would be a true friend of the railroad workers and their leaders in this country if I did not take these few moments on the floor of the Senate today to plead with them to reconsider their apparent position on any proposal for the settlement of the dispute by way of voluntary arbitration.

It would require a very bad set of facts and circumstances to cause the senior Senator from Oregon to vote for compulsory arbitration. But I can conceive of a set of circumstances in which the public interest could be so damaged as the result of an economic war carried on between the carriers and the brotherhoods that it would be necessary to use some form of compulsion to protect the public interest in the operation of the railroads of the country.

Today it has been suggested by some representatives of the brotherhoods that all the Government would have to do would be to seize the railroads and operate them for a period of time until the dispute between the carriers and the brotherhoods could be worked out with further negotiations by way of mediation and collective bargaining. It sounds good. But I should like to suggest to the brotherhoods that they take a long look at that one because, speaking hypothetically, if the Government should follow that suggestion and seize the railroads, the Government of the United States would then become the operator of the railroads. Such action would have many serious implications for the future. I happen to be one who is not opposed to seizure if the public interest demands seizure to protect the public welfare. But, as I also feel about compulsory arbitration, seizure ought to be a last resort and not an early resort. I suggest that those who hold the point of view advocating seizure take a look at some of the real implications involved in seizure, because if the Government were to seize the railroads we would have a pretty hard time justifying the operation of the railroads merely to benefit the railroad workers, for in the last analysis the railroads are owned by their stockholders.

It would be very difficult to justify Government seizure of the railroads and their maintenance without modification change of the policies and the work rules of the railroads. I would have the brotherhoods keep in mind the fact that if there is seizure, the Government as the operator of the railroads has a responsibility to the owners of the railroads; namely, the stockholders, to operate them as efficiently as possible. That might very well call for some changes in existing carrier policies and brotherhood policies.

I should like to say to the railroad workers, "Remember, with the Government operating the railroads and a refusal to conform to the rules laid down by the Government, the workers would be subject to the Government's rights in the courts of America, including the injunctive power of the Government to protect the Government."

If I were counsel for a railroad brotherhood, about the last legal advice I would give to that brotherhood would be to advocate Government seizure of the railroads. I cannot imagine the President of the United States seizing the railroads and agreeing to the maintenance of the status quo, because the Government would then occupy a proprietary position. In my judgment, it would have the duty to proceed to operate those railroads on the basis of what its best advice indicated would be the most efficient way of operating the railroads.

I do not think there is a member of a single brotherhood who does not recognize that when the controversy is finally settled, there will be some modifications in the working rules. I do not think there is a single officer of the carriers who has any doubt that when the controversy is finally settled there will be some modification in existing carrier policy. I have been through too many industrial battles. I am still waiting for the first labor case in which I find one side lily-white and the other side with its hands soiled. We will have a situation here in which we shall find that to some degree, though I do not know to what degree, both sides will have to modify their policy. So I say to the brotherhoods that the Presidential or congressional seizure of the railroads is not the way out for the settlement of the dispute.

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

Mr. MORSE. I yield.

Mr. JAVITS. I join with the Senator in his appeal to the railroads and the railroad brotherhoods. My credentials are perhaps not as good as those of the Senator from Oregon——

Mr. MORSE. They are better.

Mr. JAVITS. I thank the Senator. But let us hope they are as good in terms of my fight for and my work for labor.

I am deeply disturbed. I hope that I shall never have to vote for compulsory arbitration. But, like the Senator from Oregon, I must vote for what would save our Nation, whatever that may be, and as regretful and tragic as it would seem to me in terms of our fundamental freedom.

On the seizure issue I should like to ask the Senator a question. The Senator is a famous former dean of a law school. I have had a little experience in high class legal matters. It is possible that if the Government had to seize the railroads, it would be held to have expropriated them and would be liable for fair compensation for their use.

In this respect the taxpayers of the country must do a little thinking, also. This will be quite a massive undertaking for the United States. When I begin to think of what is required to operate a railroad, and begin to think of some Government official operating them, as was done during wartime in our history, and what it might cost the taxpayer in terms of the use of the railroads for a period of time, I begin to understand something of the economic dimensions of the problem, in addition to the terrible cost of grinding the economy in many areas to a halt, which might be involved. That only lends added poignancy to the appeal which the Senator, who has been a leader in efforts to bring about labor peace and who has actually settled some of our major labor disputes, is making today.

Mr. MORSE. The Senator is quite correct about the implications resulting from seizure. Let the RECORD show, for those who read it, that we have just heard from the former attorney general of the State of New York, a man who for many years has been active in the field of industrial relations, the distinguished Senator from New York (Mr. JAVITS). He is quite correct.

Government seizure of the railroads at this time would guarantee full employment for one group within our citizenry, if any of that group would like a job for many years to come, and that group is the legal profession. It would be a full employment measure for any unemployed lawyer in the country, or anyone looking for legal business.

But there are other implications I would have those men think about who are among railway labor and who think

all that is necessary is to seize the railroads.

That may very well be a steppingstone to a concept raised by the Senator from New York in his speech. It could very well lead to demands for nationalization of the railroads. If the American taxpayer must pay a big bill, which probably would be involved in any seizure, that might start a prairie fire demand for nationalization of the railroads—to which I am also opposed.

I mention this point merely to show the many serious implications of any such suggestion. I hope that members of the brotherhoods who are thinking in such terms will give serious consideration to this problem.

When one looks at the present fiscal situation in regard to the railroads, we as taxpayers all own a pretty big chunk of them already. I wonder if that fact has received the weight it ought to receive, in behalf of the spokesmen for the carriers. The American taxpayer makes a substantial contribution to the railroads in various direct and indirect subsidies each year. The fiscal report—which I have scanned but not thoroughly studied, as a result of the hearings of the Rosenman Commission—indicates pretty clearly that at least not all railroads are in the dire financial situation we so often read about in the press. One reason they are not is that we as taxpayers make a contribution. And we should, because, as the Senator from New York knows, this is an industry vested with the public interest. It is vital to the operation of our entire economy.

I am not quarreling about subsidies, direct and indirect, which the railroads receive. I make a point of fact about them this afternoon on the floor of the Senate. The carrier representatives must keep that in mind if, as, and when they are called upon, either in the closing hours of today or in the days immediately to come, to exercise the maximum of industrial statesmanship on their part by being willing to go along with any proposal for a fair procedure that will enhance the prospect of settlement of this controversy without an economic war.

Mr. JAVITS. Mr. President, will the Senator yield further?

Mr. MORSE. I yield to the Senator from New York.

Mr. JAVITS. I am grateful to the Senator for yielding, because I think this is a critically important debate. As sometimes happens in a national emergency, it occurs on an off day, and does not have nearly the attention it deserves on the floor of the Senate.

I am for seizure rather than compulsory arbitration. This has been my position right along. Notwithstanding the dangers, the costs, and the perils, I think it is a better alternative than compulsory arbitration, considering the fact that the most precious things we can lose are our freedoms.

The Senator is pointing out ably and admirably the realistic situation which the railroad brotherhoods will face. He points out forcibly the difficulties involved in seizure. They may face the very unhappy alternative of having a majority in the Congress—whatever the Senator from Oregon or I might feel, and however we might vote—prefer compulsory arbitration. We speak as their friends. At present it is they who are cast in the role of rejecting every proposal.

I join with the Senator in the position he is taking, in urging them to consult before it is too late to consider the consequences of their actions. I join the Senator in affirming what he has said—which is entirely true—that this proposal is not compulsory arbitration. So long as they have the volition to take it or leave it, to ask for another arbitrator or for another way of arbitrating, it is not compulsory arbitration. When and if they get compulsory arbitration—and I pray they will not—they will know the difference. It will tell them what to do, who is to do it, what the revenues will be—and that will be the end of that, and all of it.

Mr. MORSE. The Senator from New York is making the third point which I planned to make when I rose to make my speech this afternoon. I shall come to that point in a moment. The statement which the Senator made, that this proposal involves voluntary arbitration, and they would still have the opportunity to suggest a procedure for voluntary arbitration, is accurate.

I cannot speak for the President, but I can speak for myself. I know what I would recommend to the President. I think many would share this recommendation.

Suppose the brotherhoods had said, hypothetically, "We do not want one man, but we want three men as a board of arbitration." I would be surprised if the President should hesitate for a moment to grant that reasonable request, after he took it up with the carriers.

But let the brotherhoods remember that the carriers are also parties to this dispute. I had to tell them that, as some will recall, in 1941, when there was a very serious labor dispute and I happened to be in the middle as the mediator in that dispute. They laid down certain demands as to what they were going to do, and that was to be it. I pointed out to them that there were three parties to the dispute; the carriers, themselves, and the mediator representing the Government. I pointed out that I was going to talk to the carriers' representatives about their demands. They did not think I ought even to talk to the carriers. I talked to the carriers. The result was a conscionable compromise of their demands.

I am glad the Senator from New York has participated in this debate and has pointed out that the brotherhood will still have volition and opportunity to make proposals for voluntary arbitration, by making suggestions in respect to procedures and making suggestions in regard to the personnel of the Board.

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

Mr. MORSE. I yield to the majority leader.

Mr. MANSFIELD. I think the distinguished senior Senator from Oregon is performing a public service of the highest magnitude in speaking out at this time, while there is still time, on a matter which can affect the welfare and the economy of the Nation as a whole.

This is not something that involves only to the railroad brotherhoods and the carriers. It involves all labor. It applies to all segments of the country and to all segments of the population.

It is not so important that we have a large attendance in the Chamber at this time. What is important is that a speech of this character is being made. What is important is that the greatest legal mind in the Congress in the field of labor matters, one of the greatest, if not the greatest, in the country in that respect, is delivering himself of well considered opinions based on experience with the War Labor Board prior to his coming to the Senate some 20 years ago, and based on his membership on the Labor and Public Welfare Committee of this body.

I for one am extremely happy that on this occasion, while there is still time, a frank, candid, cards-on-the-table speech of this kind is being made. I hope it will be read and considered, not only by the brotherhoods and the carriers, but by all the people, and most especially by all segments of the labor economy. I commend the Senator from Oregon.

Mr. MORSE. I am not only deeply moved, but very appreciative of the gracious remarks of the Senator from Montana, our able majority leader. I would that I felt I really deserved such compliments.

The other point I wished to make—and it was alluded to by the Senator from New York [Mr. JAVITS]—is that the brotherhoods need to take a long, hard look at the position they are going to be in tomorrow, next day, a week from today, 2 weeks from today, or whatever the duration of the strike may prove to be.

It is my judgment that they are going to find public opinion against them. I think they are going to find public opinion against them because once the average citizen begins to feel the economic pinch and losses caused by the strike, as the public begins to see the spread of unemployment caused by the strike—and it will cause a lot of it—the general attitude of the public is going to revolve around the question, "Was a fair procedure offered the brotherhoods, on the basis of voluntarism, to settle this dispute without economic war?" I think the American people in the jury box on that subject will render an almost unanimous decision that a fair procedure was offered.

It is the position of the senior Senator from Oregon that labor must be protected in its right to use economic force, because it is a basic part of freedom itself in a free society.

The American people will forever be indebted for what the railroad brotherhoods have done to protect economic freedom in this country, over the decades of their existence, for if it were not for the militancy of the railroad brotherhoods in the early history of the railroads in this country, railway workers still would be among the most underprivileged workers in this country. It has been my privilege to teach the history of the development of labor economics in the railway industry, and all

one needs to do is read the glorious history of what freemen and their families were willing to suffer in order to establish the rights that railway labor finally won against the carriers at that time, which treated labor as a commodity rather than as freemen.

The present Presiding Officer, the Senator from Wisconsin [Mr. NELSON], comes from a State which in those early days was represented in the Senate of United States by the incomparable, fighting elder Bob La Follette. One has only to read the record of La Follette's battles on the floor of the Senate for labor legislation to protect the legitimate rights of railway labor in this country, supported by a railway labor group willing to become militant to protect their freedoms. If such a condition existed in the United States today, no one would defend more vigorously or urge more vehemently upon the brotherhoods that they resort to the militancy of economic force to protect their rights.

Mr. President, the issues that are at stake are issues not over the right to organize, not over the right to bargain collectively, not over the so-called bread and butter issues of an earlier day, but over some very difficult and complex economic facts that cannot be settled on the picket line. They must be settled around the conference table on the basis of the economic evidence that is presented.

Railway labor knows that the senior Senator from Oregon takes the position that all labor is entitled to some of the fruits of automation. We have not even started to scratch the surface of the automation problem in this country, and the railway case is one of the early cases that is going to bring Congress to grips with the problem of automation. But we should not and we cannot come to grips with it by means of strikes, pickets, and an economic war between the brotherhoods and the carriers.

Let us assume a hypothetical—and I am talking only about a hypothetical. Let us assume there is a final settlement in this case, in which those who propose the settlement suggest there ought to be a certain solution adopted for the manpower problem of the railway industry that will be fair to the legitimate rights of the carriers. Let us assume it is not challenged on the basis of whether or not it is fair to the carriers, but whether or not it is fair to the individual workers, victims of automation on the railroads. Then the Congress has a responsibility to see to it that it enacts public legislation that comes to the relief and assistance of workers in this country who have suffered great economic losses as a result of automation.

This is the first time I have said it in this language, but the total cost of automation cannot be put upon industry itself. We cannot hold back the progress that automation promises, not only because of competition in our domestic economy, but because of competition with foreign economies as well.

There is opening up a new era for legislation that will protect the legitimate rights of workers, probably as important to the economic welfare of the workers of this country as was the so-called progressive legislation passed in the era of the elder Bob La Follette, which was necessary to protect the legitimate rights of labor in his day. But do not forget that that legislation was not at all limited to the employers. Do not forget that much of that legislation, such as workmen's compensation legislation, involved also public contributions. It was not imposed entirely upon the employer.

We cannot solve all those problems, may I say to the brotherhoods, in the settlement of this case alone, involving the issues that have arisen between the carriers and the brotherhoods. There are involved a good many public issues that will be left.

I wish to say on the floor of the Senate today that after this great major labor dispute is settled—and this will not be the last one that will arise from automation—I will be among those who will propose legislative remedies to see to it that fairness and justice are done to the workers of this country.

On the other hand, I am not going to mislead my friends in labor by saying that I shall stand aside, and refuse to cooperate with my President and my Government in protecting the public interest from the great damage that will result from any railway strike of any prolonged duration.

Mr. MANSFIELD. Mr. President, will the Senator yield to me, without losing his right to the floor, so that I may suggest the absence of a quorum?

Mr. MORSE. I yield for that purpose.

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

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. HUMPHREY. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

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

GOALS FOR AMERICA: PHYSICAL FITNESS AND SPORTS VICTORY IN 1964 OLYMPICS

Mr. HUMPHREY. Mr. President, 16 months from now, this Nation faces a great international test.

The 1964 Olympic games will open in Tokyo.

For a considerable time, I have been pointing out the need for a supreme national effort in preparation for this and future athletic contests.

In 1960, in the Rome Olympics, the United States achieved only a poor third in the unofficial scoring.

Regrettably, our prospects since then have not improved materially, if at all.

Recognizing this and other hard facts, I have been urging—in speeches, articles and releases—that we set a national goal of fitness for our population, young and old, and a goal of sports victory as well.

PRESIDENT KENNEDY'S OUTSTANDING LEADERSHIP

This, I am glad to say, is precisely what the President of the United States seeks for our Nation.

I believe that it would be universally agreed that, with the possible exception of President Theodore Roosevelt, no Chief Executive in American history has demonstrated keener personal interest in American fitness than President Kennedy.

In addition, despite his many burdens, Attorney General Robert Kennedy has given this matter his closest attention. I have been in frequent contact with his office on this matter. I am happy to report that the Attorney General is working very actively with sports leaders throughout the Nation toward meeting the Olympic challenge head-on.

Important developments are in the making. They will be announced as soon as circumstances may permit.

NO MAGIC CURE FOR OLYMPIC DIFFICULTY

But let this fact be clear: As the President, the Attorney General, and Members of the Congress have indicated, we, in Washington, D.C., cannot wave any magic wand, so as to improve America's Olympic prospects.

An Olympic star is not made overnight; it takes years of personal training and development. The United States cannot expect to accomplish the impossible in the next 16 months. But we can and should expect that everything which can be done will be done. And, in the final analysis, it has to be done by amateur sports groups themselves throughout the 50 States of the Union and by the dedication of individual athletes—both men and women.

THE FAMILY QUARREL BETWEEN AAU AND NCAA

Meanwhile, no informed American need be reminded that a family quarrel continues, unfortunately, to mar the American sports scene.

I believe Members of the Senate are familiar with the latest decisive actions by Gen. Douglas MacArthur, in arbitrating differences between the Amateur Athletic Union and the National Collegiate Athletic Association.

As the President's chosen instrument in maintaining an at least temporary peace on the sports scene, General MacArthur has added further to the laurels which he has won in war and peace.

Somehow, before or after October 1964, a more permanent solution will have to be worked out equitably and democratically among all concerned.

But, now, let us survey other aspects of the problem.

SEVEN VARIED MATERIALS ON THE SPORTS-FITNESS FRONTS

To do so, I have assembled a series of seven materials which I believe tell a story, each in its own way.

First. The first item is an address which I recently delivered in Minneapolis before one of the great organizations of our land, serving the well-being of our people. I refer to the Association of Health, Physical Education, and Recreation. Speaking to the national convention of AHPER, I presented what I called a "charter for American youth," including a charter for fitness and for sports participation.

ARTICLE BY SENATOR RIBICOFF

Second. The second item is an excellent article in the magazine Sports, by

our distinguished colleague from Connecticut, Mr. RIBICOFF, the able former Secretary of Health, Education, and Welfare. The article is entitled "We Need a National Olympics." It reiterates many sound points which Senator RIBICOFF has submitted to our Nation and which I, personally, have strongly endorsed.

Senator RIBICOFF's State of Connecticut has been, I am glad to add, a pacesetter for sports interest among the States, just as my own State of Minnesota has been a leader.

THE MOOT ISSUE OF A POSSIBLE FEDERAL APPROPRIATION

The third survey item concerns the problem of what, if anything, at this relatively late hour, the U.S. Government should do about the shortage of money for Olympic development. In my Minneapolis address, I pointed to the possibility of trying to secure a one-time U.S. Government grant of $1 million. The purpose would be to backstop a comprehensive Olympic development program.

Item 3, therefore, is an article from the magazine Amateur Athlete, by the president of the Amateur Athletic Union, Louis J. Fisher, urging precisely this objective.

Thereafter appear two letters from Col. Donald F. Hull, U.S. Army, retired, secretary of the AAU, elaborating on the desirability of immediate U.S. financial support.

Item 6, however, presents an opposite viewpoint from another great sports organization. This is a message to the subcommittee by Walter Byers, executive secretary of the National Collegiate Athletic Association, conveying a resolution adopted by the NCAA executive committee and council at their April 24–27, 1963, sessions.

Mr. Byers had helpfully visited the subcommittee prior to these meetings. In addition, another welcome visitor has been Al Duer, secretary-treasurer of the National Athletic Intercollegiate Association. Mr. Duer has been in very close touch with us on the problems of amateur sports as a whole.

Mr. Lyman Bingham, executive director, U.S. Olympic Committee, has also been in close contact relative to our interest in a possible new look at Public Law 805, 81st Congress. This law, enacted on September 21, 1950, chartered the "U.S. Olympic Association."

A NEW GIRLS' ATHLETIC MEET AT THE GRASSROOTS

In item 7, I turn to the grassroots of America. This item consists of one of the many encouraging responses to my article in the January 6, 1963, issue of Parade. The county supervisor of White County, Ark., wrote that, as a result both of my interest and of local recognition, county leaders have staged the first girls' track meet since 1951. Let me add that increased participation by our young ladies in sports is, indeed, a must.

This is a point of deep interest to the President's Council on Fitness, spearheaded by the great coach and outstanding American, Bud Wilkinson.

I ask unanimous consent that these seven items be printed at this point in the RECORD.

It is my hope and expectation that they may serve as a cross-section guide to past, present, and future U.S. policy.

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

A CHARTER FOR AMERICAN YOUTH, INCLUDING A SIX-POINT FEDERAL PROGRAM FOR YOUTH FITNESS AND ACHIEVEMENT

(Excerpts of statement prepared for delivery by Senator HUBERT H. HUMPHREY, Democrat, of Minnesota, before opening general session 78th anniversary convention American Association of Health, Physical Education, and Recreation, Leamington Hotel, Minneapolis, Minn., Friday night, May 3)

(1) Financial assistance to the States for school facilities for physical education.

(2) Enactment of Senate-approved youth employment bill.

(3) Follow-through on report by Outdoor Recreation Resources Review Commission.

(4) Strengthen fitness coordination in Health, Education, and Welfare Department.

(5) Give mandate to President's Fitness Council.

(6) Approve adequate finances for Olympics.

It is a great honor to address this great convention.

I join with your devoted members throughout Minnesota in reiterating their warm welcome to associates from all over the Nation. It's grand to have you with us.

You meet at a time of the year when nature, itself, speaks a message of health and fitness, and recreation.

No season reminds us more clearly of the unquenchable forces of life, thrusting upward, reaching outward.

Actually, springtime speaks a universal lesson of rebirth and of growth. It speaks of energy and vitality to all who see and hear nature's wonders.

This is a part of the basic theme of my remarks tonight.

For I am going to speak of another vital force, a force which is also filled with unquenchable energy, a force which also seeks the greatest fulfillment in life, the force of America's youth.

You of this audience are privileged to help serve, to build and mould this mighty force.

We, who represent you in public office, are privileged to work with you. Our joint mission is to help the coming generation realize its greatest potential.

America's youth are, of course, America's future, our greatest resource. Every young mind and body you train today is a mind and body which will protect and advance this Nation tomorrow.

Protect us from what?

A look at the headlines in this evening's newspapers will remind all of us.

Look at the stories, datelined, "Saigon," "Yemen," "Berlin."

It is springtime in Vietnam tonight. But there are over 10,000 Americans in that beleaguered country who have little time to enjoy it. Their minds and bodies are being tested, in or close to combat, ferrying troops in helicopter operations, advising infantry while it is battling in the jungles and rice paddies.

The physical fitness of these American forces is a matter of life and death necessity.

But there are other operations in the four corners of the globe, less dramatic, less in the news, but where fitness is just as crucial.

There are, for example, thousand of selfless Peace Corps members, working under the most grueling climatic and other conditions throughout the world. I've seen them—Venezuela, Colombia, Chile, Brazil.

And so, the question may rightly be asked: In view of these and other illustrations, where may the youth, who are now in your gymnasiums, in our neighborhoods, be called upon to serve 5 or 10 or 15 years from now?

No one in this audience can predict the answer.

But this we do know.

(1) The generation in your care must be prepared to serve anywhere, and to be effective everywhere, if this country is to endure.

(2) The opposite numbers of our American youngsters, the young men and women of the Soviet Union, Eastern Europe, mainland China, North Korea, Vietnam, and Cuba, are being trained to fulfill the goals of their society.

(3) A crucial test has long been shaping up. It is the test between: (a) the training democracy gives; and (b) the training communism demands.

It is the test between their imposed discipline and our self discipline.

It is a test between their educators and their educated and ours.

The outcome of this test may not be seen quickly or even dramatically. But the outcome will be a vital factor in deciding the future of mankind everywhere, and "everywhere" means just that. It means the home front and foreign fronts.

Only a relatively small proportion of our youngsters may ultimately have to serve abroad, either in uniform or as civilians. The largest proportion may never be called to the national colors. And in the case of our young women, relatively few may enter the Federal service, as such.

But a strong home front is every bit as important as a strong foreign front. Physically fit mothers are just as important, if not more so, as physically fit fathers.

And the idea of anywhere in this world has now come to mean anywhere out of this world, as well. In the vast reaches of outer space, the young astronauts of the United States are still in the early stages of competition with the young cosmonauts of the U.S.S.R.

Meanwhile, there is a universal test in "inner space," the crucial space in our own minds. You and I know that a nation cannot be strong unless it is strong in mind, in character and in body.

Strong convictions, strong ideas, strong will, strong muscles—we need them all.

We need whole men and women—well-rounded, emotionally balanced, fulfilling their highest potential in every aspect of life. The physical educator joins therefore with the educators for all of life's disciplines, for the arts, humanities, science and technology, in training tomorrow's citizens.

And so, I am here tonight to pledge to you that this Senator is dedicated to our goal of victory in this contest with our foe; to let you know that even if there were not a Communist adversary in this world, there is definitely a larger test in which we are eternally engaged. It is the test of self-improvement, helping mankind, including our own countrymen, to realize its birthright. I mean a world of peace and plenty, a world where man vanquishes his ancient external enemies—poverty, disease, illiteracy, hunger—and his internal enemies—sloth, indifference, selfishness, and ignorance.

And I am here to let you know that I, for one, feel that you, your profession, your membership, stand high in the ranks of those responsible for the very future of our Nation; that your calling is a noble one; and that your success is urgent.

And, then, most important, perhaps, I am here to share with you a view from Washington as to the Federal Government's role in enabling you to do your worthy job.

As a U.S. Senator, I am naturally interested in what the U.S. Government should or should not do.

But you and I know, that over and above what the Federal Government does or does not do, the real challenge is the one confronting State, county, and local governments.

With but perhaps one or two exceptions, for example, Teddy Roosevelt, there has never

been a Chief Executive in the White House, more deeply or more continually interested in physical education-physical fitness than President John F. Kennedy.

The President, his personal family, and his entire Cabinet family have lived, breathed, talked, and acted for fitness. And the President will be working with you and the Congress for a comprehensive fitness program for our country.

Many of the elements of that program are already beginning to emerge. We should view these elements as a total program for the total well-being of our country.

It is not enough that we set up mere segments of a youth program, the parts should fit together in a harmonious whole. They should be balanced, one with the other, so that we do not "go overboard" along any one line at the expense of other key elements.

Therefore, I propose what might be called a "Charter for American Youth."

It is a charter for their freedom—freedom from fear, from want, from deprivation—physical, mental, economic, or social.

It is a charter to embrace the needs of city and country, of individual and group, of private life and Government.

Few, if any, of the elements of this charter will come as a surprise to members of this association.

The charter would note that American youth is entitled to the fullest opportunities that American society can provide, opportunities for individual intellectual growth, for achievement, for productive work, yes for fitness, mentally and physically, vocationally and avocationally.

Every American youth is entitled to the dignity which comes from being recognized as an individual who has something unique to contribute personally to the world.

But now, let's get specific on the fitness front.

Every American youth is entitled to a body as healthy and fit as heredity, medical science, physical training, and facilities can help make possible.

Every American youth should be encouraged to reach and remain at the highest level of physical proficiency he or she can attain and retain.

What does this really mean?

It means that in every school the child must be enabled to meet standards of the highest physical well-being of which he or she is capable.

It means that we need more varsity athletes. But far more important, we need to have a whole youth population which enjoys physical achievement in individual and group sports.

The joy of achievement, of cracking one's own former record, the thrill of winning fairly and squarely, or if losing, to do so, with honor and no regrets—this is what we want and need.

We need a Nation which is tough, but in the finest sense of that word; tough, not in the sense of cruelty or callousness, but tough in that we do not cringe or whimper before test, challenge, and adversity.

If the Battle of Waterloo was won on the playing fields of Eton, the cold war or the hot brushfire wars, or worse, of the future can be won in the schools, the gymnasia and playgrounds of this Nation.

If there is one thing which is fairly certain, it is that for the rest of our lives, we are going to face crisis after crisis, challenge after challenge from international communism. We are also going to face an almost unending series of challenges to help the hundreds of millions of people in the less fortunate areas of the world.

And we are going to face the challenges of a home scene which is changing in incredible ways, some welcome, some unwelcome, but nonetheless, often unavoidable. Our schools are bursting at the seams; so are our playgrounds, our seashores, our national parks and other facilities are already overburdened.

The President's committee headed by Secretary of Labor Wirtz has warned of the critical needs for youth employment and upgrading of youth skills.

Each day, automation is changing and eliminating jobs. The very locale in which we live is changing. The central core of many cities is decaying, the suburbs are sprawling in every direction.

Existing services for youth are groaning under rising burdens. But, in our search to deal with mass problems, we must never lose sight of the individual.

It was the poet, Edwin Markham, who wrote: "Why build these cities glorious if man unbuilded goes? In vain, we build the world, unless the builder also grows."

Throughout this entire country, there is, as you know, a great ferment in primary, secondary and higher education. There is a battle to reshape the school curriculum along many lines, many of which are conflicting with one another. Vocational, technical education and training are receiving renewed attention.

Somehow, we must find the way and the means to provide for a better allotment of resources to the twin goals of mental and physical fitness. Brain power is our most valuable resource.

Somehow, we must reshape the essential values of youth as well as of some elders.

A youngster is certainly not a square (as he is sometimes called) if he zealously disciplines his body to peak performance.

And a teacher who devotes his or her life to physical education is not just a so-called gym teacher, something different or apart from or lower than all other types of teacher. Far from it, you who work to develop the bodies of our youngsters, and simultaneously, their minds' attitudes toward their bodies have as important a role to play as any in American education.

It was Ralph Waldo Emerson who said: "Our chief want in life is somebody who shall make us do what we can."

It is you who help youngsters do what they can, as much or more, as any other educator. But now, what of our Federal obligations? What can the U.S. Government do? Let me offer a few specific points on fitness, designed to help fulfill the general points in the charter for youth.

(1) The Congress should provide a new program on physical fitness, when it extends and broadens the present national defense education law. This new title should provide long-needed financial assistance to the States for the program of physical education throughout the Nation's school system. It takes hard money to enable our less advantaged States to come to grips with physical education needs. There is no use lecturing States to meet the highest national standards if many of these States simply do not have the means to do so.

Funds are urgently needed for in-service education of health and physical education teachers through leadership institutes comparable to those conducted for science and mathematics teachers. Programs of this type would be the most certain way to improve the fitness efforts of the Nation's schools and colleges. Such a plan of institutes would provide the leadership to improve programs in physical education, swimming, recreation, youth conservation camps, and community schools.

(2) Congress should enact the youth employment bill. This bill will deal directly with the twin needs to channel youths' energies creatively into conservation work, in the great outdoors—on behalf of all of us—and, urban service projects, on behalf of other youths.

(3) Both the Federal Government and the States should move rapidly ahead for the fullest implementation of the historic report by the Outdoor Recreation Resources Review Commission. As you know, a Bureau of Outdoor Recreation and a Cabinet-level Recreation Advisory Council have been set up for the important task of conducting Federal programs and assisting the States. There is still immense work to be done in, by and for the States, as regards fish and game, park, recreation, and conservation agencies at all levels of government.

Fortunately, a Citizens Committee for the Outdoor Recreation Resources Review Commission Report has been formed.

Organizations such as the American Association for Health, Physical Education, and Recreation should be encouraged to expand their efforts in outdoor education through leadership preparation and program development. As you and I know, vigorous outdoor activities having lifelong values contribute greatly to the sustaining of fitness and should be included in the curriculums and programs of schools, colleges, and community agencies.

4. Our able new Secretary of Health, Education, and Welfare, Anthony Celebrezze, should proceed with his vigorous program of greater coordination within that vast Department.

Several years of review of the individual activities of major HEW units has confirmed, in my judgment, that, unfortunately, in none of these units is there as strong a focus for physical fitness as there should be. That means in the U.S. Office of Education, in the Public Health Service, and in the Children's Bureau.

The Public Health Service has an important role in working with the Nation's physicians toward improved physical fitness. The National Institutes of Health need to provide the research leadership which is so necessary. There must be a focus for fitness research responsibility.

One meritorious approach would be to locate a UNESCO Fitness Research Institute in the United States. No such UNESCO institutes have as yet been established in our country. A UNESCO Fitness Research Institute could cooperate with needed research on a worldwide basis.

(5) The President's Council on Fitness should be given a permanent statutory mandate. The council has done an outstanding job with relatively limited resources. And those resources have been doled out in bits and pieces by other Federal agencies rather than being requested formally in the President's budget and allocated directly by the Congress, as should be the case. An annual process of congressional appropriations directly to the council would provide a much needed national dialog on exactly where we stand, and where we are heading in federally encouraged physical fitness efforts.

(6) The Federal Government, in cooperation with amateur sports, should take a new look at our international sports efforts. We, as a nation, are seriously lagging in these efforts.

It is 13 years since Congress chartered what was called the U.S. Olympic Association. This private organization has done a fine job in many respects. But our modest U.S. showing in the Rome Olympics in 1960 and the poor prospects for Tokyo in 1964, speak eloquently of the need to reappraise the organization's role.

Meanwhile, we need a focus of sports interest in the executive branch. The President's council should be given a broadened mandate for such a sports focus.

For a number of years, the State Department has been in charge of our international—I emphasize—international cultural exchange program. This program includes funds for exchange of coaches and sports teams. The Department does so under a law which I personally sponsored. The administration of the law has, by and large, been competent. Unfortunately, however, the funds available for the overall program have never been increased above the level they started at; namely, a mere $2½ million.

Athletic exchanges, for example, have been supported by no more than $300,000 in Federal assistance in recent years. This is mere pocket money compared to the enormous sums, spent by foreign governments, on both sides of the Iron Curtain.

The governing bodies of American amateur sports should, of course, continue to enjoy complete independence and freedom of action and should continue to bear fundamental responsibility, financial, and otherwise. The Department of State, as the spearhead of American foreign policy, should continue to have responsibility for actual oversea arrangements. But a relative handful of experts in the President's council, such as its great executive, Coach Bud Wilkinson, could, if authorized to do so, do a tremendous job as the center of specialized interest in amateur sports in the Federal Government. Right now, no such center exists in a single domestic department or agency.

The issue of shortage of funds remains critical. The U.S. Olympic Committee has never had a fraction of the financial resources which some countries one-tenth of our population have made available, on a continuous, not a once-every-4-year basis.

Now, we are coming close to the 1964 Tokyo Olympics. Once more, we Americans face the dismal prospect of an 11th hour crisis in fundraising by passing the hat.

Recently, I have explored the issue of whether or not a direct, one-time appropriation of $1 million might or should be made for pre-Olympic purposes. The Amateur Athletic Union has urged a specific Federal grant. Other observers have emphasized that it is inconsistent for Uncle Sam to pay the expenses of an American coach or of a small team going overseas for a binational or regional meet, while ignoring the most crucial international contest of all, the Olympics.

But very frankly, there is strong apprehension in some quarters over a possible Federal grant for the Olympics. There is a feeling that even with the best of intentions, even with, as envisioned, independent administration of the funds by the U.S. Olympic Committee in cooperation with other amateur bodies, a Federal grant might be undesirable. Traditionally, the National Collegiate Athletic Association has felt this way, against Federal assistance for our U.S. Olympic effort.

The Congress respects, and rightfully so, the judgment of the U.S. Olympic Committee, the AAU, the NCAA, the National Athletic Intercollegiate Association, the U.S. Track and Field Federation and other groups.

I know of no one in the Congress who presumes to tell these expert groups about detailed issues to which they and their dedicated sports personnel have devoted entire lifetimes.

But the Congress does have an interest in and responsibility to all 180 million of us. Like the President, the Congress has watched with concern the long family quarrel in amateur sports. It applauded the President's sound decision, designating General MacArthur to serve as impartial arbitrator of the quarrel.

Now that there has at least been agreement on a moratorium in the dispute, Members of the Congress turn to the crucial issue: What will amateur sports now do affirmatively? What will it do about broadening the base for American sports talent in every hamlet of our land? What will amateur sports do about the persistent financial problem? Will sports leaders set up, as I have urged, the equivalent of a national fitness foundation? Will amateur sports set up a real, continuing, Olympic development program which is adequately financed? Yes, amateur sports has the ball. No one outside amateur sports wants to or expects to take the ball from it.

But this Nation must not sit idly by while we proceed to take another beating in the Olympics in 1964 or in 1968.

The time has come for definitive action. The hour is already desperately late as regards preparing athletes for the competition in Tokyo. The time to begin with a broad-gauged long-range Olympic program is now.

Our international athletic showing is but one phase of our country's fitness interest. But it is an important phase.

The charter for youth should be a blueprint for victory—victory at home and abroad.

The victory will be forged in every gymnasium and playground of our land, or it will not be fully achieved.

You and I will be hearing further from the President of the United States, both on the fitness and sports fronts. I will not presume to predict what the President will do or say and when. Issues relating to the Olympics have received and are receiving his personal attention. It can be stated with certainty that the President intends to work with amateur sports for a strengthened 1964 and a longer-range Olympic effort.

Your President regards the great Tokyo and other sports events as a real frontier in their own right. He wants America to achieve excellence in that frontier.

Athletic excellence in every school in the land is a worthy goal, and we can achieve it.

As I stated at the outset springtime is the herald of life's fulfillment. Springtime is a charter of nature's excellence.

Let us by our deeds write a charter for our boys and girls, of which we and all those who follow after us, will everlastingly be proud.

[From Sports magazine, June 1963]

THE U.S. ATHLETIC PRESTIGE IS SLUMPING, SAYS THE SENATOR—IN AN ATTEMPT TO BOLSTER IT, HE OFFERS A UNIQUE PROPOSAL: WE NEED A NATIONAL OLYMPICS

(By Senator ABRAHAM A. RIBICOFF with Harry Paxton)

Every 4 years the United States sends squads of fine athletes to the Olympic games. Many of these athletes win important gold medals, and people at home, scanning the sports headlines, often assume the United States is scoring a sizable overall victory. When the results of all Olympic events are added up, however, they tell another story to the world at large. An unhappy story for us. In the last two Olympic games—1956 and 1960—we finished a distant second to Russia in the unofficial team point standings.

The reason, of course, is that our victories are concentrated in only a few of the 20 sports on the Olympic program—sports with big followings in this country, sports such as track and field, swimming, and basketball. But the other events count just as much. It adds as many points to the team score to place first—or second, third, fourth, fifth, or sixth—in a bicycle or canoe race as in the 100-meter dash. A victory on the parallel bars or with the saber is as important as a diving championship. A men's field hockey championship scores the same as a basketball championship.

Many of the other nations excel at sports that are little known in the United States. The Russians show strength in almost every form of Olympic competition. They have been turning out Olympic squads of much greater balance and depth than ours, which is why they now can boast that they are the No. 1 country in world athletics.

Some people say it couldn't matter less. They say there are much graver questions for us to worry about than whether we succeed in winning at games. I say that in the troubled state of the world, today, our international prestige is important. Anything that enhances the stature of the United States in the eyes of other nations is worth supporting. I think it is vital for us to put the first man on the moon. I think it is also important for us to be first again in the Olympic games.

We must get more American boys and girls interested in the so-called minor sports. To bring this about I propose we have a National Olympics every year. It would attract thousands of new participants in the minor sports and from them would come future Olympic champions.

At the same time, such a program would serve to promote physical fitness among our young people. This is a critical need, as I can testify from firsthand knowledge. Until I resigned last year to run for the Senate, I was Secretary of Health, Education, and Welfare in President Kennedy's Cabinet. One of my assignments was to head the President's Council on Youth Fitness. In this role I soon learned that we have a serious problem. Very few of our young people engage regularly in sports. Many get no exercise at all. A shocking percentage can't even pass simple tests of fitness.

No country does more than we do for its star athletes in the major sports. They receive excellent conditioning and coaching and equipment. They are applauded and publicized. But these advantages come to only a fraction of our youth. For the majority who don't make varsity teams, there is little incentive to look for healthy exercise in other sports activity.

To be sure, anybody who is absolutely determined to keep himself in good physical condition can manage it on his own. He can do it through systematic home calisthenics, for example, or by taking long walks daily. But most Americans, unfortunately, are allergic to exercise for exercise's sake. Bodybuilding activity becomes more palatable if it can be made fun. There is extra zest if it takes the form of a competitive sport. The average athlete, however, wants to compete in a sport that has prestige. This is what so many of the Olympic events lack in this country. We can build prestige for them by promoting them every year as part of a U.S. Olympics.

This would bring out many young men—and women, too—who would like to get into athletic competition but never had the opportunity in high school or college. We could say to the lean, agile 150-pounder who was cut from the football squad: "You have a chance to represent your country in gymnastics, to win points that will help make your country first in the Olympics." The boy who wasn't fast enough to run the mile might develop the stamina to win walking races. The kid who wasn't rugged enough to box or wrestle might have a natural talent for fencing.

I'm sure there are thousands of athletes sitting idle who would be outstanding performers in these unfamiliar sports if they could be encouraged to try them. As it is, they probably don't even know that the opportunities exist. This goes back to the fact that these sports get almost no recognition or publicity.

As a result, each has only a comparative handful of devotees in the United States. Did you realize that although almost every American rides a bike at one time or another, there are barely 2,000 who compete in cycling races? It's the same in water polo, an exciting aquatic blend of basketball and football. In canoe racing, which is just as challenging and demanding as the better known sport of rowing, there are less than 200 active contestants. In field hockey, which is primarily a girls' sport in this country but a male event at the Olympics, our manpower is virtually nonexistent. The type of boy who enjoys football or ice hockey could do well at this game. And he would find there is nothing sissy about it.

In fencing, gymnastics, volleyball, weightlifting and other minor sports our talent

supply is numbered in mere hundreds or thousands. We must make them all more popular, and we need an annual Olympics to do it.

I don't mean to imply that establishing a U.S. Olympics would solve the problem all by itself, or that nothing else is being done to improve the situation. Each of these unsung sports has its dedicated leaders who are doing their best to keep their game alive and to expand it. The Olympic Development Committee has been striving to arouse interest at the school and college levels. The Amateur Athletic Union is doing missionary work in this field.

All these efforts are valuable, and there will be a continuing need for this sort of grassroots promotional work—the more of it the better. But these worthy people can accomplish only a limited amount because they are operating under a blanket of obscurity. It's very hard to interest youngsters in sports they never hear about. What better way could there be to focus attention on the obscure sports than to attach the glamor of the Olympic label to them—not just once in 4 years, as at present, but every year?

There are already annual national championships being held in each of these sports. But hardly anybody knows the competition is taking place. The winners get brief mention at best on the Nation's sports pages and in sportcasts. Often they are ignored completely.

Although sports editors may not feel these events have individual news value, it would be different if they were all brought together in one big and distinctive package. Considerable coverage could be expected of such an unusual and diversified athletic spectacle.

The U.S. Olympics could either supplement or replace the existing national competition in the various sports. In any case, it should be the climactic event. First there would be a series of State and regional eliminations. Public interest over the participants would gradually build up. Then at the end of the summer, perhaps during Labor Day week, would come the finals. A different city would play host each year.

The list of Olympic events runs as follows for the 1964 summer games in Tokyo: basketball, boxing, canoeing (men's and women's), cycling, equestrian, fencing (men's and women's), field hockey (men), gymnastics (men's and women's), judo, modern pentathlon, rowing, shooting, soccer, swimming (men's and women's), track and field (men's and women's), volleyball, water polo, weightlifting, wrestling (freestyle and Greco-Roman), yachting.

Two of these events probably couldn't be included each year in a national Olympics: yachting, which calls for a large expanse of water suitable for sailboat racing; or the modern pentathlon, which includes among its requirements a 5,000-meter steeplechase riding course with 30 jumps. But that wouldn't hurt our chances in the worldwide Olympic games in these events because there is considerable sailboat enthusiasm in this country and a special pentathlon training program is being conducted with the help of the Armed Forces.

Other events, I suggest, should also be left out of a U.S. Olympics. They would be the sports that are already major—notably basketball, swimming, and track and field (with the possible exception of certain track and field events that are in the stepchild category—the marathon, the hop-step-and-jump, and race-walking). The major sports should continue holding their own separate, well-publicized championships. If you bring them into the national Olympics every year, then it will be the same old story again. They will hog the headlines and the glory. This would defeat the whole purpose, for the idea is to bring the obscure sports out of the shadow.

Who would run these annual U.S. Olympic games? Who would pay for them? I do not believe that all the answers must come from the Government. That's the Russian way in athletics, but it isn't our way. I believe the National Olympics should be organized and conducted by the existing amateur athletic groups in this country. Any differences between them, such as the recent friction between the National Collegiate Athletic Association and the Amateur Athletic Union, should be subordinated to this vital effort. A logical coordinating body for the program would be the U.S. Olympic Committee.

These private groups, working in harmony, could do every year what they now do only in Olympic years. It would mean a lot of extra work. They would need extra help. I would hope that enough public-spirited citizens would volunteer their services in order to get the important job done.

As for financing, the money should come from private donations, as it does when we send a squad to the world Olympics. There would then be an annual need for this sort of giving. Again, I would expect enough people to respond.

One possible source of funds would be the many private foundations that have been established to finance projects that will promote the national well-being. Some of these foundations have been running out of worthy causes to sponsor. They might be persuaded that a U.S. Olympics was a matter of urgent public interest—which I sincerely believe it to be.

I hope it isn't too late to go ahead and stage the first National Olympics in 1963. This would give us a better chance of recapturing world Olympic supremacy from Russia at Tokyo in 1964. If the details can't be worked out in time this year, then no effort should be spared to launch the program in 1965—and continue it every year thereafter. This is a must if we are to create sustained interest in the many international sports that the average American hears about only during the regular Olympic years—if then.

As I said earlier, the program will pay off in terms of national physical fitness, too. If our champion bicycle sprinters and fencers and gymnasts begin to get Olympic-style recognition, then many youngsters who are not now in athletics will be inspired to take part in these sports and others of similar minor stature. Only a few will ever win Olympic medals, of course, but all will benefit in bodily well-being. The Nation will benefit too, for stronger citizens mean a stronger America.

[From Amateur Athlete magazine, April 1963]

SPORTS APPROPRIATION SOUGHT TO MEET THE GROWING CHALLENGE IN INTERNATIONAL ATHLETICS, THE AMATEUR SPORTS GOVERNING BODIES MUST HAVE FINANCIAL AID

(By Louis J. Fisher, president of the AAU)

The Fourth Pan American Games are scheduled for Sao Paulo, Brazil, April 20–May 5. In these important athletic contests for the Western Hemisphere we can expect a preview of the 1964 Olympic games at Tokyo.

Your Amateur Athletic Union is proud to be the U.S. governing body for the following teams which will represent our country: basketball, boxing, gymnastics, judo, swimming, synchronized swimming, track and field, water polo, weight lifting, and wrestling.

GET THE JOB DONE

Never has the importance of international sports competition been more succintly stated than by the President of the United States in his personal message to the members of the AAU at the time of the dedication of AAU House. President Kennedy pointed out: "The United States faces a stern challenge in its international prestige in the years ahead, and one of the tests by which we shall be judged will be the performance of our men and women in the demanding arenas of athletic competition. You have a real responsibility for meeting this challenge."

The words of the President of the United States represent a mandate to the AAU and other organizations to get the job done, and to get it done successfully.

Although this challenge may appear frightening to many persons in the United States, I have confidence in our union that we will be successful. The presidential statement should go far in shocking many people in this country out of their lethargy and smugness.

No longer is it possible for an American to walk out on the track, step into the boxing ring, take his mark at the starting line of a swimming race, dribble a basketball onto the court, etc., and expect to win with anything less than his finest effort.

A SEVERE CHALLENGE ABROAD

To maintain our prestige in international competitions—starting with the important Pan American Games—we begin what I like to term "a new era in world sports."

From what I have seen of the track and field athletes at the European championships and in our recent indoor track meets, the wrestlers competing in the world championships in Toledo, the West German and Japanese swimmers in our national championships, and the impressive Soviet basketball team, I know how severe is the challenge that faces us.

Furthermore, I am convinced that we have the greatest reservoir of raw, unharnessed athletic manpower and womanpower of any nation in the world. The problem facing this country today is how to get the greatest use out of our raw material.

It bears repeating again and again that the amateur sports in the United States are conducted by recognized sports governing bodies affiliated to international or world governing bodies. There are 18 separate and distinct amateur organizations affiliated with world bodies comprising the Olympic games program. The AAU is a member of nine different bodies; the others represent a single sport.

AMERICA VERSUS THE WORLD

The success of the United States in international competitions, world championships, and the pan-American and Olympic games depends on how well these amateur sports organizations can carry out the mandate of the President of the United States.

We all recognize that world conditions are changing. All nations are emphasizing amateur athletics more than at any previous time in history. The prowess of foreign athletes continues to improve by leaps and bounds. Frankly, the United States must be ready to assume a challenge from the entire rest of the world.

How prepared are we for the challenge?

The answer cannot be stated simply in terms of raw materials, desire, know-how, and the past history of our athletes "coming through when the chips are down."

As I see it, this is a program which faces 187 million Americans.

There is no doubt in my mind that the United States is well prepared physically and mentally to face the challenge.

I am equally aware that the United States, the richest Nation of all, is not equipped to handle the financial burden of prosecuting the case which has been turned over to the amateur sports organizations of the United States by our President in Washington.

This can be a shocking statement that the United States is not prepared financially to meet the challenge.

Senator HUBERT HUMPHREY, of Minnesota, in recent speeches on the floor of the U.S. Senate has made frequent references to this

challenge which our great Nation faces. And it is with this thought in mind that the AAU recently presented a plan for the consideration of the gentleman from Minnesota (to be passed on to the other Senators and Congressmen in Washington) to give financial aid to the existing sports governing bodies in the United States.

APPROPRIATION ASKED

Our plan is a simple one. We pointed out that the Canadian Government annually appropriates $5 million for the promotion of physical fitness and organized sport in their country. These funds are used to help send additional logical contenders to national championships, as well as to finance Canadian representatives to world championships.

In the plan we presented to the Senator we ask that $500,000 be appropriated immediately to help the existing sports governing bodies carry on a broader program in order to accomplish the mission entrusted to us by the President.

The AAU pointed out that with $500,000, the 18 sports governing bodies would be able to financially assist with travel expenses more than double the number of men and women now aided in appearing in our various national championships. Also, the governing bodies would have ready funds to send their strongest teams to the world championships scheduled for this year.

We shall await developments in the Nation's Capital.

Another fact that bears frequent repeating is this one: "The amateur sports governing bodies in our country use amateur sportsmen to administer and develop our athletes and athletic teams for international competition. It is a matter of record that these amateur sportsmen who carry on their work as an avocation also have been responsible for financing the sports without any outside aid and assistance."

Never let it be thought that the AAU and 17 other sports bodies are looking for a Government handout or a Government subsidy. However, your president of the AAU feels that now is the time that we must recognize the challenge facing this country and that positive action must be taken at the highest levels to assure that America shall be represented in the coming international competitions with our strongest representatives.

The challenge has been issued by our President.

The challenge has been accepted by the recognized sports governing bodies, hopefully with the backing of the U.S. Government.

The challenge is everybody's business.

AMATEUR ATHLETIC UNION
OF THE UNITED STATES,
OFFICE OF EXECUTIVE DIRECTOR,
New York, N.Y., February 28, 1963.

Hon. HUBERT H. HUMPHREY,
U.S. Senate,
Washington, D.C.

DEAR SENATOR HUMPHREY: I have enjoyed reading your article in the Parade magazine entitled "Why We Must Win the Olympics," and I persue carefully your presentations in the CONGRESSIONAL RECORD. Your leadership in the Congress for physical fitness and amateur athletics is a service of far greater value to our country than most people realize. A combination of greatly increased numbers of amateur athletic competitions and physical fitness practices will do more for this great Nation of ours and for the society in which we live than any other government project or even a combination of projects. This can be accomplished for a very small amount of money. I believe the other leaders in the Congress will quickly support a sound plan to help the U.S. amateur athletes do a service for their country.

Mr. Senator, you may know that the Government of Canada appropriated $5 million for physical fitness and amateur athletics for Canadians. This appropriation is administered by special grants for physical fitness projects and amateur athletic competitions conducted by the various governing bodies of amateur sport in Canada. Some practical ground rules in the use of this money are that the governing bodies of each sport on the Olympic and Pan American agenda are allocated a sufficient sum to pay one-half of the expenses of leading amateur contenders to participate in the national championships. Each sports governing body in Canada is also provided with a sufficient amount of money to send a national team to world championships and to selected U.S. championships. This procedure is only a step in the right direction but it has provided a tremendous incentive for the youth of Canada. Today we see Canadian runners like Bruce Kidd and Bill Crothers leading our American champions to the tape.

Mr. Senator, the President of the United States as well as yourself and many other great leaders of our country have been talking about doing something to assure that the United States will remain among the world leaders in amateur athletics including the Olympic games. We have heard the valid statement that amateur athletics is the greatest common denominator of the youth of the world. It has been said that to be second in the Olympic games has a more disastrous effect on our U.S. international image than to be second in the space race. I do believe this is true because international sports is a day by day, year after year activity; whereas the space race only hits the highlights on special occasions.

There has been some thought given to a future master solution to improve the opportunities for physical fitness programs and competitive amateur athletics for our youth. But, Mr. Senator, help is needed now. Our country cannot wait. If our great athletes and the volunteer sports organizations that supervise and conduct amateur athletics are not given the help which they richly deserve, the Russians will reign supreme in the 1964 Olympic games. I submit, Mr. Senator, that you must not wait for a great super organization—a utopia. Right now there are established organizations in the United States in every sport with years of experience who are set up for doing the job. They have been doing it for years on a shoestring. You have a fencing league, a skiing association, a cycling union, and other groups as well as our Amateur Athletic Union which has the responsibility in several sports.

All of these groups have everything but enough money.

In the Athletic Projects Branch of our State Department you already have the vehicle to provide limited help to our sports governing bodies to send U.S. teams into international competition. Our U.S. Olympic executive director can give the Athletic Projects Branch of our State Department the exact number and kind of athlete that will comprise our Olympic team. I believe it imperative that something immediately be done besides talk. I suggest that we emulate to a degree our good neighbor to the north and provide one-half the cost for a limited number of U.S. competitors to participate in national championships. I suggest that you propose funds for national champions in Olympic sports to enter each annual world championship or selected international competition. This procedure greatly enhances the U.S. international image and would provide us with a base of experienced international competitors for our quadrennial Pan American and Olympic games.

Our athletes will do their share. They need assurance that if they work hard and make the necessary personal sacrifices to prepare themselves, they will definitely then have the opportunity to prove themselves in national and world championships. This can be done for less than $500,000 a year. Please don't wait to take the chance of our great country being humiliated in the 1964 Olympics with the idea that after the 1964 games we may have a better plan. Let us do something now to keep us on top in 1964 even as we study for improvements after 1964.

I can assure you that the devoted volunteer workers of the U.S. sports governing bodies will do far more than their part. I well know the personnel of the Amateur Athletic Union of the United States, and also I know from personal experience and contact that the other major sports governing bodies have the same dedicated leadership as the AAU. As an individual educated for the service of my country at West Point, I had always thought that no group of individuals could even come close to the dedication of West Point graduates. I was wrong. The volunteer leaders across the country of our sports-governing bodies belong in the same category. Year after year they give their time, money, and strenuous efforts to help young amateurs in physical fitness and competitive amateur athletic programs. This is done with little or no recognition but with the thought that this is something they can do for our country. They are not waiting "to see what the country can do for them", they are doing what they can every day.

Mr. Senator, the citizens of our great country and our dedicated amateur athletes will do their part. Will you help the Congress to do its part and propose something similar to the help that the Canadian Congress gives its amateur athletes? We need action now—not just more talk of what is needed in the future.

Respectfully,
DONALD F. HULL, *Executive Director.*

A MINIMUM PLAN TO KEEP THE UNITED STATES IN CONTENTION FOR THE 1964 OLYMPIC GAMES

(Enclosure to letter to Senator HUMPHREY)

1. a. Thousands of capable U.S. athletes would train diligently if they had the assurance of some help when they prove themselves to be worthy contenders. A large number of dedicated U.S. amateurs who have the ability to be a winner for the United States in international competition never achieve their potential because they cannot afford to spend their own money to travel to the site of the U.S. championships. Many other U.S. athletes of great potential never even make the effort to train because they know that even if they did their part in preparing themselves, there is no provision for the expenses incident to partcipating in national championships.

b. Clubs, schools, industry and individuals can be motivated to help if there is assurance of some positive assistance. The average cost of transportation, room and meals for a contender to participate in the national championships is $200. If our top contenders could be assured that $100 of this cost was definitely available to assist in their participation in the national championships, local friends and organizations would pitch in and do their share. This counterpart type of assistance would have a healthy result. It would stimulate great interest and increase amateur athletic competitions 100-fold. We should assure the participation of at least two worthy contenders in U.S. national championships for each place on the Olympic team. In other words, if we were authorized to enter three U.S. athletes in an event on the Olympic agenda, we should assist six potential Olympians to the national championship of their event each year. There are about 450 places for U.S. winter and summer Olympic team members. To guarantee that 900 worthy contenders for these positions were provided one-half their expenses to their respective national championship would require $90,000 annually.

2. The U.S. champions in every event on the Olympic agenda should be sent into world championships each year to represent our great country. The average cost to equip U.S. champions with identifying travel and competitive uniforms, transportation, and rooms and meals at the site of the world championships would be approximately $850 per man. An annual expenditure of $382,500 would send our U.S. champions in the 450 positions on the U.S. Olympic teams to world championships where they would not only reflect credit to the United States in such annual competitions, but would provide us with the base of experienced international competitors for our quadrennial Olympic teams. This totals $472,500 annual expenditure for actual athletes expenses. You should perhaps add 10 percent for administrative and managerial costs. This opportunity would motivate so much increased competition among our athletes that the expenditure would be returned 100 times in value. For this small amount in 1963 and 1964 this country can be assured of first-class representation in world competition, in the 1963 pan-American games, and the Olympic games of 1964.

3. The U.S. State Department already has its Athletic Projects Branch as an agency whereby these funds could be dispensed to the respective sports-governing bodies for the use of the athletes as indicated. A special appropriation for the above amount should be immediately made available through the State Department to utilize in accordance with the above plan.

4. It must be realized that this action is only a provisional stopgap to carry the United States through the 1964 Olympics. Between now and November 1964, a plan should be developed to do a more thorough job following the 1964 games. It is time that we in the United States stop making excuses as the athletes of other nations defeat—not our best, but the few who can afford to compete. We should not make the unproven claims that foreign countries fully subsidize their athletes. If the Government, industry, and the people of the United States would give our athletes the recognition and provide the opportunities that are provided in other nations, our great U.S. amateur athletes would surpass any nation and excuses would not be necessary. Plans for the future should be big to match the size of the hearts of our great competitors and the image of our great country. The $5 million that Canada appropriated could well be made available by our Government annually. Industry and individual contributors should duplicate this or more. With an annual plan of sizable appropriations beginning in 1965 we can maintain U.S. supremacy in amateur athletics without fear of any of the challenges with which we are faced. However, if we do not do something now even to the small degree indicated in paragraphs 1 and 2 above, we may be so far behind in 1964 that we can never catch up.

AMATEUR ATHLETIC UNION OF THE UNITED STATES, OFFICE OF EXECUTIVE DIRECTOR,
New York, N.Y., March 17, 1963.

Hon. HUBERT H. HUMPHREY,
U.S. Senate,
Washington, D.C.

DEAR SENATOR HUMPHREY: Thank you for your nice letter of March 7 and your kind remarks therein. I would always do everything humanly possible for amateur athletics. I sincerely believe that participation in amateur athletics is most important to the welfare of the Nation. I am further convinced that our standing in the international sports arena is very important to our world prestige.

Your observation concerning objection to the idea of the direct financing of our Olympic effort is absolutely right. The U.S. Olympic Committee will have to mobilize strong private support to finance our team's entry into the Pan-American and Olympic games. I believe that the American public will answer their call.

However, the suggestions that I have proposed to you in no way duplicate the U.S. Olympic effort but will enhance the U.S. national and international sports picture in the period between the Olympic games. This will indirectly strengthen our Olympic team and could prevent us from being humiliated by the Russians in Tokyo in 1964. I do not suggest any major new sports legislation. My suggestion is to take whatever action may be necessary to increase the State Department's very modest program by approximately $500,000 this year and next year for the specific purpose listed.

Believe me, sir, the governments of Japan, Russia, Italy, Canada and many others are providing millions to their amateur sports' governing bodies to improve the health of their nation and to prepare for a first-class effort in the 1964 Olympics. I would not want our great country to be left behind. I believe that our youth, our present leaders and the heritage of our forefathers deserve no less an opportunity.

I should make myself available for any study or discussion that you suggest as U.S. amateur athletes deserve concrete assurance now that the leaders of the country are behind them.

Sincerely,

DONALD F. HULL,
Executive Director.

EXCERPTS OF LETTER OF MAY 16, 1963, OF THE NATIONAL COLLEGIATE ATHLETIC ASSOCIATION

The members of our executive committee and council are listed on this letterhead and in session, April 24–27, 1963, they unanimously voted to oppose Federal financial aid for the purposes of subsidizing the administration or conduct of amateur athletics in the United States. The reasons set forth by the executive committee and council follow:

1. Historically and traditionally our country has maintained a separation of sports and government.

2. Private enterprise and initiative are available to finance amateur sports; Federal subsidy will dampen and deter this vital and all-important element.

3. The U.S. Olympic Committee traditionally has opposed Federal financial assistance and, in recent years, specifically asked that a bill be withdrawn which would have granted Federal aid to the Olympic movement.

4. The MacArthur plan has been deemed a satisfactory solution to the current unrest in track and field until after the 1964 Olympic games; the introduction of the question of government-in-sports might well raise other issues which would disrupt the current peace achieved by General MacArthur.

The record of the contribution made by NCAA member institutions to amateur athletics in this Nation is unmistakably clear. I speak of the construction and maintenance of facilities; the development and the employment of coaches; research for the advancement of training and coaching techniques; the management of local, conference, regional, and national meets and tournaments for the development of the most highly skilled competitors; and the training and qualification of many of our finest athletes for international competition, including the Olympic games.

WALTER BYERS,
Executive Director.

WHITE COUNTY
DEPARTMENT OF EDUCATION,
Searcy, Ark., April 18, 1963.

Hon. HUBERT H. HUMPHREY,
U.S. Senate, Washington, D.C.

MY DEAR SENATOR HUMPHREY: You will probably be interested in two clippings which reflect the impact in this section of your Parade magazine article (Jan. 6, 1963), entitled "Why We Must Win the Olympics."

The tear sheet from the White County girls' basketball tournament program booklet contains an editorial concerned with some of the problems and questions your article raised. The clipping is from the April 18 issue of the Arkansas Gazette, and gives further evidence of our recognition of the truth contained in your Parade story.

We greatly appreciate your interest in this very important situation.

Yours very truly,

W. E. ORR,
County Supervisor.

[From the Arkansas Gazette]

EDITORIAL

The January 6, 1963, issue of Parade magazine carried an article by HUBERT H. HUMPHREY, U.S. Senator from Minnesota, entitled "Why We Must Win the Olympics." The Senator had the word "must" underlined.

Senator HUMPHREY's two lead paragraphs read as follows:

"The Russians are feverishly building toward what they expect to be a major cold war victory in 1964: a massive triumph in the Tokyo Olympics. They plan not only to beat us, but do it decisively, while the whole world watches.

"You may ask what the Olympics have to do with international politics. Make no mistake about it, the relentless struggle between freedom and communism embraces almost every level of life from spacemen to sprinters. Because the Russians understand this, they have converted the once-idealistic Olympic games into an idealogical battlefield."

Senator HUMPHREY goes on to give some concrete advice as to how the prospects for the United States can be improved. We are particularly interested in point No. 6: "We should encourage our girls and young women to participate in sports. They have been taking a drubbing in the Olympics from Soviet women."

The Senator's phrase "taking a drubbing" is putting it mildly. They have been taking an unmerciful beating—and the women's events count in the total scores. It hasn't even stopped with the last Olympics. Recently a Russian girls' basketball team invaded the United States to play some of our best clubs. They won every game. Even Wayland College and other AAU standouts were smothered.

Once Arkansas was a leader in girls' sports. Our AAU basketball sextets won national championships. Every school had a sextet and every county had a girls' track meet.

Now, at a time when it is important to our world prestige, we give up girls' track entirely and our girls' teams become fewer and fewer.

We believe the Senator from Minnesota has given us a definite goal, one far more to the point than much of our anti-communistic mounting. This is a thing we can do, and the ball might as well start rolling right here in White County as any other place in the country.

W. E. ORR.

[From the White County girls basketball program]

WHITE COUNTY SCHOOLS REVIVE GIRLS' TRACK

WEST POINT, April 17.—White County, long a girls' basketball stronghold, will stage its first girls' track meet since 1951, here Friday. Seven squads have announced their intention of participating. Both junior and senior divisions will be sponsored.

Those in charge of the meet say that their decision to revive girls' track is an outgrowth of the concern over the poor showing made by United States women during recent years in the Olympic games.

EMMET JOHN HUGHES AND "THE FRENCH RECIPE FOR FOLLY": HOW TO SPIKE THE WHEELS OF U.S. FOREIGN RELATIONS

Mr. HUMPHREY. Mr. President, under the unhappy title of "The French Recipe for Folly," the noted writer Emmet John Hughes has just written an article which demonstrates the power of the press—for better or for worse—in international affairs. Mr. Hughes' essay appears in the current issue of Newsweek. It is a gratuitous, and unfortunate slap at a great nation which is one of our strongest allies and partners. According to Mr. Waverley Root, the article has accomplished the miracle of rallying the French press wholeheartedly behind the regime of Gen. Charles de Gaulle. Why? Because in the words of the normally anti-Gaullist Combat, Mr. Hughes' article not only "attacks General de Gaulle most violently but, what is worse, France."

Mr. President, I deplore this kind of journalism. I am saddened and depressed by the whole climate of Franco-American relations as it is portrayed in the American press. Nothing could be less helpful, in my opinion, than the kind of reporting which feels it has to pit President Kennedy in a personal duel against General de Gaulle or which magnifies out of proportion every tactical difference between French and American policies. As one American citizen who entertains an abiding respect for France and the French Government, I want to register my protest against the arguments of Mr. Hughes. I do not wonder that his article rallied the French newspapers behind their national leader. I share their dismay over words which have dealt a setback to transatlantic partnership. Let us hope that diplomacy can repair the damage caused by journalistic petulance.

It is inconceivable, Mr. President, that the Newsweek article represents the consensus of American thinking about France or French leadership in Europe. Not long ago I was asked by Mr. Jean-Jacques Servan-Schreiber, the distinguished publisher of L'Express in Paris, to answer a number of questions concerning France, Europe, and the prospective course of world affairs. In my replies I took a position which differs both in tone and content from Mr. Hughes' article. A substantial portion of my answers appeared in L'Express of June 27. I ask unanimous consent that the full text of my replies be printed at this point in the RECORD. It would be most encouraging to feel that my position, rather than that of Mr. Hughes, was closer to the thought of most Americans.

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

ANSWERS TO M. SERVAN-SCHREIBER, L'EXPRESS, PARIS, BY HUBERT H. HUMPHREY

Question. What do you expect from France in the next 10 years?

Answer. I expect France to reassert her leadership in world affairs. She has already asserted it in the postwar economic and technical renaissance of Europe. Her political genius, which has survived all domestic and foreign difficulties, is indispensable to the development of a modern democratic society. Through her ideals of liberty, equality, and fraternity, revolutionary France changed the face of autocratic Europe in the 18th and 19th centuries. We, too, profited from the best in the French revolutionary heritage. In the same way I expect that the republican idealism of modern France will leave its imprint on every corner of the world.

In the postwar era, Europe experienced the unifying influences of men like Monnet and Schuman. France was the fountainhead of the movement toward European unity—unity in both the economic and political dimensions. France made unforgettable contributions to European reconstruction after the most damaging war in human history. Throughout the 1950's, however, the prestige of France declined. Internal confusion at home was one of the products of incessant warfare in the Far East and North Africa. General de Gaulle made his outstanding contribution by ending the Algerian war and grappling effectively with economic and political instability at home. Some of his positive achievements, however, have been partially offset by a resurgence of French nationalism, an apparent reluctance to embrace supranationalism in Europe, and a marked coolness toward the existing organization of NATO.

But now France has caught her breath and regained her strength. She has an opportunity to devote this newfound strength to the political union of Europe, to the consolidation of the Atlantic Community, to the development of a strong and free democracy at home, and to an open and constructive attitude toward the underdeveloped world. As a friend and admirer of France, without whose help our own country could not have gained her independence, I cherish the hope that she will match her economic and technical progress by creative political leadership in the international sphere.

Question. What in your view will be the principal difference between the last decade and the next?

Answer. The Second World War left a world dominated by two great powers: the United States and the Soviet Union. The decade of the 1950's saw the gradual diffusion of two-power control. The next decade will be characterized, I believe, by a plurality of power centers. For instance, I see no prospect of an early rapprochement between Moscow and Peiping. The "monolithic unity" of the Communist bloc is an archaic myth to which no one even bothers to pay lipservice any more. As colonial issues recede in importance, the uncommitted nations will respond more and more to divergent national and regional interests. In the more developed world, a revived Europe will come into its own as an equal partner of the United States. The challenge to democratic statesmanship will be to show that the fundamental unity of the democratic nations will be strengthened, rather than weakened, by the broadening of independent strength in the West.

There is no question that the next decade must see a rise in the standard of living of the underdeveloped areas. France, Europe, and North America have an unprecedented opportunity to expand the distribution of goods and services throughout the world. The 1960's must become the worldwide "decade of development" which President Kennedy called for in his historic address to the United Nations. Without a fundamental improvement in trade relationships, the decade of development may never get off the ground. Such an improvement must be our common goal in the years ahead.

Question. In what domain do you think that France will have an essential role to play in this next decade?

Answer. The answer to this question will depend on the kind of France we have. My hope would be that France will promote the movement toward a united Europe which will live in intimate political and economic partnership with the United States, the Western Hemisphere, and other democratic nations. I would hope that France will continue its splendid record of assistance to the new nations of Africa and that it will make an increasing contribution to the success of the Alliance for Progress in Latin America.

Question. Should a united Europe be the top priority, or is another task more urgent?

Answer. The creation of a united Europe is certainly a matter of top priority, but a united Europe cannot exist in a vacuum. If the dream of European unity is to have meaning, a united Europe must have fruitful relationships with the rest of the world—especially with the United States and the awakening nations of Asia, Africa, and Latin America. This is an essential element of Europe's resumption of international leadership, and it is essential to the emerging nations in their struggle to compete successfully and peacefully in the 20th century. So I would hope that the new Europe will be outward looking, not inward looking, and that it will struggle to meet the problems and needs of the presently underdeveloped areas. I wish to emphasize this point because Europe, in many instances, understands the concerns of its former colonies far better than does the United States. That is why the European contribution to our joint efforts for world betterment is of such transcendant importance in the years ahead. I believe the task can be performed more effectively by a United Europe than by a Europe whose powers are dissipated by superfluous nationalism.

Question. Do you think that France can influence the policies of the U.S.S.R. and of the United States of America and, if so, how?

Answer. As a general proposition, the best way for a nation to exert influence is to advocate ideas and policies which offer the promise of solving problems and meeting needs. France is in a unique position to perform this task. She is a large and dynamic nation. Her proposals command instant attention in the world. Since there is no major problem involving the United States and the U.S.S.R. which does not at the same time involve the interests of France, I cannot conceive of any movement in these areas which would not be significantly influenced by France's position.

History is a helpful, if not infallible, guide. Throughout modern history the French Nation has had an extraordinarily close relationship with Russia and Eastern Europe. I recall that Czar Alexander III, of Russia, the most powerful despot of his time, once stood bareheaded while a band played the "Marseillaise." This was part of the price he paid for the Franco-Russian alliance prior to World War I.

Is it too much to hope that France can reassert her special influence in Eastern Europe? I think not. France has demonstrated her renewed vitality. General de Gaulle has shown that he is impervious to the rocket rattling of the Kremlin leadership. He was a staunch ally of the United States during the Cuban crisis of last October. The Communist leaders have reason to respect French influence and to profit from French civilization; by the same token they have no good reason to fear France as they profess to fear West Germany. France, in short, has a continuing opportunity, under General de Gaulle's direction, to play a constructive role in the settlement of East-West differences. His concept of the Soviet Union as a European power with interests peculiar to Europe could be an extremely helpful one in both the economic and political fields.

I for one would welcome France as a partner in the dialog between the United States and the Soviet Union.

Question. Do you think that France will be one of the nations in the next 10 years to

invent a system which will be neither capitalist nor Communist and, if so, what will it be?

Answer. I doubt that the word "capitalism" has any clearcut meaning today except through the distorted lenses of Communist dogma. Certainly France today has an economic system which is neither capitalist nor Socialist, let alone Communist. The enlightened French system combines state planning with a wide area reserved for private initiative. This system has been largely responsible for France's dramatic economic progress in the last decade. It has many similarities with the regulated free enterprise which prevails in the United States, but there are important differences as well. I would say that the organization of the French economy reflects your country's age-old experience with centralism. It is organically linked with a tradition that has been passed on from generation to generation since the days of Louis XIV.

In the United States, Franklin Roosevelt and the New Deal created a new form of society which also is neither capitalist in 19th century sense nor Socialist nor in between. It is a sui generis—certain to evolve in the future but equally certain to differ from the French, the European, or the Communist models. I hope for a high degree of cross-fertilization between your country and mine. The experiments of France in democratic planning have supplied the mixed society with new techniques and valuable new tools. With their help, we can build further on the foundations of that mixed society which were developed a generation ago in the agonies of the depression.

Question. What in your view would be the best nuclear policy for France to follow?

Answer. Although I understand the arguments which have led the French Government to develop a national nuclear deterrent, I continue to believe that the policy of separate national deterrents is a tragic mistake. The proliferation of nuclear weapons among a multiplicity of states can only increase the chances of world catastrophe. The development of nuclear weapons and means of delivery consumes vital resources like a ravenous and vicious animal. These resources are needed for the social and economic development of all mankind. It is illusory to argue, as some have argued, that an effective independent nuclear force can be developed cheaply. My hope would be that further experience with nuclear matters—with the monetary, human, and social implications of these terrible weapons—will convince France that the best hope for security and peace lies in a unified Atlantic deterrent.

My own country has made proposals as to the form this unified deterrent might take. I do not argue that these proposals constitute a perfect or final solution. What is needed now is the contribution of the French political mind to the harmonization of the Western nuclear deterrent with the legitimate security requirements of each member of NATO. NATO cannot afford to see its members "go it alone" in the nuclear sphere. Neither can it afford hastily concocted and dubious compromises. I continue to hope that a way can be found which will earn the confidence of our allies and sustain the credibility of the deterrent.

Question. If you were invited to speak to the youth of France, what would you like to tell them?

Answer. I would say that we are all living in one of the most perilous, most exciting, and potentially most creative epochs of human history. I would tell them that, in my judgment, the movement of history is toward a pluralistic and democratic world; that Chairman Khrushchev's dream of a world of "monolithic ideological and political unity," as he put it in his speech of March 8 to the Soviet intellectuals, is both narrow and obsolete; that the forces of pluralism are already so strong that within the Communist empire itself they are shattering the universalism of Communist dogma and Communist discipline; that the future belongs to men who are modern enough to control and develop science and technology, who are strong enough to defend the institutions of the open society, who are mature enough to acknowledge the legitimate diversity of a pluralistic world, who are courageous enough to advance boldly toward the challenges of the future, and who are free enough to think, talk, write, and speak according to the dictates of their intelligence and their conscience. This would be my message to the youthful citizens of a country whose best days are still ahead of it.

Mr. HUMPHREY. In closing, Mr. President, let me repeat something I said in connection with President Kennedy's visit to Germany last month. On June 26, I made the following remarks in this Chamber:

> Mr. President, let us not be juvenile. Let us not sow discord where harmony of purpose should prevail. Let us bring into the open the problems which beset the Atlantic Alliance * * * but let us beware of chipping away the mortar of the world's greatest alliance through sensationalist reporting. In other words, what is needed is a discourse * * * among the leaders of the free world on how best to perfect the Atlantic Alliance and how to make it stronger politically, militarily, economically, and ideologically.

These words still hold, Mr. President. I trust that the opinion molders in this country will emphasize a more positive approach than is exemplified by the Newsweek article. The whole tone of the Franco-American discourse has to be raised several notches before we can anticipate a substantial improvement in this vital aspect of U.S. foreign relations.

The tone of some of the comments which have come from some commentators and political officers in the Republic of France also need a much more affirmative and positive tone than they have had to date. It is the only way I can see in which we can improve the situation and come to a better understanding between our two great countries.

FOREIGN AID—INADEQUATE EXECUTION OF MANSFIELD AMENDMENT

Mr. MORSE. Mr. President, the third subject I wish to discuss this afternoon, during my daily comment on my opposition to the foreign-aid bill in its present form—although I hope it will be possible to vote for a suitable foreign-aid bill when the measure comes to the floor of the Senate—is the inadequate execution of the Mansfield amendment. It is only out of my desire to continue to make a record of suggestions for improving the bill that I make these daily speeches.

It should be evident from my remarks about the foreign-aid bill over the past weeks that I no longer have any belief in the tinkering, trimming approach to the fat boy. Clearly, the time has passed for the plastic surgery which used to help blur the unlovely contours of the awkward creature. Surgery of a more drastic nature is obviously required.

Today I want to give another concrete reason for my loss of faith in the ability of the executive branch to recast its anachronistic foreign-aid structure.

Senators know that we who are members of the Foreign Relations Committee have made many attempts to compel the executive branch to recast the foreign-aid program into a manageable one, with specific goals and objectives. We have tried to promote an examination of basic philosophical premises about foreign aid, and indeed, to find out whether such fundamental tenets actually exist. Prominent among such efforts has been the Mansfield amendment.

The distinguished senior Senator from Montana [Mr. MANSFIELD], our majority leader, in 1959 took the fine initiative of securing the acceptance of section 503(c) in the Mutual Security Act of 1954, as amended. This section directed the executive branch to present concrete plans for reducing and terminating bilateral grants of economic aid in the defense support and special assistance categories.

For those who have lost their way in our decade-long game of semantics, I should note that these categories have since joined together under the title of supporting assistance; when the latter is combined with military aid the two are entitled strategic assistance. Perhaps I should also say that a ginkgo blossom "by any other name would smell as sweet."

Now just where do we stand 4 years after the notable initiative of our respected majority leader? I fear the answer is: In pretty much the same old place.

CHANGES SINCE 1960

Both reports delivered in response to section 503(c) are depressing reading, and I shall spare Senators the pain and boredom of having to hear lengthy quotations from the unclassified version. Suffice it to say that much of the latter is devoted to a pedestrian defense of grant aid—although the Mansfield amendment contemplated no such evasion in directing that a specific plan be made for ending that aid in recipient countries.

Thus we read, for example, that:

> Against this background, the overall purposes of the defense support and special assistance programs are sound. * * * To reduce or end the requirements for grant aid by altering or abandoning the goals of such aid is a conceivable but not an acceptable approach.

In other words, it is all right for Congress to have conceptions, but the executive branch in its majesty and wisdom does not have to pay any attention to them.

The mistake we made in the Mansfield amendment was putting in the words, "insofar as practicable," when we asked that specific plans be worked out for ending supporting grants.

In a blaze of honesty, the unclassified report of 1960 revealed that the Agency for International Development had no real intention of eliminating the defense support aid to the five countries which received about 75 percent of that aid in 1960. It comes as something of a shock, therefore, to discover that two of the five are not receiving supporting assistance

today. But I beg Senators to withhold their tears for the plight of those two countries—there are many other categories of assistance, and our two friends together are scheduled to receive a total approaching half a billion dollars in the coming fiscal year, not including the Public Law 480 program.

I wish I could name the two countries. But the aid they are currently receiving is designated "top secret." It is classified material. However, in this classified material we have the story of the subterfuge in the foreign aid bill. The fact remains that those two countries will continue to get about half a billion dollars in the coming year, not including Public Law 480 funds. Thus we see that the Mansfield amendment was ineffective in reducing aid to these two countries.

After virtually excluding 75 percent of the economic grant program from serious consideration, the executive branch report of 1960 grudgingly saw a possibility of ending grant aid over a 5-year period in 10 countries receiving something over half the remaining 25 percent. Here there has been some progress: nine were on the list for this aid in fiscal 1962; this year only four are getting these grants. I think there is some reason gratefully to ascribe this progress to the change of administrations downtown.

Next, we turn to the list of eight countries which the executive branch considered as being subject to reductions. And we find that five of the eight are still firmly entrenched in the supporting assistance category. In short, we were not promised much in 1960, and we have not gotten much reduction today.

As for the remaining small grant programs, the executive branch scarcely bothered to think about specific reductions. Despite its unwillingness to contemplate change, changes did occur, and six of nine listed areas are not now on the supporting assistance list. On the other hand, new candidates have appeared to vitiate the meaning of this development. Indeed, the executive branch unclassified report forecast this in noting:

> Moreover, new needs for grant aid are likely to arise. The grant method of economic assistance * * * has been an essential instrument of foreign policy and, in an uncertain world, promises to remain so.

We were thus told that foreign aid administrators expect to give grant aid as long as the world situation remains uncertain. Under such circumstances, the American taxpayer might start looking to the Almighty for relief, since he would be unlikely to get it on this earth.

I do not want to minimize the importance of the Mansfield amendment. Without it, I daresay we would have made no progress at all. And we have made some, but small, progress.

On the face of it, we seem to have reduced the total of that assistance quite substantially. In fiscal year 1960 the actual appropriation for defense support and special assistance totaled $940 million. In contrast, the appropriation for supporting assistance in fiscal year 1963 mounted to only $395 million. That looks like real, if slow, progress.

CONGRESS MUST GO FURTHER

But stop a moment and consider the end result. By the time the executive branch completed its normal mystifications—including recoveries, carryovers, transfers, and uses of contingency funds—the total for supporting assistance in the fiscal year 1963 had risen to roughly $550 million. Moreover, the request for this supporting assistance category for the forthcoming fiscal year has gone up to $435 million. The bookkeepers give and they take away in a dazzling display of paperwork.

But when the foreign aid bill is analyzed, the incontrovertible fact remains that the administration is not carrying out the spirit and the intent of the Mansfield amendment. I answer again today the question that is often put to me: "Senator, where would you cut?" I would cut here. In my judgment, this proposal for the assistance program should be cut drastically in the bill.

The central question is, Where are we heading? My answer is that we do not really know. To the degree that supporting assistance has declined in amounts, we have turned to the categories of development grants and loans to fill up the kitty. The latter category appears to fulfill the desire of the Congress and the American people for a program of recoverable loans. Yet all indications are that the loans in time will turn out to be grants.

Meanwhile, the token interest charges—three quarters of 1 percent that Congress charged on many loans of ten years, during which the recipient country has not paid a single red cent—almost uniformly less than the cost of the money to us—do little to satisfy my concern over the direction the program is taking.

Mr. President, I frankly doubt that the present means of distinguishing categories in the foreign aid bill amount to very much at all. The bill reminds me of a half-inflated balloon: we squeeze one spot, and another bulge appears. I am inclined to believe the time has come to apply the needle to the balloon, to collapse it, and to build a better structure with better materials.

Our experience with foreign aid makes it overwhelmingly clear that the executive branch bureaucrats will always perform marvels in evading the intent of Congress so long as they are given any latitude whatsoever to do so. Four years have passed since the Mansfield amendment, and we still find ourselves being asked to authorize close to a half a billion dollars of a kind of aid we had every right to believe would have disappeared entirely by now. I submit that the time seems to have come for the Congress to flex its flabby muscles and create the kind of program it believes the President should carry out.

Mr. President, on Friday, I shall discuss what I believe we should do after the collapse of the balloon. I think we should start all over in the foreign aid program, and should grant foreign aid only on the basis of merit and only on the basis of a procedure which will protect the American taxpayers, for under this bill they are being taken for a ride, and the time has come to stop the runaway.

TRANSMISSION AND DISPOSITION OF ELECTRIC ENERGY

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the unfinished business be temporarily laid aside, and that the Senate proceed to the consideration of Calendar No. 238, Senate bill 851.

The PRESIDING OFFICER. Is there objection?

There being no objection, the bill (S. 851) to amend the act authorizing the transmission and disposition by the Secretary of the Interior of electric energy generated at Falcon Dam on the Rio Grande to authorize the Secretary of the Interior to also market power generated at Amistad Dam on the Rio Grande was considered, ordered to be engrossed for a third reading, was read the third time, and passed, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 1 of the Act of June 18, 1954 (68 Stat. 255), be amended as follows:

(a) In the first sentence of section 1 change the phrase "Falcon Dam, an international storage reservoir project" to read "Falcon Dam and Amistad Dam, international storage reservoir projects", and change the word "project", the second place it appears, to read "projects".

(b) In the second sentence of section 1 change the word "project" to read "projects".

(c) In the fourth sentence of section 1 of said Act, strike the balance of the sentence beginning with the phrase "in order to make the power and energy generated at said project" and substitute: "for the integration of the Falcon and Amistad projects and in order to make the power and energy generated at said projects available in wholesale quantities for sale on fair and reasonable terms and conditions to facilities owned by the Federal Government, public bodies, cooperatives, and privately owned companies."

Mr. MANSFIELD. Mr. President, I ask unanimous consent to have printed in the RECORD an excerpt from the report (No. 257), explaining the purposes of the bill.

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

PURPOSE

The purpose of the bill is to authorize the Secretary of the Interior to dispose of the power to be generated at the Amistad Dam as he now does with Falcon Dam power. It further authorizes the construction of the necessary transmission lines to integrate the transmission of the two projects for a more effective operation.

The bill was submitted and recommended by the Secretary of the Interior.

The Amistad Dam was authorized for construction and operation by the International Boundary and Water Commission on July 7, 1960. The construction schedule calls for completion of the dam and the first two units of the powerplant early in 1968. These two units will have a generating capacity of 32,000 kilowatts. When all five units are completed the ultimate generating capacity will be 80,000 kilowatts.

In the interest of efficient operation and disposition of the generation of these two projects and in order to give the Bureau of

Reclamation ample time to contract for the disposition of the power, the committee recommends the enactment of S. 851.

ADDITIONAL FACILITIES FOR RESEARCH AT STATE AGRICULTURAL EXPERIMENT STATIONS

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the pending business be temporarily laid aside, and that the Senate proceed to the consideration of Calendar No. 268, House bill 40.

The PRESIDING OFFICER. Is there objection?

There being no objection, the bill (H.R. 40) to assist the States to provide additional facilities for research at the State agricultural experiment stations was considered, ordered to a third reading, was read the third time, and passed.

Mr. MANSFIELD. Mr. President, I ask unanimous consent to have printed in the RECORD an excerpt from the report (No. 288), explaining the purposes of the bill.

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

SHORT EXPLANATION

This bill provides for the appropriation of funds to be apportioned among the States for the construction of research facilities at State agricultural experiment stations. Use of Hatch Act funds for such construction is now authorized by section 4 of that act; but only very limited use of such authority has been made, partly because such funds are available only on an annual basis and States have been unable to accumulate sufficient funds for major capital outlays. Grants under the bill would be available for 3 years.

Grant funds would be apportioned under the act to States—

(1) One-third equally among the States;

(2) One-third on the basis of rural population; and

(3) One-third on the basis of farm population.

All Federal grants would have to be matched by at least equal sums from non-Federal sources.

HEARINGS

In 1962 hearings were held on H.R. 12712, which is identical to H.R. 40, by the subcommittee in charge of this legislation. Favorable testimony was presented on behalf of the Department of Agriculture and the experiment station section of the legislative committee of the Association of State Universities and Land-Grant Colleges. There was no opposition to the bill.

CONSIDERATION BY HOUSE COMMITTEE ON AGRICULTURE AND DEPARTMENTAL APPROVAL

Attached are excerpts from the report of the House Committee on Agriculture (H. Rept. 271, 88th Cong.) further discussing the need for this legislation.

NEED

A very substantial part of the tremendous progress which has, in the past few decades, made American agriculture the most efficient in the world, is due to the research work which has been carried out jointly by the U.S. Department of Agriculture and the various States in the State agricultural experiment stations. Since 1887, when the Hatch Act was enacted, this work has been carried out cooperatively between the States and the Federal Government, with State funds at least matching the funds made available by the Federal Government. A very large part of the Department's agricultural research is conducted in these State experiment stations.

Since this cooperative research program has been in operation for more than 70 years, and most of the experiment stations were established early in the program, many of the buildings, laboratories, and other facilities are far from modern. Many of them, constructed primarily for research in agricultural production, are not suitable for research in the utilization of agricultural commodities, for the basic research increasingly necessary to develop new uses, nor for employment of the advanced techniques, equipment, and methods which have become available in recent years.

In 1955, Congress recognized the urgent need to improve and modernize the physical facilities of the State experiment stations and amended the Hatch Act (7 U.S.C. 361d) to authorize the use of funds appropriated thereunder "for the purchase and rental of land and the construction, acquisition, alteration, or repair of buildings necessary for conducting research."

For several reasons this authority has not been used. Traditionally, Hatch Act funds have been used almost exclusively for research operations and not for facilities. There is no requirement in the existing law of approval of facility construction in advance by the Secretary in order to avoid duplication or unnecessary expenditures. There is no authority in the existing law for funds allotted to a State to be carried over from one fiscal year to another, making construction of a major facility with matching funds virtually impossible. For these reasons, among others, the Department of Agriculture has not requested nor has the Congress appropriated any funds specifically for the purpose of research facility construction and improvement, although Congress has clearly recognized the need for such a program.

This bill will provide the specific authorization and guidelines for cooperative Federal-State action in bringing about much needed modernization and improvement of the physical facilities for research at the State experiment stations.

ORDER FOR ADJOURNMENT UNTIL NOON TOMORROW

Mr. MANSFIELD. Mr. President, I ask unanimous consent that when the Senate concludes its session today, it adjourn to meet at 12 o'clock noon, tomorrow.

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

CIGARETTE ADVERTISING

Mrs. NEUBERGER. Mr. President, yesterday, in response to the torrent of critical commentary and in anticipation of the forthcoming report of the Surgeon General's Advisory Committee on Smoking, senior representatives of the six major cigarette manufacturers met under the aegis of the Tobacco Institute, reportedly to institute far-reaching reforms of industry-advertising behavior.

At approximately 3:30 p.m. yesterday afternoon, George V. Allen, president of the Tobacco Institute, emerged from this historic conference to issue a statement.

I regret to report that the tobacco industry lion labored and brought forth a mouse.

The statement read as follows:

I wish to restate and reaffirm the Tobacco Institute's position that smoking is a custom for adults and that it is not the intent of the industry to promote or encourage smoking among youth.

Because there has been some misunderstanding and criticism of the industry on this point, the institute has offered the following suggestions, applicable to cigarette advertising in all media for the attention of its members:

(1) Cigarette advertisements should be characterized by good judgment and good taste.

(2) In keeping with the position of the industry that smoking is a custom for adults, cigarette advertisements should not give a contrary impression.

(3) Persons featured in advertising should be, and should appear to be adults.

(4) Television and radio programs and other media whose intent is directed particularly to youthful audiences should not be sponsored or used.

(5) Good judgment in program content rather than arbitrary restriction of sponsorship to certain hours of the listening or viewing day, should be the determining factor.

It will be recalled that on June 19, I stated that a number of individual companies of the institute had decided to discontinue college advertising and promotional activities.

The details of implementing the institute's suggestions are of course matters for the decision of individual companies. The institute itself does not monitor or regulate the advertising of its members.

Mr. President, it is certainly a remarkable occasion when the leaders of six great American corporations convene in Washington—not to consider smoking as a health hazard, for no word suggesting health or the absence thereof intrudes upon the face of the statement—but simply to preserve inviolate a cherished national custom: adult smoking.

What broad code of self-regulation does the Tobacco Institute adopt to achieve this end? The individual exercise of "good judgment and good taste." None of us, I am sure, oppose the revolutionary application to cigarette advertising of "good judgment and good taste." I am, unhappily, confident, however, that each company's concept of taste will be governed by its own economic interest.

Let me cite an example: Several months ago I addressed to President Robert E. Kintner, of the National Broadcasting Co., a letter in support of the courageous attack by former Florida Governor, Leroy F. Collins, now president of the National Association of Broadcasters, upon tobacco advertising aimed at young people.

Mr. Kintner's reply to my letter was, in part, as follows:

So far as the commercials themselves are concerned, they neither appear in programs designed specifically for children, nor in our judgment do they make special appeals to children. On the contrary, the typical approach of these commercials, we believe, is general in theme and competitive in direction, depicting the pleasure of smoking and emphasizing the particular virtues of the advertised brand. We do not regard the appearance of sports figures in cigarette commercials—the only specific Governor Collins mentioned—as representing a special appeal to children, any more than their appearance in commercials for various other products, such as hair lotion; these personalities are universally popular figures throughout the population, particularly with men, and it seems to us that their use in commercials is

normal and proper. We would ourselves reject tobacco commercials that we felt were designed to appeal directly and specifically to children, but there has been no need to do so, since no such commercials have been proposed to us, nor do we think they are likely to be.

Surely, Mr. Kintner's standards of judgment and taste are no more debased than those of his cigarette advertisers. I, therefore, conclude that under the standards set forth by George Allen there will be no change whatsoever in the form or content of cigarette advertising. And I am reinforced in this conclusion by Mr. Allen's promise that the matter of advertising reform should be left entirely to "the decision of individual companies."

What was the purpose of this much-heralded convention of tobacco men? What did they hope to accomplish by this pallid pronouncement? I suspect that it was motivated by a desire to head off Government regulation by providing a show of industry responsibility. Instead, it was a vivid demonstration of the paralysis of industry responsibility.

It was, in addition, an ostrich-like action. The American law courts are moving inexorably toward cigarette manufacturer liability to lung cancer victims, and it is not at all unlikely that the only course open to the industry, if it is to avoid a torrent of future successful lawsuits, is to issue frequent and appropriate warnings to its customers.

More than that, it is apparent to virtually all nonindustry observers that radical changes must be forthcoming in the marketing of cigarettes if cigarette sales are to be permitted to continue.

We do not expect an industry to preside at its own dissolution, but we expect realistic answers to fundamental challenges.

Mr. President, for 13 years the tobacco industry has defaulted its responsibilities. If any further yardstick of the industry's incapacity to order its own house was needed, it was furnished by yesterday's exercise in futility.

RAILROAD LABOR DISPUTE

Mr. HUMPHREY. Mr. President, earlier today the distinguished senior Senator from Oregon [Mr. MORSE] delivered a very thoughtful and constructive address on the current situation pertaining to the labor-management dispute on the American railroads. As one other Senator who is deeply concerned about the problem, I add only a few words. Both management and labor—in the present instance, the carriers and the railroad brotherhoods—are on the verge of jeopardizing a long-established policy of negotiation and collective bargaining under the Railway Labor Act which provides for responsible voluntary action within the law. I cannot believe that management and the brotherhoods desire compulsory arbitration, thereby permitting Government to impose its will without the voluntary acceptance of the interested parties, nor can I believe that management would desire to see the Government of the United States engage in taking over the properties under an act of law to prevent a national emergency.

Mr. President, I hope that these great forces in our political, economic, and social life in relation to management and labor will soberly reflect upon the situation that is before us. The issue that is now being discussed and debated has been before the parties for almost 4 years. It is more than an economic issue. It represents jobs, but it also represents the impact of automation upon an industry or an area of our economy. In a very graphic manner it poses a problem of what we should do to protect individuals, their job rights, and their job opportunities when automation or a technological change and development may very well adversely affect the employment opportunities and rights of the individual.

Regrettably, we as a country and American industry and American labor as factors or sectors in our economy have not fully faced up to the challenge of automation. I am sure that one of the great needs today is for a White House conference, for lack of a better description, on the economic and social impact of technological change and automation upon industry, the employees or workers, and the national economy. Such a conference is long overdue. Possibly the current situation may precipitate more thoughtful consideration of the overall long-range aspects of the implications of automation and technology upon the American economic system.

I urge upon those who have the responsibility for the negotiations that they take a careful look at what might happen if a strike situation develops and the public welfare of our Nation is threatened. Management—the carriers—have a responsibility which goes far beyond merely accepting the recommendations of presidential boards and commissions. We are dealing with human beings. We are dealing with localized situations. We are dealing with a great national industry, the transportation industry. We are also coming to grips at the present time with patterns of labor-management relations that have been established for a half century or a century.

Therefore great tolerance, a sense of accommodation and adjustment to human needs is required on the part of management, and management needs clearly to understand that. Likewise the workers must understand that there have been changes that have come about in the railroad industry and other aspects of transportation. Those changes cannot be ignored.

It is inconceivable to me that men who are capable of organizing a great transportation industry, organizing workers and managing the railroads—the greatest railroad system in the world—should find themselves incapable of negotiating the differences that now exist between the carriers and the brotherhoods. I hope that they do not feel that there is more wisdom on questions of intricate industrial and human relations problems in the Congress than there is in the private sector of the economy. Therefore I would strongly urge that the workers, the brotherhoods in the present instance, fine, long-established, highly respected organizations of railroad workers, recognize the pitfalls that can be found in seizure.

If seizure of the railroads should be authorized by law, it could well mean that the Government of the United States would be placed in a situation of compelling men to work against their will and of imposing rules and regulations by edict or fiat.

Seizure is no answer for the workers. Seizure is surely no answer for industry.

We believe in respect for private property, but private property must also have respect for human rights.

I have said to those who have come to see me, "If this dispute is forced into these Chambers for settlement, you are opening up a Pandora's box of trouble for both industry and labor."

The American system is on trial, and we must prove to ourselves and to the world that responsible management and responsible trade unionism—in this instance responsible carriers with tremendous investments in vast facilities and responsible brotherhoods with hundreds of thousands of members—can bring to bear upon a complex economic as well as technological problem their will and their intelligence. We must prove we can make the necessary adjustments and compromises through negotiation, conciliation, and collective bargaining to bring about a sensible settlement.

I refuse to believe that the Congress of the United States knows more about operating railroads and about labor-management relations within the railroad industry than the managers, the carriers, and the workers.

I have the feeling that both sides in this dispute think they will get a better deal from the Congress. But both sides cannot get a better deal.

I have the feeling that the carriers think compulsory arbitration may be imposed upon the workers. I remind the carriers that compulsory arbitration also would apply to them. While compulsory arbitration may well satisfy in this particular instance and in this particular dispute, it would establish a precedent which could literally erode away and corrode the very base of collective bargaining.

I remind the workers, in this instance the brotherhoods, that if they are looking to the Government to seize the railroads and thereby to have a benevolent and friendly Government do for the workers what management was unwilling to do, they may very well be sowing the seeds of destruction of their trade unions, of their brotherhoods. These words have been expressed privately in conference.

I appeal now for good sense and good judgment, because the American people will not stand to have this Nation paralyzed by a transportation tieup.

I remind workers and industry that compulsory arbitration could lead to the elimination of all free collective bargaining in key industries. It is not only the railroads which are involved in this dispute. While some people would like to

confine the dispute to its narrow limits, I say that every act of Congress establishes a precedent for another act.

Perhaps we shall be forced to make these tough decisions. If we are, we shall have to remain here to do the best we can.

I remind the American people and the participants in the disputes that hurried or quick action on a subject as meaningful, as involved, as far reaching as seizure and compulsory arbitration will not take place here in Congress. There will be no quick action, because there are men in this body and in the other body of the Congress who feel strongly on these matters.

If the situation comes to a strike—if the dispute should end up with the carriers imposing new rules and the railroad brotherhoods refusing to work—there will of course be only one alternative, that is, to come to the Congress for new powers. If the dispute is brought here for a quick and final resolution, I say, "You are being misled. Do not expect such a quick and final solution." There are men of strong feelings and conviction on these issues. They will demand to be heard.

More importantly, for those who feel that the Congress has a unique wisdom in these matters, I say also, "take another look at the problem."

Mr. President, I have not read the news clipping which has just been handed to me, but I have been aware of the fact that there have been consultations going on at the White House this afternoon. Some of us were there earlier today.

At 4 o'clock this afternoon labor and management met with the President. I am hopeful that the proposal which the President put before the labor-management group was accepted. It was a proposal, as I understand it, which included a special committee of labor, management, and Government to investigate into the facts of this situation once again, and to report to the President and the Congress. In the meantime, the carriers would withhold the imposition of new rules and the brotherhoods would restrain from refusing to work.

Now let us see what this news clipping says:

> President Kennedy announced late today that rail unions and management had accepted a new proposal that would prevent a railroad strike until at least July 29.

I am delighted. I cannot say how happy this news makes me.

Earlier today—at about 3 o'clock—I was in consultation with the Secretary of Labor. I had hoped that somehow or other this might come about. I met with some of the railroad brotherhood representatives this afternoon. After these meetings, it seemed to me that good sense could prevail. I am most gratified that it did.

The date has been postponed at least to July 29. This will give the American people, the executive branch, the Congress, management, and the brotherhoods an opportunity to take a sober and serious look at the implications of a breakdown in collective bargaining—a breakdown that the country cannot afford in terms of its economic growth, a breakdown the country cannot afford in terms of national security and national well being.

I think my remarks are rather timely. If I recall what we were discussing earlier—and I may have to stand corrected, since this is a very brief note I have just read from the newsticker—it was a committee of not less than six representing Government, management, and labor, to be called upon by the President to reexamine all the facets of this dispute and to report to the President and the Congress.

That committee would consist, I believe, of the Secretary of Labor, the Secretary of Commerce, the President of the American Federation of Labor–CIO, and one of the officers of one of the brotherhoods, probably Mr. Harrison, of the railroad telegraphers, and two members of management. This comes from the Labor-Management advisory panel to our Government.

Mr. President, I hope that is the situation. These details may be found to be inaccurate, because we have been consulting all day long, as have the Senator from Oregon [Mr. MORSE], the majority leader, the Senator from Alabama, and other Senators and Members of the House of Representatives.

My voice calls out for reason. I remember when the distinguished former majority leader, and now Vice President, LYNDON JOHNSON, used to say from this very seat, in the words of the prophet Isaiah, "Come, let us reason together."

If there ever was a time to use these words of the great prophet and teacher, it is now.

Let the carriers, management, and labor understand that we have come to grips now, for the first time on a national basis, with the impact of automation, technological improvement, and advancement, and that what is happening in the railroads can happen in a dozen or more major industries.

It is not easy for men at age 50, or age 40, to see a machine or device or electronic instrument take their jobs. Is it any wonder that they are concerned? Is it any wonder that workers almost lost the capacity to "Come, let us reason together"? So in the days ahead perhaps we not only may look at this dispute, which has, of course priority, but also prepare a way for looking at other disputes which may come before us.

I have just been handed a ticker tape which states that the Chief Executive has named six members of the Labor-Management Advisory Committee to investigate the dispute and, it states here, to report by July 22. The report will be transmitted with appropriate legislative recommendations by President Kennedy to Congress. The President said the postponement of work rules changes by the railroads would be the last request by the administration in the 4-year-old dispute.

There is a finality here, Mr. President. The date is July 22. This represents a 12-day period from now. Within that period of time some solution will have to be found.

I think those of us who have been in conference on this matter have proven that collective wisdom has advantages, if not collective wisdom, at least collective consultation. Now let us hope that the special committee of the labor-management advisory group to the President will be able to bring some light and some sense of vision to the carriers and to the brotherhoods. We must not sacrifice something we have been very proud of in America, our capacity to reconcile our differences voluntarily, without the imposition of Government dictation. Here is a chance to prove whether or not the firm pattern of labor-management negotiations we have followed over many years is right and sound, or whether we are going to have to forego it because men in responsible positions are unable to adjust their differences, and thereby fall back upon a Department of Government, or an officer of Government, to make their decisions for them.

I hope every lover of, and believer in, free enterprise will examine his own conscience and speak out. It would be much better for the carriers in this instance to make certain concessions to the requirements and the needs of human beings, who need jobs, and whose jobs are at stake, than for management or the carriers to rely upon the Government. Once again, in the words of the prophet Isaiah, "Come, let us reason together." For reason and good-will are the principal weapons that will ultimately resolve this 4-year dispute.

The capriciousness of final decision by political officers in economic matters such as these ought to be fully realized, and I believe it will be.

ENROLLED BILLS AND JOINT RESOLUTION PRESENTED

The Secretary of the Senate reported that on today, July 10, 1963, he presented to the President of the United States the following enrolled bills and joint resolution:

S. 292. An act for the relief of Yoo Chul Soo;

S. 312. An act for the relief of Danusoa Radochonski;

S. 380. An act to amend the Act of June 29, 1960 (Private Law 86–354);

S. 409. An act for the relief of Yeng Burdick;

S. 504. An act for the relief of Domenico Martino;

S. 535. An act to extend the principles of equitable adjudication to sales under the Alaska Public Sale Act;

S. 581. An act to amend the Agricultural Adjustment Act of 1938 to extend for two additional years the provisions permitting the lease of tobacco acreage allotments;

S. 686. An act for the relief of Millie Gail Mesa;

S. 735. An act for the relief of Peter Hopeton Maylor;

S. 762. An act to provide for increased wheat acreage allotments in the Tulelake area of California;

S. 787. An act for the relief of Zofia Miecielica;

S. 866. An act for the relief of Enrico Petrucci;

S. 969. An act to provide medical care for certain Coast and Geodetic Survey retired ships' officers and crew members and their dependents, and for other purposes;

S. 1031. An act to repeal the Inland Waterways Corporation Act; and

S.J. Res. 60. Joint resolution providing for acceptance by the United States of America an instrument for the amendment of the constitution of the International Labor Organization.

ADJOURNMENT

Mr. HUMPHREY. Mr. President, if there is no further business to come before the Senate, I now move, in accordance with the previous order, that the Senate stand in adjournment until 12 o'clock tomorrow.

The motion was agreed to; and (at 4 o'clock and 36 minutes p.m.), under the previous order, the Senate adjourned until tomorrow, Thursday, July 11, 1963, at 12 o'clock meridian.

EXTENSIONS OF REMARKS

Civil Rights: Peaceful Change or Social Revolution?

EXTENSION OF REMARKS
OF
HON. WILLIAM L. ST. ONGE
OF CONNECTICUT
IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 10, 1963

Mr. ST. ONGE. Mr. Speaker, under leave to extend my remarks, I wish to insert into the RECORD the text of an address I delivered last Friday, July 5, 1963, at an installation of officers meeting of Local 614, Boilermakers Union, New London, Conn. My remarks were devoted primarily to a discussion of the civil rights problems, and my views in dealing with this problem.

The address was as follows:

CIVIL RIGHTS: PEACEFUL CHANGE OR SOCIAL REVOLUTION?

(Address by Congressman WILLIAM L. ST. ONGE, of Connecticut, before the Boilermakers Union, Local 614, Friday, July 5, 1963, St. Bernard's High School, New London, Conn.)

If any of you think you have problems, I suggest that you consider for a moment the difficulties with which we are faced in Washington, problems on the international scene involving world peace and the security of our Nation, and problems at home which are no less serious. We have a difficult unemployment problem, inadequate housing, an economy that is held back by an outmoded tax structure, substandard educational facilities in many areas, rising hospital costs that worry our 18 million elderly citizens who need the security of medical care, water pollution and air pollution, and many others. But the most difficult of all problems with which we are confronted now is civil rights. I shall come back to that subject in a moment.

We cannot close our eyes and say these problems don't exist. We cannot ignore them and wish they would somehow disappear. We must meet them—and I think we are making sincere efforts to deal with them.

Our Government is making basic efforts to cut into the hard core of unemployment which, as you well know, now totals around 4 million persons. Already our economy is picking up, and I am hopeful that before very long we shall succeed in reducing the number of unemployed.

I would like to see early passage of a tax reduction bill in Congress which should be a great boon to our economy. It will encourage consumers to create new markets. It will encourage business to expand. All of this should help create more jobs.

I would like to see Congress approve the medicare bill to provide a program of health insurance under social security for our senior citizens. They are for the most part people of limited income, severely pressed by the high cost of living and the high cost of medical care. We must help them maintain a decent and dignified way of life in their declining years.

I would like to see the adoption of legislation to eliminate the classroom shortage in our schools, to pay our teachers more adequate salaries, to assist our colleges in accommodating the growing number of students, and to boost the number of doctors and dentists to provide better health care for our population.

I would like to see the continuation and expansion of our programs which make it possible for more people to own homes, for elderly people to have decent housing, for employees who are displaced by automation to be retrained for other skills, for workers to have a higher minimum wage, for areas eroded by poverty to receive help in rebuilding their economies, for a concentrated attack on air and water pollution, for protection of the American public against harmful drugs, and other programs of direct benefit to the people.

We must recognize that times change. We must also recognize that new problems will raise new challenges, and that new challenges demand new solutions. This great Nation of ours has been characterized throughout its history by its ability to adjust to changes and to meet whatever challenge arises. I am confident that we still have that ability.

Right now we are faced with a tremendous challenge in the field of civil rights. We cannot ignore the fact that we are in the throes of a great social change, some even refer to it as a social revolution.

Just 100 years ago, in 1863, Abraham Lincoln issued his Emancipation Proclamation assuring freedom and equality to all Americans. Now, a century later, some of our citizens are still deprived of these rights. In the South, as well as in other parts of the country, we have seen evidence in recent months of the impatience of the Negro people who are the victims of discrimination and racism. This impatience is expressed in the form of demonstrations, sitins, protests, appeals. As yet it has been of a nonviolent character, with a few exceptions. Let us hope it will remain so, for it will indeed be a dark and sad day for America if impatience gives way to riots and bloodshed.

Negro leaders themselves are showing signs of becoming seriously concerned over such developments. Only a few days ago, James Farmer, the national director of CORE—Congress of Racial Equality—one of the leading Negro organizations in the country, stated at the annual convention of the organization: "No one can stop the demonstrations. The question is: Can we keep them orderly and nonviolent?"

This is a matter to which Negro leaders should give much thought. Demonstrations can sometimes get out of control, and the consequences would then be most tragic for all concerned, Negro and white. Not only could it lead to loss of life and destruction of property, but it would alienate the sympathy of millions of white people throughout the country who support civil rights; it would bring much harm to the very cause for which Negroes are fighting and would set that cause back; and it would do irreparable harm to our Nation's prestige abroad. These are factors which should be seriously considered by Negro leaders in their efforts to keep the demonstrations from becoming destructive and violent. This is a responsibility which they must assume.

At the same time, the white people must realize that the Negro is tired of excuses and endless debates. He is alarmed, and even angry at times, when he sees that 100 years after the Emancipation Proclamation he is still far from obtaining rights of citizenship. He is still struggling for elemental justice, for the right to vote, the right to give his children an education, the right to decent housing, and equal opportunities for advancement in employment. White people, too, must assume their share of responsibility under such circumstances by showing understanding, by avoiding provocation, and by cooperating in the effort to attain civil rights for all Americans.

Let me make one point clear, however. We must recognize the right of Negroes for equal opportunities for obtaining a job, an education, proper housing, and so forth. Denying this right to them is indefensible. But granting a man a job merely because he is a Negro is also indefensible. Merit and ability should be the determining factors, and not the color of a man's skin, or his religious beliefs, or his national origin. All that we ask—and I am sure all that the Negroes themselves ask—is that they be given an equal opportunity, that the same yardstick that is applied to whites in employment, housing, education, public accommodations, and the like, should also be applied to them. That is a fair and just request.

At all levels of Government, Federal, State, county and municipal, we must work to find a peaceful solution to this problem which is without a doubt the overriding moral issue of our day. Americans must realize that the time for excuses and explanations has passed, and that the time for action is here. We must reexamine our sense of moral values and moral objectives. We cannot afford in good conscience to let the struggle of the Negro for true emancipation take place within a nation that seems to have forgotten its own moral values. President Kennedy, in his recent program to Congress on civil rights, has outlined the guidelines for a solution to this problem. Failure to accept this program will weaken the fabric of our Nation at a crucial time in human events when we need our full strength to cope with other domestic and international problems.

As I reflect over the struggle for civil rights, the thought comes to mind: Why this intolerance in this great country of ours toward the member of a minority group, toward the person who belongs to a different race or faith? Did we not all contribute of our brain and brawn to make the United States what it is today? Do we not all seek the security of our country, the welfare of

our Nation? I think of the children born in our country today, who in their formative years know neither prejudice nor hatred of their playmates. They are given by Almighty God inalienable rights of freedom and equality, which neither man nor law can take away from them or deny to them.

A nation that lives up to these rights and provides all of its citizens with the opportunity to enjoy them, is a happy and prosperous nation. A civilization or society that assumes the responsibility that what is granted to one will be granted to all, should have no fear that it cannot survive the onslaught of communism. It cannot be vanquished because its people have something to live by and to fight for.

To me, it stands to reason that in this crucial era for all of humanity this is certainly a time for all men of good will to unite, to set aside their petty bickering, to rise above partisan and geographical lines, and to go forward together in their efforts to achieve security and peace. Unfortunately, the civil rights issue serves to divide us, to weaken us, to arouse sectional strife, and to detract our attention from the real problems and dangers facing our country today. This is exactly what Khrushchev and his comrades in Moscow want—division in our ranks, chaos in our land, and our attention diverted to other matters, while they go about gobbling up nation after nation until we are ready to fall prey to their schemes. We fail to treat a deadly cancer, but worry over a cut on our finger.

This is a time that calls for balanced minds and clear vision to understand the human values behind the struggle for civil rights. It must be clearly understood that second-class citizenship for any segment of our population is no longer feasible or desirable. We have outlived those concepts. The world will no longer tolerate them. If there are any among us who doubt it, I urge you to look at developments in Asia and Africa where many new and independent nations have recently arisen. Just as colonialism is a thing of the past, so discrimination and second-class citizenship status are things of the past.

The sooner we realize this, the better for us. The longer we cling to outmoded concepts, the more we stand to lose.

It was one of your great labor leaders, Samuel Gompers, the founder and first president of the American Federation of Labor, who said:

"America is not merely a name. It is not merely a land. It is not merely a country, nor is it merely a continent. America is a symbol; it is an ideal; the hopes of the world can be expressed in the ideal—America."

That has been true all through our history. That is the image in which mankind has always regarded our Nation—the symbol, the ideal, the hope of humanity. The story of America over the past two centuries is the story of a growing and expanding nation where new opportunities have been opened up to more and more of its citizens, so that they can participate as equal partners in a free society—free also from discrimination. Instead of freedom from discrimination, some sections of our citizenry are suffering from an infection of discrimination which is sapping our strength, stunting our economic growth, and destroying our national unity.

Consider, for example, what discrimination in housing is doing to our cities, the decay it is causing both in human lives and in property. In a book by Howard Moody, called "The City: Metropolis or New Jerusalem?" published just a few months ago—we read as follows:

"A city is dying when it has an eye for real estate value, but has lost its heart for personal values; when it has an understanding of traffic flow, but little concern about the flow of human beings; when we have increasing competence in building, but less and less time for housing and ethical codes; when human values are absent at the heart of the city's decisionmaking, planning, and the execution of its plans * * * then the city dies and all that is left, humanly, is decay."

Unfortunately, this is the situation in many of our cities today, large and small, where Negroes and others are subject to discrimination in housing and to other indignities. I am opposed to such practices. I am opposed to treating Americans as second-class citizens by denying them basic rights enjoyed by all others. We must not recognize any caste system in the United States or the supremacy of one race over another. Such practices can never be justified in the light of our moral and democratic principles, because there is no moral justification for racial or religious discrimination.

This country is comprised of people from all corners of the earth, all races, religions, and nationality groups. All of them have made important contributions toward the growth of our country and the shaping of its destiny. To abuse our civil rights, to continue discriminatory practices against our fellow citizens, is most injurious to our way of life and to everything that this Nation has stood for and fought for in the last 2 centuries. It is intolerable at all times, it is morally wrong under any circumstances.

Somewhere recently I came across these lines by an American poet:

"Give us wide walls to build our temple of liberty, O God.
The North shall be built of love, to stand against the winds of fate;
The South of tolerance, that we may, in building, outreach hate;
The East our faith, that rises clear and new each day;
The West our hope, that even dies a glorious way.
The threshold 'neath our feet will be humility;
The roof—the very sky itself—infinity.
God, give us wide walls to build this great temple of American liberty."

My friends, for the sake of our great Nation and its future, we must build with love and tolerance; with faith in our country that it will remain the ideal and the hope of mankind, as visualized by Samuel Gompers; and with the firm belief in human brotherhood, freedom, and true understanding among the nations of the world. We cannot be wrong if we are on the side of God and man.

Arms Control and Disarmament Act Needs Larger Authorization

EXTENSION OF REMARKS
OF
HON. DONALD M. FRASER
OF MINNESOTA
IN THE HOUSE OF REPRESENTATIVES
Wednesday, July 10, 1963

Mr. FRASER. Mr. Speaker, I am introducing a bill to amend the Arms Control and Disarmament Act in order to increase the authorization for appropriations.

Several identical bills are pending before the Foreign Affairs Committee, as is the bill recently passed by the Senate. The Senate bill is not as favorable to the Arms Control and Disarmament Agency as some of us had hoped. The Agency intends to ask for an appropriation of $15 million for fiscal 1964, and the Senate bill set a ceiling of $20 million for 1964, and 1965 combined.

The year-and-a-half-old Agency has been the voice of the United States at the Geneva nuclear test ban talks, and the 18 nation disarmament conference. Subjects of its research include detection of underground explosions, the future effect of arms control on the electronics industry in the United States, and the development of international law.

The Agency's work will back up Under-Secretary of State Averell Harriman, in his talks with the British, and Russians in Moscow, starting July 15.

It has been argued that the Agency is still young, and that its growth should be slow. I do not think we can afford this leisure. If we are to find workable plans of arms control and disarmament, and if our negotiators are to be equipped to bargain in such a way as to increase our national security, we need a tremendous amount of research.

Fifteen million dollars a year is a tiny amount compared to our total defense expenditures, and yet the work of the Arms Control and Disarmament Agency is one of the most important parts of our defense program.

Beyond the question of dollar amounts, the Agency has asked for an elimination of the appropriation ceiling. The appropriations process would still take place each year, with a thorough review of the Agency's activities. This ceiling elimination would take away any doubt that the Agency's status is permanent, and would therefore be an important expression of this country's intention to persist in seeking carefully considered arms agreements.

Address by Hon. Carl Albert, of Oklahoma, Before the 50th National Convention of the National Rivers and Harbors Congress

EXTENSION OF REMARKS
OF
HON. JOHN W. McCORMACK
OF MASSACHUSETTS
IN THE HOUSE OF REPRESENTATIVES
Wednesday, July 10, 1963

Mr. McCORMACK. Mr. Speaker, in my extension of remarks, I include a very informative and effective speech made by the majority leader, the distinguished gentleman from Oklahoma [Mr. ALBERT], to the delegates and members attending the 50th National Convention of the National Rivers and Harbors Congress that took place at the Mayflower Hotel in Washington, D.C., on June 7, 1963. There is no more dedicated Member of Congress in all fields of legislative activity than the distinguished majority leader.

The address follows:

ADDRESS BY HON. CARL ALBERT OF OKLAHOMA

Mr. President, and ladies and gentlemen of the National Rivers and Harbors Congress, first of all, I would like to bring a word of

greeting from my colleagues in the House of Representatives all of whom are aware of the importance of the leadership which this organization has given to the development of our natural resources and particularly our water resources. Second, I would like to advise that the distinguished Speaker of the House of Representatives, the Honorable JOHN MCCORMACK, would personally have been here to extend a word of greeting and to deliver an address which he had prepared had it not been for illness in his family which required his return to Boston last night. All the Members of the Congress are aware of the impact which the work of this great organization has had upon the development of this country, because it has been during the lifetime of this organization that water conservation and resource conservation generally has become an important and ever-increasingly important fact in American life.

Today the impetus to proceed as quickly as we can with the development of our rivers and harbors in all aspects is proceeding. This means flood control, navigation, improved harbors, power, soil conservation, recreation, and wildlife. All these things, of course, add to the strength and to the opportunities of our American people. I congratulate, personally, this organization upon its work, upon the quality and character of its membership which reaches to every section of the United States and includes among its numbers high-ranking officials of government, State, National and local, and leaders in every walk of life.

In Oklahoma, we have become, as few other States, I think, water conscious. This has been due to several things. First, to the realization that we cannot any longer rely upon a tenant-farmer agricultural economy. Second, to the great leadership that the late Senator Kerr gave to this movement in our State and to the Nation. Bob Kerr, when he died, had reached a position of eminence in Government shared by few other men, in many areas, but the one which was nearest and dearest to his heart was that of the development of water resources, and it is largely because of the impact of his life that the great strides are being made now in my State and in my section of the country.

I am personally devoted to the ideals of this organization. I extend my thanks to you, as a Member of Congress, and my best wishes to you for this conference and for a successful year ahead. Thank you very much.

The Challenge To Our Nation's Defense Today

EXTENSION OF REMARKS

OF

HON. WILLIAM L. ST. ONGE

OF CONNECTICUT

IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 10, 1963

Mr. ST. ONGE. Mr. Speaker, under leave to extend my remarks, I wish to insert into the RECORD the text of an address which I delivered at the annual eastern regional convention of Submarine Veterans of World War II on Saturday evening, June 29, 1963. Several hundred delegates representing posts in States from Maine to Florida attended the convention which was held in New London, Conn., in my district. In my address I discussed two subjects: the role of the submariner in our national defense, and the challenge to our Nation's defense today.

It reads as follows:

ADDRESS BY CONGRESSMAN WILLIAM L. ST. ONGE, AT THE EASTERN REGIONAL CONVENTION, SUBMARINE VETERANS OF WORLD WAR II, MOHICAN HOTEL, NEW LONDON, CONN., SATURDAY, JUNE 29, 1963

Mr. Chairman, delegates to the convention, friends, I am extremely pleased to be here with you this evening and to extend a hearty welcome to all of you. I understand there are delegates here from Maine all the way down to Florida. As the Congressman from this district, I want to tell you that you could not have picked a nicer place for your convention at this time of the year than this fair city of New London. We are very happy to have you.

In my remarks here today I want to discuss with you two subjects. One, the role of the submariner in our national defense. Two, the challenge to our Nation's defense today. I shall be brief on both of these subjects.

During World War I, submarines were used primarily for defensive purposes, such as coastal patrol, attacks on German U-boats to keep shipping lanes open, etc. Although the First World War demonstrated the strategic effectiveness of the submarine, the United States did not start a major submarine building program until 1933 when the Roosevelt administration came into power. By December 1941—at the time of the Japanese attack on Pearl Harbor—we had 111 submarines in commission and 73 under construction. We had 51 active boats in the Pacific, against 83 submarines in the Japanese fleet.

The first attack by an American submarine against a Japanese ship was by the *Swordfish* in the South China Sea on December 9—2 days after Pearl Harbor. While it was never verified the *Swordfish* hit its target, our first real success came 5 days later when the same *Swordfish* sank an enemy ship. In fact, this was the first time in history that an American submarine torpedoed a ship.

During the first year of the war in the Pacific our small but growing fleet of submarines carried out many special missions, such as reconnaissance, evacuation of civilians, running supplies, and transporting commando raiders. No doubt some of you folks present here today participated in such missions.

Only eight of our boats were on full-time anti-shipping duty; consequently, we had only limited success in sinking enemy ships. In that first year our boats sank 600,000 tons of enemy shipping—which is a considerable amount—but the total Japanese merchant fleet was estimated at over 6 million tons. As our submarine fleet grew larger, Japanese shipping losses also grew larger and reached a critical stage. Our submarines turned their attention also on Japanese warships, particularly destroyers, a chief enemy of submarines.

It is a fact that more enemy destroyers were sunk by our submarines than by any other means. In all, we know that American submarines destroyed two-thirds of the enemy merchant fleet and one-third of his navy. Let me say at this point, in tribute to the gallant men in our submarine service during World War II, that theirs was an extremely hazardous service with a death rate of about one out of every five men. This is the kind of bravery and heroism for which our Nation is eternally grateful—and in this spirit of appreciation I salute you today.

In World War II we used the submarine in much the same manner as it was used by the Germans in World War I; namely, to cripple the enemy's lifelines on the seas. Since the end of World War II the role of the submarine has changed. Great developments have taken place in submarine technology. There has also been a change in the potential threat in the development of a large Soviet submarine fleet. This has resulted in an effort to make the submarine an important aspect of anti-submarine warfare. The change or reorientation of our submarine mission began in 1949, when we first realized that the Soviet Union is vastly increasing its submarine fleet and that it constitutes a potential threat to our naval power and sea communications around the world.

That change has been going forward since then. I am sure I am not disclosing any secrets when I tell you that every attack submarine in our Navy today has anti-submarine warfare as a primary mission. These are mainly nuclear-powered ships; they are fast; they are maneuverable; and they have new advanced underwater sensing devices.

There is another role performed by the submarine—a role unheard of even in 1949, less than 15 years ago. I refer to the role of the submarine as a sea-based strategic missile system. The latest in submarine technology, combined with the most advanced missile development, produced the Polaris-firing nuclear-powered fleet ballistic missile submarine. We now have 12 such submarines in commission, and 23 under construction or authorized for construction—a total of 35 of these submarines. May I add that these figures were given me by the Navy Department and they are not classified. Thus you can see that we are gradually building up the most formidable offensive second-strike deterrent weapons in existence.

And these is another change to be noted here—a change that is no less important. I refer to the life and the role of the submariner today which has also changed greatly. Although there is the same informality among the officers and men, the same esprit de corps as in the past, living conditions have improved and the technical demands on the crew are much higher. Being constantly submerged for 60 days is the standard patrol of the Polaris submarines. The old submarines designed in the 1920's and used in World War II could stay submerged under the most favorable conditions for 24 hours. They were noisy, poorly ventilated, cramped for space, and always in need of repair. On modern submarines space is still at a premium, but much more attention has been given to comfort and surroundings, and the air is purer.

Even though it is peacetime and underwater patrols are much longer than before, we have more men who volunteer for submarine service than we can accept. The training is much more rigorous today. The enlisted man on the ballistic missile submarine requires about 6 months duty both ashore and at sea before he can attain qualification status. The officer requires a whole year. Engineering personnel get an additional 13 months of schooling. These men are highly trained technicians in a perpetual training process to master their jobs and the ever-changing equipment.

There must be something to a service which can arouse so much interest and devotion, so much loyalty and heroism, both in time of war and in time of peace, as the submarine service. You men who have been in it, and those who followed you, deserve recognition for the sacrifice and the patriotism you have demonstrated. Yours is not the patriotism of merely marching behind a band or lighting fireworks one day in the year. It is much more than that. It is the very defense of the flag and the Nation, of which you are a part; it is the spirit of the people who unselfishly devoted themselves to the cause of freedom. Your patriotism is the love for your country, the respect for its traditions, the honor of its people. Your patriotism was standing tall and unafraid against all enemies, ready to sacrifice oneself, if need be.

So much for the role of the submarine and submariner. Now, let us turn to our second

topic, the challenge to our Nation's defenses today.

Several days ago, we passed in the House of Representatives the defense appropriation bill which provided $47 billion for our Nation's defenses in the coming year. I must admit that when my name was called and I voted "yea" for the bill, I felt a certain degree of excitement. After all, I am voting to spend a tremendous amount of the taxpayers' money. This is no small sum—$47 billion is just about half of the country's entire budget. And that in itself shows you how much of our expenditures is used for defense purposes. This is one need where we cannot and dare not economize, because the security of the Nation is most important to us all.

This is the legislation which enables the United States to maintain its position of military superiority over the Soviet Union. I can assure you that the military strength of the United States has reached an all time high—it is greater today than ever before. True, military strength in itself will not necessarily insure peace, but insofar as such strength can serve to avert and deter war, our country has what it takes. And that should be an encouraging factor to all of us here and to peace-loving people all over the world.

The primary object of our defense program is to deter war and to support all efforts for peace. There will undoubtedly be small-scale, limited wars, and perhaps even somewhat larger general wars in one part of the world or another. This is something we must learn to live with in the modern world. We cannot rule them out, but we can and definitely will exert every effort to make sure that they do not spread into a new world conflagration. Both sides are keenly aware that a global war would mean suicide for the whole human race. While both have developed weapons of total destruction, we pray that reason will prevail and the world will remain at peace.

But we cannot afford to sit idly back and to wait for events to take shape, and then merely react to them. We cannot close our eyes to the deception, the conspiracies and the subversion practiced by communism all over the world, including 90 miles from our shores in Cuba. In the light of such Communist tactics and activities everywhere, we must ask ourselves: Is the world any calmer today than it was a year or two ago? Is there less chance for Communist aggression against the free world today? I don't think so. I do not believe that they have changed their aims one iota—they are still out to conquer the world. They may differ on tactics, but the goal remains the same.

This is the challenge that we, as a Nation, face today on a global scale. In dealing with this challenge, we have begun to reorient our strategy and our tactics during the past two and a half years under the Kennedy administration, so as to correspond with the hard facts of international developments. We are doing it in three ways, or perhaps more correctly on three fronts.

First is our atomic power. We must continue to rely on nuclear weapons, even if it is for the purpose of convincing a would-be aggressor that he could not emerge victorious in a war of his own instigation. We do not want any miscalculation in this respect. Any potential adversary of the United States should know that we have such weapons, that we have them in large supply, and that we are keeping them up to date. We want the rest of the world to know, however, that we will not use our atomic power, except in certain emergencies and under certain circumstances. We shall use such power only as a last resort, after all human logic and reason will have been exhausted or flagrantly ignored by a cocky aggressor.

Second is our conventional power. We must retain this power. Although conventional weapons play a less dominant role in the modern world, we cannot allow such power to diminish. On the contrary, we are continuing to strengthen our conventional weapons and to increase our Ready Reserve of trained manpower. If we do not have this power, we may someday be faced with a nightmarish choice: Either resort to the use of all-out nuclear retaliation, or retreat. I hope we are never confronted with such a choice.

The growth in our conventional strength is also important for the small-scale, sagebrush wars which break out from time to time in various countries at the instigation of the Communists. We cannot, nor do we wish to, use nuclear weapons in such instances. For many of the smaller nations associated with us in the struggle against international communism, the fact that we are increasing our conventional forces should be encouraging news. It will assure effective support in dealing with Communist subversion, provocation, and conspiracies.

Third is the power provided by our guerrilla forces. These forces are not only growing in number and steadily improving their counterinsurgency tactics, but I can tell you that this is becoming a most important factor in our defense picture. In the last 2 years the United States has tripled its antiguerrilla forces, and I can assure you that they will be further increased in the coming years. This, too, is an effort in the direction of preventing or confining limited wars and acts of subversion, and as such it will help strengthen and improve the military defense of our friends abroad in accordance with their needs.

These, then, are three fronts on which we are active today in reorienting our military strategy and tactics. These three types of power—atomic, conventional, and guerrilla—provide the leaders of our Nation with a flexibility of decision as to when to use any of these forces, and also which of these forces should be applied to deal with a particular situation or challenge.

We are not a nation to start a war, but we want to be sure that we shall have all possible power needed for any emergency. I feel confident that in a test of strength, we would ultimately prevail and emerge victorious. But this should not stop us from seeking a peaceful solution to international problems and the attainment of genuine peace for all mankind. Deputy Secretary of Defense Roswell L. Gilpatric stated our position very clear when he said about a year ago: "Those who would impose a totalitarian world order and deny men and nations the right to pursue their own destinies should understand one point very clearly. The United States does not seek to resolve disputes by violence. But if forceful interference with our rights and obligations shall lead to violent conflict—as it well might—the United States does not intend to be defeated."

All of us are deeply concerned about the security of our country, the security of the whole free world. We want our Nation to remain strong and free and united in order to be able to meet any challenge or any threat to destroy us. The nations of the world look to us for guidance and leadership in this crucial period of human affairs. We must give it to them. We must provide the strength, the ideas, the unity, and the action in the struggle against communism. We must have faith in our Nation and faith in ourselves. We must have leadership by men of strong faith and vision to look ahead.

"Where there is no vision, the people perish," the Bible tells us. Let us remember that admonition. The future of our Nation is at stake.

I want to conclude with the following by an unknown author:

"I asked God for strength, that I might achieve;
I was made weak, that I might learn humbly to obey.

I asked for health, that I might do greater things;
I was given infirmity, that I might do better things.

I asked for riches, that I might be happy;
I was given poverty, that I might be wise.

I asked for power, that I might have the praise of men;
I was given weakness, that I might feel the need of God.

I asked for all things, that I might enjoy life;
I was given life that I might enjoy all things.

I got nothing that I asked for, but everything I had hoped for;
Almost despite myself, my unspoken prayers were answered.

I am, among all men, most richly blessed."

My friends, we too in this country can truthfully say that our prayers were answered, that among all men and all nations we are most richly blessed. We have been endowed by our Creator with a wonderful people, a beautiful land, great resources, and the best example in all history of a just government by law. Let's make sure that we keep it that way.

Congressional Reorganization

EXTENSION OF REMARKS
OF
HON. ALPHONZO BELL
OF CALIFORNIA
IN THE HOUSE OF REPRESENTATIVES
Wednesday, July 10, 1963

Mr. BELL. Mr. Speaker, continuing reorganization of Government for reasons other than accommodation of power rivals is a necessity in democratic societies. Popular compromise legislation inevitably creates inefficient laws and procedures. Can a democratic government reorganize itself at anything like the speed with which it disorganizes itself? Our future depends on an affirmative answer. To take initiative in this field and to deserve the right to make meaningful demands on the executive and judicial branches, Congress must begin with its own administration. Following is a bibliography which I have obtained from the Library of Congress dealing with books and articles dealing with this subject:

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Mr. Speaker, one of the bills which has my support as part of a long-range congressional reform program is the following bill which is currently being considered in committee:

H.R. 1947

A bill to establish a Commission on the Organization of the Congress

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That there is hereby established a Commission on the Organization of the Congress (hereinafter referred to as the Commission) to be composed of seven Members of the Senate (not more than four of whom shall be members of the majority party) to be appointed by the President of the Senate, seven Members of the House of Representatives (not more than four of whom shall be members of the majority party) to be appointed by the Speaker of the House of Representatives, and two members with distinguished records of interest in public affairs to be appointed by the President of the United States without regard to political affiliation. The Commission shall select a Chairman and a Vice Chairman from among its members. No recommendation shall be made by the Commission except upon a majority vote of the members representing each House, taken separately.

SEC. 2. The Commission shall make a full and complete study of the organization and operation of the Congress of the United States and shall recommend improvements in such organization and operation with a view toward strengthening the Congress, simplifying and expediting its operations, improving its relationships with other branches of the United States Government, and enabling it better to meet its responsibilities under the Constitution. This study shall include, but shall not be limited to, the organization and operation of each House of the Congress; the relationship between the two Houses; the relationships between the Congress and other branches of the Government; the employment and remuneration of officers and employees of the respective Houses and officers and employees of the committees and Members of Congress; the structure of, and the relationships between, the various standing, special, select, and conference committees of the Congress, the rules, parliamentary procedure practices, and/or precedents of either House, the consideration of any matter on the floor of either House, and the consolidations and reorganization of committees and committee jurisdictions.

SEC. 3. (a) The Commission, or any duly authorized subcommittee thereof, is authorized to sit and act at such places and times during the sessions, recesses, and adjourned periods of the Congress, to require by subpena or otherwise the attendance of such witnesses and the production of such books, papers, and documents, to administer such oaths, to take such testimony, to procure such printing and binding, and to make such expenditures as it deems advisable.

(b) The Commission is empowered to appoint and fix the compensation of such experts, consultants, technicians, and clerical and stenographic assistants as it deems necessary and advisable.

(c) The expenses of the Commission which shall not exceed $, shall be paid one-half from the contingent fund of the Senate and one-half from the contingent fund of the House of Representatives, upon vouchers signed by the Chairman.

(d) The Commission shall report from time to time to the Senate and the House of Representatives the results of its study, together with its recommendations, the first report being made not later than four months after the Commission is established. If the Senate, the House of Representatives, or both, are in recess or have adjourned, the report shall be made to the Secretary of the Senate or the Clerk of the House of Representatives, or both, as the case may be. All reports and findings of the Commission shall, when received, be referred to the Committee on Rules and Administration of the Senate and the Committee on Government Operations of the House.

Invitation to Moscow

EXTENSION OF REMARKS
OF
HON. ROMAN C. PUCINSKI
OF ILLINOIS
IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 10, 1963

Mr. PUCINSKI. Mr. Speaker, throughout history, the most serious diseases which threatened the lives of the people could not always be diagnosed by physicians. Effective means of preventing the contagion from spreading were often extremely difficult to prescribe.

Much the same danger threatens the freedom and vital interests of the American people today because it is not easily diagnosed and because our common enemy takes many uncommon shapes.

Recognizing the threat to our security, we have stockpiled reserves of nuclear weapons; we have spared no expense in our efforts to be first in the conquest of space and related technology; we have contributed more than $100 billion in aid to 98 countries and territories over the past 15 years to strengthen our barriers against Communist aggression.

And yet, there are many who believe we are no safer or nearer our goal which is the preservation of life in peace and justice for ourselves and all the world.

Why this feeling of uneasiness and insecurity? Because, in our determination not to be the first power to unleash the hurricane winds of nuclear war, many are not always able to recognize the strategy of those who announce openly, "We shall bury you."

There are very few people in the world today who have as thorough a knoweldge of enemy strategy than Zbigniew Stypulkowski, author of an excellent book titled, "Invitation to Moscow" who presently is visiting the United States.

Mr. Stypulkowski, once a prominent lawyer in Warsaw and the youngest Member ever elected to Poland's Parliament, rose to be one of the national leaders of Poland in her fight against the invasions of Hitler and Stalin during World War II. In March 1945, with 15 other members of the Polish underground government, he was invited by Stalin to come to Moscow for negotiations concerning future relations between the Polish people and the Soviets based on the newly signed Yalta Agreement.

When the Western governments learned of this invitation, they urged that it be accepted because they saw in it the salvation of Poland and a token of good will on the part of the Soviet Government. It was all, however, a typical Stalin fraud. The Polish leaders including Mr. Stypulkowski, were kidnapped to Moscow and jailed in the infamous Lubianka prison.

Stypulkowski was submitted to 141 interrogations in the course of 70 days and nights and then sentenced by the Military Collegeum of the Supreme Court of the U.S.S.R. He never broke down and never admitted "guilt." Rudenko, the present Soviet Attorney General, told him at the conclusion of the investigation:

It will be the first time since the Soviet revolution that a defendant tried in the Supreme Court of Justice of the U.S.S.R. has not pleaded guilty. Do you think you are acting wisely?

Eventually, Stypulkowski regained his freedom and is now in the West. He rendered a great service not only to his country but also to the cause of the defense of the free world when, in 1951, he published his book, "Invitation to Moscow." This book, now translated in many languages, based not on theory but on personal, practical experience gives a masterful description of the nature and the effects of the Stalin brainwashing technique.

"Invitation to Moscow" is now being quoted in scientific, political, sociological and medical literature throughout the world. When it was published in 1951, Newsweek wrote about it as follows:

Throws an amazingly vivid light upon modern Russia. * * * So enlightening as to be almost essential for an understanding of the modern world.

The noted British statesman, Richard H. S. Crossman, wrote in "New Statesman and Nation";

One of the most remarkable documents I have ever read. * * * Makes Koestler's "Darkness at Noon" sound like a clever pastiche.

I will also quote John Connell from London Evening News:

I hail his courage, his honesty, his humility and his quenchless faith; and I urge everyone to read this book. * * *

In 1954 the Select Committee on Communist Aggression, appointed by the House of Representatives, had a long interview with Mr. Stypulkowski in London. His evidence aroused a most vivid interest among the members of the committee. I quote some of their opinions from the official record of the meeting:

Congressman Fred E. Busbey of Illinois. I personally think that your testimony today is without a doubt probably the best testimony on this particular subject * * * that has been brought to the attention not only of the congressional committee but also of the entire free world.

Congressman RAY MADDEN of Indiana. I think, Mr. Chairman, that Mr. Stypulkowski's testimony is so valuable that * * * it could be used very advantageously by this committee and by our Government.

Congressman Thaddeus Machrowicz of Michigan. Most of the testimony he [Mr. Stypulkowski] has given today is contained in a splendid book which he has written, "Invitation to Moscow," and I think it would be well if we were to make it compulsory reading for anyone who accepts, or is offered, an invitation to Geneva, Berlin, or anywhere else to deal with the Communists."

Congressman THOMAS DODD of Connecticut. It, this book, certainly ought to be a valuable contribution to everyone's understanding about the situation.

The CHAIRMAN (Congressman Kersten). Mr. Stypulkowski * * * you have made a great contribution, and I particularly think that you underlined a feature which is most important for us to consider.

A few months ago, there appeared a new edition of the book "Invitation to Moscow," published by Walker & Co. This gave me the opportunity to re-read it and to review its meaning. I am following the advice of those whose statements I have quoted, and I call upon every thinking American to become acquainted with the contents of this book. I recommend our educational institutions, armed services, information services, make the book "Invitation to Moscow" accessible to all Americans, as well as those foreign societies toward which Communist "brainwashing" is mainly directed.

In support of my opinion, may I be permitted to recall that two outstanding Members of Congress in 1951–52, introduced for insertion in the CONGRESSIONAL RECORD a recommendation regarding "Invitation to Moscow." They were: President Kennedy and former Vice President Richard M. Nixon.

I would hope that our military leaders would heed the wise counsel of President Kennedy and former Vice President Nixon by making "Invitation to Moscow" required reading for all of our troops.

For, if we refrain from exposing and critically examining the published techniques of Communist strategy and if we neglect to instill the virtues of patriotism, religious feeling, and a deep-rooted sense of honor in our people we will not achieve the peace and justice for which we yearn and which we owe to future generations.

SENATE

THURSDAY, JULY 11, 1963

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

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

Father of all mercies, away from Thee, we dwell in darkness and death. In the midst of world conditions that baffle us, swift social currents which sweep away our strongest bulwarks, we confess that the world in which our lot is cast is too much for us; we must find a strength not our own, or our feet will slip in this whelming flood.

To Thy sustaining grace in this hallowed moment we would lift up the thronging questions which haunt us day and night, the grievous problems affecting and afflicting Thy children in all the world, for which our human wisdom finds no answer.

We pray that Thou wilt gird us to heal the divisions which shorten the arm of our national might in these momentous times. Spurning and scorning the poisonous weeds in the garden of democracy, may we rejoice only in the fair and fragrant virtues of honor untarnished.

In the dear Redeemer's name we ask it. Amen.

THE JOURNAL

On request of Mr. MANSFIELD, and by unanimous consent, the reading of the Journal of the proceedings of Wednesday, July 10, 1963, was dispensed with.

MESSAGES FROM THE PRESIDENT

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

EXECUTIVE MESSAGES REFERRED

As in executive session,

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

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

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Hackney, one of its