

BRIDGEPORT, CONN.,  
December 10, 1963.

EDITOR, THE WASHINGTON POST,  
Washington, D.C.

SIR: I must strongly protest to the editorials attacking the erection of the monument to Taras Shevchenko. Your notion that this monument was supported by a very small group of Ukrainians is very mistaken.

For a Ukrainian, Shevchenko is a symbol of freedom of mind and spirit, strength, love for humanity, and good will personified. For us Shevchenko represents a tie between the native country we had to leave behind and our new home, which share the same ideals.

I believe that if you would avail yourself of literature, which was published in the West, you would not base your opinions on a magazine like the U.S.S.R., or interviews with Soviet officials. I believe that you would be working for, not against, the cause of Americans of Ukrainian descent.

Yours truly,

OKSANA SHUST.

BUFFALO, N.Y.,  
December 9, 1963.

EDITOR, THE WASHINGTON POST,  
Washington, D.C.

SIR: It was a regrettable and a deep disappointment to read the remarks in your newspaper about Shevchenko.

Sir, it seems to me that your source of information was rather circumstantial than factual, stating that a small group of Ukrainians supported this drive for the erection of the monument.

Moreover, it is unforgivable to use Communist propaganda material and interviews with Communist officials for this purpose.

Sir, have you learned nothing as yet from the past?

How much does one trust the people that broke so many treaties since the end of World War II? Why not base your work on literature on Shevchenko published in this country?

The man that your paper is degrading stood up for freedom which is a part of our great Nation's tradition.

Why is your paper retreating from this tradition?

Let the torch of freedom be alight all over the world not subdued by ignorance, biased opinion, and hatred.

Very truly yours,

MARK J. STASIUK.

ROCHESTER, N.Y.,  
December 9, 1963.

EDITOR, WASHINGTON POST,  
Washington, D.C.

SIR: Taras Shevchenko is one of the greats of world history. Alien oppression has impeded his name to be known the world over, but known it will be because the principles for which Shevchenko stood and for which he suffered are the principles of liberty and human rights. They happen to be the same as those which we cherish and live by in this country.

Sincerely,

O. M. BILANIUK, Ph. D.  
Assistant professor of physics.

DECEMBER 9, 1963.

EDITOR, WASHINGTON POST,  
Washington, D.C.

DEAR SIR: We, Ukrainian-American businessmen in New York, cannot comprehend why you permitted such unjustified and unfounded defamation on the pages of your newspaper of the great man Taras Shevchenko, who suffered, fought, and gave his life for freedom.

The name of Taras Shevchenko is known all over the world. We would therefore advise you to look him up in the libraries not only in the United States, but also in many other countries, where you will certainly find many works in various languages written about Taras Shevchenko by non-Ukrainians—this would enable you to fill the blank spots which you have about this poet. You would then be convinced by non-Ukrainian historians and men of letters, and perhaps apologize for the uncalled-for treatment you have given him. To the Ukrainians, Shevchenko is the same kind of fighter for freedom as George Washington to the Americans. Proof of this can be found in the hundreds of thousands in contributions given by thou-

sands of Ukrainians to erect a monument to Taras Shevchenko in Washington, D.C.

Very truly yours,

ROMAN KRUPKA,  
President.  
IRENE HOSHOWSKA,  
Secretary.

BROOKLYN, N.Y.,  
December 9, 1963.

EDITOR, THE WASHINGTON POST,  
Washington, D.C.

DEAR SIR: We have considered the Washington Post to be a better newspaper, dedicated to promote knowledge and truth among the people. However, recently we were very disappointed to find several articles attacking the erection of the Shevchenko Monument. These articles based on unilateral information or rather misinformation, hurt the feelings of many, many people because Taras Shevchenko has the same significance to a Ukrainian that George Washington has to an American. The ancient Romans used to say in such cases: "Audi alteram partem."

We hope that you take that advice, especially when you intend to write an editorial about Taras Shevchenko.

Very truly yours,

Dr. & Mrs. ROMAN DZIADIW.

STATE UNIVERSITY COLLEGE,  
Oswego, N.Y., December 9, 1963.

EDITOR, THE WASHINGTON POST,  
Washington, D.C.:

With reference to your recent editorials concerning the Shevchenko Monument permit me to express my view. I am familiar with Shevchenko's life and writings and I think that he was a great poet and, above all, a great freedom fighter. A monument to him would symbolize the universality of human striving for freedom. The American revolution had—and continues to have— repercussions all over the world. It can be shown that Shevchenko's writings and struggles were inspired by the same spirit that animated American revolutionaries and that they are worthy expressions of it.

Sincerely yours,

R. TRATCH,  
Assistant professor.

## SENATE

TUESDAY, JANUARY 14, 1964

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

Rev. O. P. Kretzman, D.D., of the Lutheran Church, president, Valparaiso University, Valparaiso, Ind., offered the following prayer:

Lord God Heavenly Father, by whose advice and consent our fellow citizens have called us to the honorable and difficult office of Senator, we thank Thee for the blessings which Thou hast bestowed upon us. As we come to Thee today, we are aware of the tremendous responsibilities and difficulties of our task. We seek security in a world of anxiety. We seek hope in a world of fear. We seek peace in a world of hate. Great and far-reaching worldwide problems lie before us. But Thou hast not sent us here to voice our doubts and fears and misgivings. Great or small, we are Thy servants, charged by Thee, with responsibilities which Thou hast not chosen to lay upon other men. We are grateful for Thy confidence and determined by

Thy grace to prove worthy of it. Give us, therefore, warm and understanding hearts, clear and honest minds, sober and careful speech and a great measure of patience with each other, with our critics and with all whom in Thy name we seek to serve.

Help us to remember, O Lord, in this election year that we must deserve Thy approval before we can seek the approval of our fellow citizens and that Thou wilt judge us not by the margin of our defeat or victory but by the day-by-day faithfulness with which we discharge the duties of our office while we hold it. Lest we suppose that tomorrow will be soon enough to do the right thing, keep before us the memory of colleagues and friends for whom tomorrow never came. In this spirit we remember especially today the unfinished tasks of Thy servant, John F. Kennedy.

Bless, as Thou hast blessed us so many years, this country and its people. Let not Thy blessings tempt us to pride. Let not Thy chastisement tempt us to doubt Thy love and providential care. Unite us in love for each other and concern for all men; and in obedience to Thy will, let Thy work appear unto Thy serv-

ants and Thy glory unto their children. And let the beauty of the Lord our God be upon us and establish Thou the work of our hands upon us; yea, the work of our hands, establish Thou it. Amen.

### THE JOURNAL

On request of Mr. MANSFIELD, and by unanimous consent, the reading of the Journal of the proceedings of Friday, January 10, 1964, was dispensed with.

### ATTENDANCE OF SENATORS

The following additional Senators attended the session of the Senate today:

E. L. BARTLETT, a Senator from the State of Alaska; HIRAM L. FONG, a Senator from the State of Hawaii; J. W. FULBRIGHT, a Senator from the State of Arkansas; BARRY GOLDWATER, a Senator from the State of Arizona; BOURKE B. HICKENLOOPER, a Senator from the State of Iowa; MAURINE B. NEUBERGER, a Senator from the State of Oregon; STUART SYMINGTON, a Senator from the State of Missouri; and STROM THURMOND, a Senator from the State of South Carolina.

## 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—ENROLLED JOINT RESOLUTION SIGNED

A message from the House of Representatives, by Mr. Hackney, one of its reading clerks, announced that the Speaker had affixed his signature to the enrolled joint resolution (S.J. Res. 136) providing for renaming the National Cultural Center as the John F. Kennedy Center for the Performing Arts, authorizing an appropriation therefor, and for other purposes, and it was signed by the President pro tempore.

## LIMITATION ON STATEMENTS IN MORNING HOUR

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

## COMMITTEE MEETING DURING SENATE SESSION

On request of Mr. MANSFIELD, and by unanimous consent, the Senate Committee on Rules and Administration was authorized to meet during the session of the Senate today.

## EXECUTIVE COMMUNICATIONS, ETC.

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

## REPORT OF GEORGETOWN BARGE, DOCK, ELEVATOR AND RAILWAY COMPANY

A letter from the President, Georgetown Barge, Dock, Elevator and Railway Company, transmitting, pursuant to law, a report of that Company, for the calendar year 1963; to the Committee on the District of Columbia.

## REPORT OF NATIONAL CAPITAL PLANNING COMMISSION

A letter from the Chairman, National Capital Planning Commission, Washington, D.C., transmitting, pursuant to law, a report on lands acquired by that Commission, during fiscal year 1963 (with an accompanying report); to the Committee on the District of Columbia.

## REPLY OF AGENCY FOR INTERNATIONAL DEVELOPMENT TO REPORT OF COMPTROLLER GENERAL

A letter from the Director, Congressional Liaison, Agency for International Development, Department of State, Washington,

D.C., transmitting, for the information of the Senate, a copy of that Agency's reply to the Comptroller General on his report dated October 7, 1963, on Inadequate Controls for Determining Compliance by Foreign Governments With Restrictions Placed on the Disposition of Agricultural Commodities Made Available Under Title I, Agricultural Trade Development and Assistance Act of 1954 (with an accompanying paper); to the Committee on Government Operations.

## REPORT ON IMPROPER DISPOSITION OF REFUNDS OF GROUP INSURANCE PREMIUMS BY GRUMMAN AIRCRAFT ENGINEERING CORP.

A letter from the Comptroller General of the United States, transmitting, pursuant to law, a report on the improper disposition of refunds of group insurance premiums by Grumman Aircraft Engineering Corp., Bethpage, N.Y., Department of the Navy, dated January 1964 (with an accompanying report); to the Committee on Government Operations.

## REPORT ON INADEQUATE MANAGEMENT ACTION TO AVOID EXCESSIVE COSTS OF MILK PROCUREMENT BY HOSPITALS AND DOMICILIARIES, VETERANS' ADMINISTRATION

A letter from the Comptroller General of the United States, transmitting, pursuant to law, a report on the inadequate management action to avoid excessive costs of milk procurement by hospitals and domiciliaries, Veterans' Administration, dated January 1964 (with an accompanying report); to the Committee on Government Operations.

## REPORT ON INCREASED COSTS RESULTING FROM THE PROCUREMENT OF SPARE PARTS UNDER CONTRACTS FOR RELATED AERONAUTICAL EQUIPMENT

A letter from the Comptroller General of the United States, transmitting, pursuant to law, a report on increased costs resulting from the procurement of spare parts under contracts for related aeronautical equipment, Department of the Air Force, dated January 1964 (with an accompanying report); to the Committee on Government Operations.

## REPORT ON TORT CLAIMS PAID BY DEPARTMENT OF JUSTICE

A letter from the Assistant Attorney General, U.S. Department of Justice, transmitting, pursuant to law, a report on tort claims paid by that Department, during fiscal year 1963 (with an accompanying report); to the Committee on the Judiciary.

## ADMISSION INTO THE UNITED STATES OF CERTAIN DEFECTOR ALIENS

A letter from the Commissioner, Immigration and Naturalization Service, Department of Justice, transmitting, pursuant to law, copies of orders entered granting admission into the United States of certain defector aliens (with accompanying papers); to the Committee on the Judiciary.

## REPORT ON ACTIVITIES OF JOINT COMMITTEE ON DEFENSE PRODUCTION

The PRESIDENT pro tempore laid before the Senate a letter from the vice chairman of the Joint Committee on Defense Production, Congress of the United States, Senator A. WILLIS ROBERTSON, transmitting, pursuant to law, the 13th annual report of the activities of that Joint Committee, with material on mobilization from departments and agencies, which was ordered to be printed, with illustrations.

(See H. Rept. No. 1095, 88th Cong., 2d sess.)

## REPORT ON DISPOSITION OF EXECUTIVE PAPERS

Mr. JOHNSTON, from the Joint Select Committee on the Disposition of Papers in the Executive Departments, to which was referred for examination and recommendation a list of records transmitted to the Senate by the Archivist of the United States, dated January 8, 1964, that appeared to have no permanent value or historical interest, submitted a report thereon, pursuant to law.

## BILLS AND JOINT RESOLUTIONS INTRODUCED

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

By Mr. HARTKE:

S. 2421. A bill to amend title II of the Social Security Act so as to provide that child's insurance benefits may be continued after age 18 in the case of children who are regularly attending high school; to the Committee on Finance.

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

By Mr. KEATING (for himself, Mr. DOUGLAS, Mr. ALLOTT, Mr. BENNETT, Mr. CASE, Mr. CURTIS, Mr. DOMINICK, Mr. ERVIN, Mr. LAUSCHE, and Mr. MILLER):

S. 2422. A bill to amend the International Claims Settlement Act of 1949, as amended, to provide for submission of certain claims agreements to the Senate for its advice and consent; to the Committee on Foreign Relations.

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

By Mr. BREWSTER:

S. 2423. A bill relating to the effective date of the qualification of Sheet Metal Workers Local Union No. 122 Pension Fund as a qualified trust under section 401(a) of the Internal Revenue Code of 1954; to the Committee on the Judiciary.

By Mr. DODD:

S. 2424. A bill for the relief of Mrs. Margarida Rodrigues da Silva; to the Committee on the Judiciary.

By Mr. KEATING (for himself and Mr. JAVITS):

S.J. Res. 144. Joint resolution for the relief of certain Yugoslav refugees; to the Committee on the Judiciary.

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

By Mr. HOLLAND (for himself and Mr. SMATHERS):

S.J. Res. 145. Joint resolution commemorating the golden anniversary of the Naval Air Station, Pensacola, Fla., and authorizing the design and manufacture of a galvano in commemoration of this significant event; to the Committee on Banking and Currency.

## RESOLUTIONS

## AUTHORIZATION FOR COMMITTEE ON BANKING AND CURRENCY TO MAKE CERTAIN INVESTIGATIONS

Mr. ROBERTSON (for himself and Mr. BENNETT) submitted the following resolution (S. Res. 256); which was referred to the Committee on Banking and Currency:

Resolved, That the Committee on Banking and Currency, or any duly authorized

subcommittee thereof, is authorized under sections 134(a) and 136 of the Legislative Reorganization Act of 1946, as amended, and in accordance with its jurisdiction specified by rule XXV of the Standing Rules of the Senate, to examine, investigate, and make a complete study of any and all matters pertaining to—

- (1) banking and currency generally;
- (2) financial aid to commerce and industry;
- (3) deposit insurance;
- (4) the Federal Reserve System, including monetary and credit policies;
- (5) economic stabilization, production, and mobilization;
- (6) valuation and revaluation of the dollar;
- (7) prices of commodities, rents, and services;
- (8) securities and exchange regulation;
- (9) credit problems of small business; and
- (10) international finance through agencies within the legislative jurisdiction of the committee.

SEC. 2. For the purposes of this resolution the committee from February 1, 1964, to January 31, 1965, inclusive, is authorized (1) to make such expenditures as it deems advisable; (2) to employ upon a temporary basis, technical, clerical, and other assistants and consultants: *Provided*, That the minority is authorized to select one person for appointment, and the person so selected shall be appointed and his compensation shall be so fixed that his gross rate shall not be less by more than \$1,600 than the highest gross rate paid to any other employee; and (3) with the prior consent of the heads of the departments or agencies concerned, and the Committee on Rules and Administration, to utilize the reimbursable services, information, facilities, and personnel of any of the departments or agencies of the Government.

SEC. 3. Expenses of the committee, under this resolution, which shall not exceed \$91,000, shall be paid from the contingent fund of the Senate upon vouchers approved by the chairman of the committee.

#### AUTHORIZATION FOR COMMITTEE ON BANKING AND CURRENCY TO INVESTIGATE MATTERS PERTAINING TO PUBLIC AND PRIVATE HOUSING

Mr. SPARKMAN (for himself, Mr. ROBERTSON, Mr. BENNETT, and Mr. TOWER) submitted the following resolution (S. Res. 257); which was referred to the Committee on Banking and Currency:

*Resolved*, That the Committee on Banking and Currency, or any duly authorized subcommittee thereof, is authorized under sections 134(a) and 136 of the Legislative Reorganization Act of 1946, as amended, and in accordance with its jurisdiction specified by rule XXV of the Standing Rules of the Senate, to examine, investigate, and make a complete study of any and all matters pertaining to public and private housing.

SEC. 2. For the purposes of this resolution the committee, from February 1, 1964, to January 31, 1965, inclusive, is authorized (1) to make such expenditures as it deems advisable; (2) to employ upon a temporary basis, technical, clerical, and other assistants and consultants: *Provided*, That the minority is authorized to select one person for appointment, and the person so selected shall be appointed and his compensation shall be so fixed that his gross rate shall not be less by more than \$1,600 than the highest gross rate paid to any other employee; and (3) with the prior consent of the heads of the departments or agencies concerned, and the Committee on Rules and Administration, to utilize the

reimbursable services, information, facilities, and personnel of any of the departments or agencies of the Government.

SEC. 3. The committee shall report its findings, together with its recommendations for legislation as it deems advisable, to the Senate at the earliest practicable date, but not later than January 31, 1965.

SEC. 4. Expenses of the committee, under this resolution, which shall not exceed \$115,000, shall be paid from the contingent fund of the Senate upon vouchers approved by the chairman of the committee.

#### TO PRINT AS A SENATE DOCUMENT MATERIAL ENTITLED "WORLD COMMUNISM—A SELECTED ANNOTATED BIBLIOGRAPHY"

Mr. EASTLAND submitted the following resolution (S. Res. 258); which was referred to the Committee on Rules and Administration:

*Resolved*, That there shall be printed as a Senate document a comprehensive listing of source material and index of authors, designed to aid students and teachers of communism, entitled "World Communism—A Selected Annotated Bibliography."

That there shall be printed 6,000 additional copies of such Senate document, which shall be for the use of the Committee on the Judiciary of the Senate.

#### CHILD'S INSURANCE BENEFITS (SOCIAL SECURITY)

Mr. HARTKE. Mr. President, I introduce, for appropriate reference, a bill amending the Social Security Act in a manner which will aid and encourage certain dependent children to remain in school until high school graduation even though they have attained the age of 18.

Mr. President, the need for this amendment came to my attention when I received a letter from an Indiana township trustee setting forth an actual case. There are undoubtedly many more young people similarly affected whom this bill would assist.

A man with social security retirement benefits had been drawing \$110 per month for himself and his 59-year-old wife. They also received \$110 per month for their dependent son, who in September would become a senior in high school. But unfortunately, the boy turned 18 before the start of school and his dependency allowance ceased. My informant wrote:

You can see what a problem it presents to these people who are buying a home, maintaining themselves and trying to give their son a high school education.

Increasingly we are realizing the necessity for more education in this day of advanced technology and declining jobs for the unskilled. Certainly the completion of high school is a bare minimum. To remove any possible stumbling blocks which arise simply because a child reaches his 18th birthday before finishing high school is an objective serving the national interest.

This is a matter which has already received some attention from the Department of Health, Education, and Welfare. In a letter dated October 22, 1963, Mr. Robert M. Ball, Commissioner of Social

Security, wrote in response to my inquiry about this situation:

As you know, child's benefits under the social security program are intended to provide a partial replacement of the income that is lost by a child when his parent dies, retires, or becomes disabled, and they are intended to be paid as long as it is reasonable to assume that most children would be supported by their families. We realize that an increasingly large number of children continue in school after reaching age 18 and need support from their families to do so; where one parent is dead it is of course harder for the child to continue in school. We are giving sympathetic consideration to proposals that would provide for the payment of social security benefits to children over age 18 of deceased, retired, or disabled workers if they are attending school.

My bill provides a simple change—that dependent child payments under social security will be extended to the date of a child's high school graduation, or until he ceases to attend school regularly. But in the latter case, the bill is so worded as to allow 4 months, which might often include the summer, for encouragement of a school drop-out to return.

Mr. President, I ask unanimous consent for this bill to be printed at the close of these remarks.

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

The bill (S. 2421) to amend title II of the Social Security Act so as to provide that child's insurance benefits may be continued after age 18 in the case of children who are regularly attending high school, introduced by Mr. HARTKE, was received, read twice by its title, referred to the Committee on Finance, and ordered to be printed in the RECORD, as follows:

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled*, That subsection (d) of section 202 of the Social Security Act is amended by adding at the end thereof the following new paragraph:

"(7) A child who, on the date he attains age eighteen, is regularly attending high school shall be deemed, for purposes of this title, not to have attained the age of eighteen until the last day of the month in which he is graduated from high school or the last day of the fourth month following the last month in which he regularly attends high school, whichever first occurs."

SEC. 2. The amendment made by the first section of this Act shall apply only with respect to individuals who attain age eighteen after the date of enactment of this Act.

#### AMENDMENT OF INTERNATIONAL CLAIMS SETTLEMENT ACT OF 1949

Mr. KEATING. Mr. President, on behalf of myself and Senators DOUGLAS, ALLOTT, BENNETT, CASE, CURTIS, DOMINICK, ERVIN, LAUSCHE, and MILLER, I introduce, for appropriate reference, a bill to amend the International Claims Settlement Act of 1949, as amended, to provide for submission of certain claims agreements to the Senate for its advice and consent.

This bill is very similar to a bill previously introduced which I had planned to leave on the desk for cosponsors, but which was unfortunately printed. A slight technical correction is desirable and has been made in the language of the bill and I therefore introduce it in this form as a new bill for myself and the cosponsors I have mentioned.

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

The bill (S. 2422) to amend the International Claims Settlement Act of 1949, as amended, to provide for submission of certain claims agreements to the Senate for its advice and consent, introduced by Mr. KEATING (for himself and other Senators), was received, read twice by its title, and referred to the Committee on Foreign Relations.

#### RELIEF OF CERTAIN YUGOSLAV REFUGEES

Mr. KEATING. Mr. President, in behalf of my able colleague from New York [Mr. JAVITS] and myself, I introduce, for appropriate reference, a joint resolution for the relief of certain Yugoslav refugees. This measure is intended to supersede Senate Joint Resolution 127, which I introduced in the previous session for the relief of the same beneficiaries.

Mr. President, I have long been concerned with the plight of refugees and escapees not only from Yugoslavia but from other totalitarian regimes. Today, however, I wish to limit my remarks to the question of Yugoslav refugees only. The resolution I am introducing today is the fourth for Yugoslav refugees which I have introduced in recent months, and I believe it desirable that the RECORD show just exactly what is involved in these four resolutions.

The first two which were introduced last session, Senate Joint Resolution 117 and Senate Joint Resolution 127, provided for the cancellation of any outstanding orders and warrants of deportation with respect to a total of 33 named Yugoslav refugees in the first resolution and a total of 15 in the second. These measures were necessary because of the expiration of court stays covering these men's cases which made their deportation imminent. It was and still is my judgment that before the United States should engage in such wholesale deportations to any Communist country, the Congress of the United States ought to intervene and determine its position as a matter of principle on whether a free nation such as ours should toss human beings back into a society and regime to which they have vigorously expressed opposition. Certainly the involuntary repatriation of so many men to Communist Yugoslavia cannot, in my judgment, be less worthy of the attention of this body than, for example, foreign aid and wheat sales to Communist nations.

Both of the first two resolutions I introduced contained provisions for ultimately adjusting the status of the named beneficiaries to that of permanent U.S. residents. It has since been brought to my attention that the technical language of these resolutions might, if permanent

residence were eventually granted, result in a reduction of quota numbers from the regular Yugoslavian immigration quota, thereby raising the possibility of depriving would-be immigrants from Yugoslavia who have been patiently waiting their turn on oversubscribed quota lists, of an opportunity to emigrate here in regular course. For that reason, I decided in effect to reintroduce the resolutions in a form which would avoid that undesirable result. On November 13 of last year, Senator JAVITS and I introduced Senate Joint Resolution 132 to supplant and supersede Senate Joint Resolution 117 with respect to the beneficiaries therein named, with the exception that, for various reasons, three of the original beneficiaries of Senate Joint Resolution 117 were dropped from the resolution, and two new names were added to the remaining beneficiaries of Senate Joint Resolution 132. Today we have introduced a resolution intended to supplant and supersede Senate Joint Resolution 127 with respect to an identical list of beneficiaries.

The two superseding resolutions, Senate Joint Resolution 127 and the one introduced today, provide that upon enactment all of the named beneficiaries shall be considered to have been paroled into the United States pursuant to section 1 of Public Law 86-648, the so-called refugee-fair-share law. The refugee fair-share law, enacted as a temporary measure in 1960 for the World Refugee Year, and since made a permanent part of our refugee laws, authorizes the Attorney General to parole into the United States aliens who, because of persecution or fear of persecution on account of race, religion, or political opinion, have fled from a Communist country and who cannot return there for the very same reason. The number of refugees who may thus be paroled is determined at regular intervals by the Secretary of State in accordance with a formula geared to the pace of resettlement of similar refugees by other free world nations. The two measures to which I have referred as the superseding resolutions, rather than threatening to reduce the regular Yugoslavian immigration quotas, would if enacted simply charge off the admission status of all the beneficiaries to the parole allotment for the United States under the refugee fair-share law.

Mr. President, with hearings this week on various proposed revisions of the Immigration and Nationality Act, this is an appropriate occasion, in my judgment, to comment briefly on the state of the law as applicable to refugees and others seeking asylum in the United States. One of the most salient points that could be made in reference to the administration of the refugee fair-share law is that the United States, which sees itself as a historical haven for the oppressed and downtrodden of all nations, has during the past few years carried somewhat less than its fair share of refugee resettlement. As of June 30, 1963, the total number of parolees authorized by law to enter the United States was 20,898. However, only 14,565 refugees have been found qualified under these provisions. It is ironic to note that many of those

found qualified were Yugoslavs very similar to the beneficiaries listed in the two resolutions as to their background and their reasons for fleeing Yugoslavia. But the difference in treatment is due to the fact that those who have already been found qualified had not directly entered the United States but instead entered Austria, Italy, or some other non-Communist country illegally. In contrast, those named in the resolutions came to the United States via the only common border between Yugoslavia and the United States, and that is, the sea. They came as seamen, and therefore when they overstayed their period of authorized entry as nonimmigrant seamen, they were deemed ship-jumpers instead of refugees. The irony is, therefore, that whereas similar refugees have been paroled into the country under the refugee fair-share law, the beneficiaries of the resolutions stand in a different legal status while the full number of allotted fair-share parolees has not come close to being used up.

The beneficiaries had their sole administrative remedy under section 243 (h) of the Immigration and Nationality Act. This provision authorizes the Attorney General to withhold deportation of any alien within the United States to any country in which, in the opinion of the Attorney General, the alien would be subject to physical persecution. Applications under this provision, with rare exceptions, have been denied on the ground that while the applicants may have established by their own testimony that if returned to Yugoslavia they may suffer from anti-Catholic discrimination and oppression, or may be jailed for maritime desertion from a Yugoslav vessel, this is nevertheless not the physical persecution intended by section 243(h) of the Immigration and Nationality Act. It has become virtually impossible, then, for the usual Yugoslav refugee to furnish legally accepted proof of anticipated physical persecution within the meaning of the law. The beneficiaries here were no exception. Their applications were denied; court review proceedings were unavailing; and deportation would have followed in due course, were it not for the staying effect of the resolutions introduced in the Senate.

In contrast to the line of decisions under section 243(h), which is the only asylum provision of the immigration laws proper, under the refugee fair-share law merely a bona fide fear of persecution on account of race, religion, or political belief is sufficient to qualify. No strict proof of actual anticipated physical persecution is required. This can lead to anomalous results at times.

For example, the first named beneficiary in Senate Joint Resolution 132, Josep Baresic, is teetering on the brink of deportation to Yugoslavia, but meanwhile the Attorney General has admitted his brother Ante into the United States under a special nonquota refugee-escapee visa provided for in a predecessor of the refugee fair-share law.

Ante Speleta is another beneficiary of Senate Joint Resolution 132 who was denied asylum under section 243(h).

However, his 17-year-old son Hugo was paroled into the country under the refugee fair-share law with the sponsorship of the Catholic Relief Services of the National Catholic Welfare Conference.

At least two other beneficiaries of Senate Joint Resolution 132 have been classified as "political refugees" by the United States High Commissioner for Refugees, and as such would not be forcibly repatriated to Yugoslavia by any of the nations of the world which have signed or adhered to the World Refugee Treaty. Nevertheless, unless this resolution receives favorable action, the United States, historical port of refuge for the oppressed, will be returning these men to Yugoslavia from whence they fled.

In my judgment, this country ought never to be in the position of giving different treatment to aliens similarly situated, especially where that would result in turn in the separation of members of the same family or in the return of anyone to a regime not known for its solicitude for those who exercise freedom of political and religious expression.

A number of active and vitally important relief agencies have urged assistance for these refugees and others similarly situated; in particular, the American Council for Nationalities Service, the Catholic Relief Services of the National Catholic Welfare Conference, and the International Rescue Committee. I ask unanimous consent that two letters and a memorandum from these agencies be inserted at this point in the RECORD.

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

CATHOLIC RELIEF SERVICES,  
NATIONAL CATHOLIC  
WELFARE CONFERENCE,  
New York, N.Y., September 23, 1963.

Re Senate Joint Resolution 117, for the relief of certain Yugoslav refugees.

Hon. KENNETH B. KEATING,  
U.S. Senate,  
Washington, D.C.

DEAR SENATOR KEATING: I wish to commend you on your fine humanitarian action of introducing Senate Joint Resolution 117, for the relief of certain Yugoslav refugees.

For many years our agency has been vitally concerned with the deportation, or threatened deportation, of a comparatively small number of anti-Communist Yugoslav refugees to Yugoslavia. This situation is in strange contrast with the general attitude of the United States regarding refugees from Communist countries.

We feel that refugees from Communist Yugoslavia need asylum just as much as other refugees, and that there should be no distinctions between different categories of refugees.

While we hope, of course, that before long Congress will take up general immigration legislation, which may take care of many problems which have arisen under the present law, we believe that enactment of Senate Joint Resolution 117 is most desirable, and implements our view that anti-Communists seeking asylum in the United States should not be forcibly repatriated to a country admittedly under a Communist regime.

With renewed appreciation for your efforts in behalf of these Yugoslav refugees, and with every best wish, I remain

Sincerely yours,

Rt. Rev. Msgr. JOHN F. MCCARTHY,  
Assistant Executive Director.

INTERNATIONAL RESCUE COMMITTEE, INC.,  
New York, N.Y., October 1, 1963.

Hon. KENNETH B. KEATING,  
U.S. Senate,  
Washington, D.C.

DEAR SENATOR KEATING: I read with great interest your statement in the September 3 CONGRESSIONAL RECORD regarding the Yugoslav refugees threatened with deportation to Yugoslavia and wish your Senate Joint Resolution 117 well.

The International Rescue Committee is opposed to the forcible return of refugees to countries from which they have fled, whether it be China, the Soviet Union, or Yugoslavia. It should be unnecessary to speculate on the specific kind of persecution a refugee will be exposed to if returned to the authorities of a Communist dictatorship. Being Communist it denies personal freedom, and being a dictatorship, its actions stem from political expediency unfettered by the rule of law. While transitory considerations may lessen from time to time the degree of harshness with which opponents of such a regime are treated, the power to oppress is ever present. It is deeply disturbing to consider the effect of returning to a Communist state persons who are declared enemies of communism. The enactment of Senate Joint Resolution 117 will result in a humane public service.

Very sincerely yours,

EDWIN J. WESELY.

AMERICAN COUNCIL FOR  
NATIONALITIES SERVICE,  
New York, N.Y., October 25, 1963.

ACNS HELPS PREVENT DEPORTATION OF  
YUGOSLAVS

To: Executives of GANS member agencies.  
From: William S. Bernard, ACSW.

Until 1958 the U.S. policy has been not to deport certain aliens forcibly to Communist countries where they would be subject to persecution. However, in recent years, it has been the feeling of the Immigration Service that deportees to Yugoslavia would not be persecuted on their return. Why this attitude has prevailed is uncertain; perhaps it is because Yugoslavia has been more independent than other Communist countries and the Service may have felt that typical Communist persecution of persons who try to defect would not obtain.

For some time Edith Lowenstein, editor of ACNS' interpreter releases and one of the country's leading immigration lawyers, has been fighting this kind of deportation in court. The cases at issue have been those of Yugoslav seamen who deserted their ships to remain in the United States and seek asylum. Without the issue of persecution such seamen would of course be illegally entered aliens and deportable. If the existence of physical persecution can be established and if the Immigration Service will accept this, such deportations would be barred. Miss Lowenstein strongly feels, however, that persecution should be construed as being not merely physical in nature. Living unwillingly under a Communist regime and in a Communist economy is a very real form of persecution in itself.

Senator KENNETH KEATING, of New York, who has always been interested in this issue, has recently introduced legislation to correct the situation with regard to a substantial number of individual cases. On September 3, 1963, he introduced Senate Joint Resolution 117, which cancels the deportation order of certain Yugoslav seamen and makes them eligible for permanent residence. In introducing the resolution, Senator KEATING referred to the "inadequate provisions in our law for political asylum," and he said that this resolution would provide for "careful study before these men are forcibly deported back to a Communist state." On October 11, Senator KEATING in-

troduced Senate Joint Resolution 127, which is identical with Senate Joint Resolution 117, but adds additional names.

Passage of such legislation would, of course, solve the problem for the seamen concerned. It might also stimulate a change in the immigration law to cover such situations in the future. To achieve this Senator KEATING will need support. It is a legislative truism that the more people and organizations concerned with this issue inform their own Senators and ask them to help pass Senator KEATING's legislation, the better the chances will be.

It is significant that other organizations also agree with the ACNS position and are backing this legislation. In introducing one of his measures Senator KEATING referred not only to the backing of ACNS but also to Catholic Relief Services-NCWC and the International Rescue Committee, which also strongly favor a more liberal asylum provision in the law.

Mr. KEATING. In closing, Mr. President, let me add a note of the obvious. No such resolutions as these would be necessary if the general provisions of the Immigration and Nationality Act contained fairer and more humane standards for the granting of asylum to or for staying the deportation of political refugees and escapees. Hearings on proposed revisions of the Immigration and Nationality Act have started this week, addressed principally to the discriminatory national origins quota and other related problems. These hearings, in my judgment, should not be permitted to overshadow or preempt consideration of other areas of the law in pressing need of reform. While there must be a rational order of priorities followed, it is my intention before long to advance new proposals dealing with the vital problem of fairer discretionary relief from deportation of persons claiming a right of political asylum in this country.

The PRESIDENT pro tempore. The joint resolution will be received and appropriately referred.

The joint resolution (S.J. Res. 144) for the relief of certain Yugoslav refugees, introduced by Mr. KEATING (for himself and Mr. JAVITS), was received, read twice by its title, and referred to the Committee on the Judiciary.

APPOINTMENT OF GEN. DOUGLAS  
MACARTHUR TO THE OFFICE OF  
GENERAL OF THE ARMIES OF THE  
UNITED STATES—ADDITIONAL  
TIME FOR BILL TO LIE ON THE  
DESK

Mr. SYMINGTON. Mr. President, I ask unanimous consent that the bill (S. 2396) to revive the office of General of the Armies of the United States and to authorize the President to appoint General of the Army Douglas MacArthur to such office, introduced by me on December 18, 1963, be permitted to lie on the desk until January 28, 1964, for additional cosponsors.

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

ENROLLED JOINT RESOLUTION  
PRESENTED

The Secretary of the Senate reported that on today, January 14, 1964, he presented to the President of the United

States the enrolled joint resolution (S. J. Res. 136) providing for renaming the National Cultural Center as the John F. Kennedy Center for the Performing Arts, authorizing an appropriation therefor, and for other purposes.

**ADDRESSES, EDITORIALS, ARTICLES, ETC., PRINTED IN THE RECORD**

On request, and by unanimous consent, addresses, editorials, articles, etc., were ordered to be printed in the RECORD, as follows:

By Mr. KEATING:

Statement by himself on Yeshivah Toreh V'Emanah in East Bronx.

By Mr. MUNDT:

Article entitled "GOLDWATER Responds to Life's Editorial," written by Senator GOLDWATER and published in Life magazine for January 17, 1964.

**SKEPTICISM ABOUT ASSERTED IMPROVEMENT IN THE U.S. BALANCE-OF-PAYMENTS DEFICITS**

Mr. SYMINGTON. Mr. President, the United States continues to lose its gold to other countries, down from \$24 billion in 1950 to some \$15.6 billion today.

Until recently, the impregnable position of the dollar was taken for granted. Now, however, its position, resulting from our monetary policies, is arousing increasing apprehension. In the words of the Chairman of the Federal Reserve Board, the position of the dollar is casting "a major shadow over our economy."

Much is made of an improvement in this situation in the third quarter of last year; but I, for one, am skeptical, and believe this skepticism is justified with respect to the long-range significance of the reported improvement in said third quarter's 1963 balance-of-payments deficits.

According to the Department of Commerce—Current Business, December 1963, table 1, page 11—the net deficit in the third quarter was \$412 million, which is at the annual rate of \$1.6 billion. This compares with a net deficit, in the second quarter, of \$1.258 billion, or at a rate of some \$5 billion a year.

An analysis over the past 6 years shows that quarterly figures are not too meaningful. It is the net result at the end of the year that matters, because there are seasonal factors and Government-controlled factors which are bound to enter into, and influence, the quarterly figure.

As illustration, one of the items during 1963 that declined from the second to the third quarter was Government grants and capital outflows, less changes in associated liabilities, less scheduled loan repayments. They went down from minus \$1.187 billion in the second quarter to minus \$748 million, an improvement of \$439 million in this Government controlled item. One suspects, however, that in the second quarter, which is the last quarter of the fiscal year, there is a tendency to spend as much of the available appropriation as possible—an experience well documented in congressional hearings; whereas, in the third quarter, the first quarter of the fiscal year, the agencies generally operate upon continuing resolutions, with

the appropriations that may ultimately be voted by Congress subject to some uncertainty. Therefore, there is probably a tendency on the part of Government agencies to hold back until just how much money is available becomes known.

Again, there are statistical, seasonal adjustments, the meaning of which cannot be completely clear to the layman, but which wash out during the year. Thus, table I, page 11, of the Current Business of December, shows that the \$412 million of net deficits is after seasonal adjustments. Before seasonal adjustments, the net deficit indicated is \$749 million—item A-15—as compared with the second quarter of a deficit of \$1.192 billion.

Third, evidence indicates that the major decline has been in net capital outflow, from \$1.5 billion in the second quarter, to \$450 million in the third quarter. This evidence is somewhat deceptive, however, because "nonrecorded transactions" show a deterioration from plus \$142 million in the second quarter to minus \$334 million, a net change of minus \$476 million.

It is true that H.R. 8000, which is retroactive to July 1963, caused the diminution in new security issues by foreigners and portfolio investments by U.S. citizens; but this effort was perhaps somewhat offset by unrecorded or exempt transfers of capital out of the United States, so that the net improvement in capital flow is only about \$525 million.

In any case, the vital figure is the annual balance-of-payments deficit.

The total deficit in 1962 was \$3.573 billion. Before seasonal adjustments, 1962 deficits for 9 months—January through September—were \$2.259 billion. For the same 9-month period in 1963, they were \$2.738 billion.

By the end of September, we had lost another \$422 million in gold. The rest of the deficits resulted in diminution of U.S. current assets abroad, but in large part, increase of U.S. current liabilities. In short, our current assets are going down, while our current liabilities are going up. So it cannot be said that throughout the first 9 months of 1963 things have gotten better.

We do not know yet what the final figures for the fourth quarter of 1963 will be. There is a tendency on the part of other countries to present their bills for payment to the United States in the last quarter of the calendar year, in order to make a good showing in their own yearend accounts, and business accounts due to trade in the third and fourth quarters, as well as summer tourist expenditures, get settled before the yearend.

One is justified, therefore, in believing that balance-of-payments deficits are going to look somewhat worse in the fourth quarter as against the third, and that the total balance-of-payments deficits for the entire year 1963 probably will be above \$3 billion; and possibly close to the 1962 figure of \$3.5 billion.

It is for such reasons that I believe the above mentioned skepticism is justified.

How can it be helpful, after these many years of continuous disappointment, to continue to look at these facts through rose-colored glasses?

Based on the above, I would hope that the five recommendations presented in my concluding talk last December 19 be given fullest consideration by the administration.

**PRINTING AS A SENATE DOCUMENT A REPORT BY SENATOR HAYDEN ON FALLACIES AND DANGERS IN PROPOSED "LIBERTY" AMENDMENT**

Mr. MANSFIELD. Mr. President, at the request of the distinguished President pro tempore, the Senator from Arizona [Mr. HAYDEN], and with the full approval of the distinguished minority leader [Mr. DIRKSEN], I ask unanimous consent that the Senate proceed to the consideration of Calendar No. 796, Senate Resolution 251, and Calendar No. 797, Senate Resolution 237, in sequence.

The PRESIDING OFFICER (Mr. WALTERS in the chair). Without objection, it is so ordered. The first resolution will be stated for the information of the Senate.

The legislative clerk read as follows:

*Resolved*, That there be printed as a Senate document a report by Senator CARL HAYDEN entitled "The Fallacies and Dangers in the Proposals To Abolish the Federal Income Tax, To Dispose of All Federal Business Activities, and To Limit Treaty-making Powers by a Proposed 'Liberty' Amendment to the Constitution"; and that there be printed fifteen thousand additional copies of such document for the use of the Committee on Appropriations.

The PRESIDING OFFICER. Is there objection to the present consideration of the resolution?

There being no objection, the resolution (S. Res. 251) was considered and agreed to.

**PRINTING AS SENATE DOCUMENT OF REPORT ENTITLED "PERSONNEL ADMINISTRATION AND OPERATIONS OF AGENCY FOR INTERNATIONAL DEVELOPMENT"**

The resolution (S. Res. 237) to print as a document with additional copies entitled "Personnel Administration and Operations of Agency for International Development," was considered and agreed to, as follows:

*Resolved*, That there be printed as a Senate document a report entitled "Personnel Administration and Operations of Agency for International Development," submitted by Senator GALE W. MCGEE to the Committee on Appropriations and that ten thousand additional copies be printed for the use of that committee.

**INCREASE IN RESOURCES OF INTERNATIONAL DEVELOPMENT ASSOCIATION—POSTPONEMENT OF UNANIMOUS-CONSENT AGREEMENT**

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the unanimous-consent agreement covering Cal-

endar No. 760, S. 2214, a bill to amend the International Development Association Act to authorize the United States to participate in an increase in the resources of the International Development Association, be postponed until Monday, and that the unanimous-consent agreement go into effect at that time.

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

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

Mr. MANSFIELD. I yield.

Mr. SYMINGTON. I express my deep appreciation to the majority leader for the postponement. It is typical of his courteous and kind action and is greatly appreciated by me.

Mr. MANSFIELD. I appreciate the remarks of the Senator from Missouri.

### THE PANAMA CRISIS

Mr. SALTONSTALL. Mr. President, this morning's news concerning the Canal Zone made it clear that our Government does not intend to relinquish any of its rights over the administration and operation of the canal. On that we are all agreed. Certainly the Panama Canal is mightily important to our Nation and equally important to the commerce of the world. But we have a duty to perform, and that duty is to make clear to the American people in the Canal Zone their responsibility to create and maintain better understanding between the United States and Panama. The incidents that inflamed the riots of the past week started in a high school yard. One of our problems is to make clear to the students, their parents, and all U.S. citizens in the Panama Canal Zone, that they must understand the importance of this problem from the point of view of the entire Nation. This is their responsibility as American citizens. The orders of the President must be carried out on the flying of the two flags and on such other agreements in Panama as may be the result of the present conferences. There can be no question of this. An editorial published in the New York Times of January 13, 1964, expresses very clearly this point of view, and I ask unanimous consent to have it printed in the RECORD.

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

#### EASING THE PANAMA CRISIS

Intensive diplomatic efforts aimed at ending the Panama crisis continued yesterday though sporadic violence gave evidence that the passions which produced last week's explosion have not died down. The Panama Government's charge that Communists and Castroites had infiltrated the demonstrations suggests a desire to blame these elements for the worst violence and bloodshed. Premier Castro's sudden trip to Moscow only adds to the confusion over the extent of his involvement in the Panama outbreak.

A long, complex, and difficult course of negotiations between Panama and the United States lies ahead. Dispatches from both Panama and the Canal Zone indicate that the administration understands full well the major blunder committed in letting high school students flout an international agreement by the U.S. Government. As the events

that followed conclusively prove, what these misguided youngsters thought was an act of patriotic devotion to the flag of the United States was actually a provocation that played directly into the hands of all in Latin America who oppose the United States. The imperative need is for effective measures to assure that there are no similar thoughtless actions in the future. The authorities in Panama have a reciprocal obligation, which they have not always exercised, also to demonstrate a sense of responsibility. Once the immediate crisis is over, it must be clear that the U.S. Government will not close the door permanently to discussions relating to possible revision of the basic agreement, now going back 60 years, covering the Panama Canal.

Mr. SALTONSTALL. I believe Walter Lippmann's article printed in the Washington Post this morning gives an excellent summary of our position and our responsibility and I ask unanimous consent to insert it at this point in my remarks.

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

#### PANAMA

(By Walter Lippmann)

We have been on public notice for about 5 years that trouble was brewing in Panama and that it had become necessary to readjust the relations between the Canal Zone, which the United States controls, and the Republic of Panama. Dr. Milton Eisenhower reported this to his brother, the President, in 1958 and in 1962 President Kennedy promised President Chiari that a discussion of the many United States-Panamanian problems would be carried on by high-level representatives. These problems are concerned both with the symbolic question of sovereignty and also with the very tangible problems of wages, employment, business relationships, and the economic operations of the canal.

The fact is, however, that somehow the intentions of President Eisenhower and of President Kennedy have never been carried out. Even such a concession as Presidents Eisenhower and Kennedy agreed to, that both flags be flown at certain places in the Canal Zone, has somehow been nullified, and the whole project of negotiating an acceptable arrangement has been thwarted by residents in the zone, by congressional obstructionists, and by the bureaucracy in the Pentagon and the State Department. Americans should be able to understand today, if they did not understand it before, how the French Government was prevented from reaching a peaceable solution in Algeria before Algeria burst into flames.

Although the situation in Panama resembles that in Algeria and also, let us say, that at Suez, the problem which the two American Governments must solve is essentially different from both. For the Panamanians cannot redress their grievances, which are both symbolic and substantial, without incurring even greater troubles if they demand that we withdraw, as the French have done in Algeria and the British and French in Suez. The Panamanians want a revision of the arrangements under the existing treaty. But they want us to stay on to continue to operate the canal. Our citizens have evidently not made themselves much beloved in Panama. But the Panamanian Government is not asking the United States to withdraw.

This is a crucial fact in the coming negotiations. Theoretically, there are four ways of dealing with the Panama problem. One would be to internationalize the canal and let it be operated by an agency of the United Nations. As this would make the whole business of operating and administering the canal a subject of global politics, it certainly would not prove to be an acceptable solution

to the United States. Moreover and fortunately, it would not be acceptable to Panama, which seeks to promote its national interests, not to dilute them in an international agency.

The same argument applies to the suggestion that the canal be turned over to an inter-American agency.

The third solution would be to nationalize the canal by Panama as the Suez Canal has been nationalized by Egypt. There is no reason to think, and evidently the Panamanians do not think, that they have the technical and financial resources for such a huge undertaking.

This brings us to the fourth solution, which would be to negotiate an agreement for what Dr. Eisenhower describes as a joint United States-Panama management for which we would train gradually Panamanian personnel.

Such a program of training could and should be based upon a generous review of the economic relations between the Canal Zone and the Republic. Dr. Eisenhower is in favor of higher tolls which would be used to retire the debt and to increase the cash payments to Panama. At present Panama receives an annuity of a little less than \$2 million; Dr. Eisenhower would increase this to something like \$5 million or more. This would be supplemented by a revision of the business arrangements and of the wages policy in the Canal Zone and by projects for housing and the like in Panama.

On the issue which has caused the violence and the bloodshed of the past few days, there is no honorable position for the United States except one of firm and unequivocal observance of an agreement about flags which symbolizes the titular sovereignty of Panama. There should be no hesitation. And no sabotage should be permitted of the agreements entered into by Presidents Eisenhower and Kennedy.

The fundamental thing that can be said and needs to be taken to heart is the statement of William Howard Taft, made in 1904 when he was the Secretary of War and in charge of the Canal Zone:

"Article III of the Treaty of 1903 is peculiar in not conferring sovereignty directly upon the United States, but in giving to the United States the powers which it would have if it were sovereign. This gives rise to the obvious implication that a mere titular sovereignty is reserved in the Panamanian Government. Now, I agree that to the Anglo-Saxon mind a titular sovereignty is like what Governor Allen, of Ohio, once characterized as a 'barren idealty,' but to the Spanish or Latin mind poetic and sentimental, enjoying the intellectual refinements, and dwelling much on names and forms, it is by no means unimportant."

In the past few days, almost 60 years after Taft's statement, we know from the dead and the wounded in Panama that the symbolic recognition of Panamanian sovereignty is by no means unimportant.

Mr. SALTONSTALL. On the other hand, a letter from a student in the Canal Zone to a friend in Alexandria, printed in the Washington Post of January 11, gives the opposite point of view, and one that must be corrected.

I ask unanimous consent that the letter be printed at this point in the RECORD.

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

#### CANAL ZONE STUDENT WRITES GIRL IN ALEXANDRIA OF FUROR OVER FLAG

A student in the Canal Zone wrote before the riots that students slept on the campus to guard an American flag kept flying in defiance of the Government's orders.

Comments on the tense situation that led up to the rioting in the Canal Zone were in a letter written to a young girl attending school in Alexandria. The letter written Wednesday arrived yesterday.

Both the girl and the student asked not to be identified. The letter follows:

"News flash—Have you heard about the school kids revolting against the Government here? Fleming (Gov. Robert J. Fleming) made an order to take down all Canal Zone flagpoles at the Canal Zone schools.

"Kids quit school Tuesday and made sure there was a flag flying. College kids raised the first unofficial flag at Balboa High School. Kids are at school all day long making sure nobody takes it down.

"Somebody heard that they are going to take down the flagpole today (Wednesday). All the college kids guarded it until high school kids got out of school. Then the kids formed a human chain so nobody would or could break through. But nobody came. Kids have been sleeping at the school on the grass all night for 2 nights now.

"Ted Scott (CBS) had a few kids on tape and sent it to the States. Things are really getting warm. The kids sent some Senator a telegram and he'll be down here the 13th.

"You ought to see Speir's (the principal) face. All the kids out of school. He can't make 'em go back. I'm so glad. It's about time something was done about it. Their main beef is that there is to be one flag and no more. Kids on the other side (Atlantic end) all but 47 left school and marched to Margaret to plant a flag.

"People with flags all around the place. About the whole student body is at school every morning to raise the flag. I'll write more on it later and keep you up to date."

Mr. SALTONSTALL. A second letter which I received from one of the teachers in the schools, who is the wife of an Air Force officer, also states the problem that confronts us and the necessity of building a greater sense of responsibility among the parents and the American schoolchildren in the Panama Canal Zone.

I ask unanimous consent that the entire letter be printed at this point in the RECORD.

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

ALBROOK AIR FORCE BASE,

Canal Zone, Panama, January 8, 1964.

DEAR SENATOR SALTONSTALL: I am the wife of an Air Force officer, presently stationed in the Canal Zone, and teaching at a nearby elementary school on an adjoining base. I am a Bostonian by birth, and a Democrat by choice. I am writing to express my views on a matter of current interest here in the zone.

During my year-and-a-half stay here, it has been my understanding that the Canal Zone is under the sovereign jurisdiction of the United States, by treaty and held in perpetuity. As an American citizen I would expect that the same rights and privileges, principles, and concepts would be held dear here, just as they would be in the Commonwealth of Massachusetts or any other State.

Why, then, is there no American flag flying at the so-called American school where I teach at an American airbase?

These seem to be the facts:

An understanding was reached by certain high-level representatives of the United States and Panama to the effect that if an American flag flies in front of a public building in the Canal Zone, then the flag of Panama must also fly at another pole in the near vicinity and at the same height.

I personally do not agree with this agreement. I feel that the flag of Panama has no more right to fly within the confines of

sovereign territory of the United States than the flag of Russia or Germany would have. This is assuming that the treaty between the United States and Panama does state that the United States does have sovereign rights in the zone.

However, since duly authorized representatives of both countries have seen fit to make this agreement, to fly both flags within the Canal Zone at designated locations under civil authority, it would seem to me to be in keeping with our American way to keep our word and to fulfill our pledge to fly both flags at agreed locations.

The present practice used by the officials of the Panama Canal Company to circumvent this agreement by removing the American flag from flagpoles in front of the U.S. District Court, the post office, fire and police stations and schools seems hypocritical to me and fraught with danger to us all.

Are these the principles under which we live in the United States? Is this the way to prove by example what we preach?

It is my understanding that the "flag agreement" did not apply to military reservations, only to areas under civil control. The mothers in the Canal Zone reluctantly realized that their children would no longer see the American flag flying in front of their schools within the zone. It was assumed that a few lucky children would be privileged to see their flag as it was flown in front of schools which were located on military reservations.

At this point, the government of the Panama Canal Company was faced with a terrible dilemma:

To fly the American flag at schools on military reservations and carefully explain that these schools were exempt from the agreement or to remove the flag to circumvent the agreement since technically the schools are under Panama Canal civil authority.

The decision was made and at least it was in keeping with previous ones; we continue to back down, to apologize, to cause no hard feelings, to bend over backward to please the Panamanians. The flags were removed.

The diplomats here deserve proper recognition. One of them discovered the word "in" instead of "on" and promptly thought of a way around the impasse. Hide the flag "in" the school, and then it won't be outside on public display and we won't have to fly the flag of Panama beside it.

The flag at my school has been at half-mast through the last day of school before the Christmas holiday, December 29, in respect for a well-loved and martyred President. On last Thursday, January 2, the first day of school after the Christmas holiday, there was no flag at all. It was as if all the things our flag had stood for before had suddenly disappeared from the face of the world. The children knew and understood why the flag was at half-mast—they cannot understand why there is no flag at all now.

Since I drafted this letter on January 3 and 4, there have been certain changes in the situation here. Many high school students from Balboa and Cristobal High Schools and students from the Canal Zone Junior College have raised American flags at their respective schools and are maintaining a round-the-clock vigil to prevent the removal of the flagpoles and the flags. The students threaten not to go to class if the American flag is removed. These teenagers are getting warm and heartfelt support from adults.

Perhaps a change in policy and in personnel is required. At any rate, the situation is rapidly deteriorating and warrants looking into.

Sincerely,

Mr. SALTONSTALL. The last sentence is certainly prophetic. It states:

Many high school students from Balboa and Cristobal High Schools and students from the Canal Zone Junior College have

raised American flags at their respective schools and are maintaining a round-the-clock vigil to prevent the removal of the flagpoles and the flags. The students threaten not to go to class if the American flag is removed. These teenagers are getting warm and heartfelt support from adults.

Perhaps a change in policy and in personnel is required. At any rate, the situation is rapidly deteriorating and warrants looking into.

That was just before the rioting took place. So I conclude that our Government must make it clear that we have no intention of giving up our rights and obligations to the canal, but at the same time make it equally clear that we intend to observe our agreements made with the Government of Panama by all persons in the zone.

#### FORMIDABLE CANDIDATE FOR SENATOR FROM WISCONSIN—WILBUR RENK

Mr. PROXMIRE. Mr. President, a couple of hours ago Mr. Wilbur Renk, of Sun Prairie, Wis., announced his candidacy for the Republican nomination for the U.S. Senate in Wisconsin in 1964. That means that he is running for the seat which I now occupy.

Mr. Renk is an outstanding citizen of Wisconsin. He proved in his classic campaign against great odds for the Republican nomination for Governor in 1962 that he is a remarkably resourceful and energetic campaigner. He has a fine record of solid accomplishments in our State in farming and in business. As president of the University of Wisconsin Board of Regents he has earned a reputation as one who has worked hard and constructively for higher education in Wisconsin. He will be the most formidable candidate for Senator that the Republican Party of Wisconsin could put in the field. He has an excellent chance to win the election and occupy this seat which I now hold.

#### THE DWINDLING CONTINUITY OF LOCALLY OWNED BANKS

Mr. YOUNG of North Dakota. Mr. President, about 11 years ago, a financial consultant from my State helped launch a nationwide campaign on a little understood problem facing the small banks of America. The subject is still vital and I would like to revive interest in the little understood succession of ownership dilemma confronting the small locally owned banks, the small businesses, the small towns, and family-owned farms.

I first discussed this subject on the floor of the Senate on February 25, 1953. I would like to quote, in part, what I said on that date:

Mr. President, is the dwindling continuity of locally owned banks an illustration of what is happening to many segments of this Nation's economic base?

Because it is of interest to the entire Nation and for the reason that I believe a North Dakota businessman has identified an economic problem worthy of the attention of our country's best economists, and of the new Republican administration, I wish to call attention to the problem. As a matter of identification of this businessman and of his background and capacity, I may say that he is Richard H. Barry, of Fargo, N. Dak.,

whose integrity and sincerity are above reproach.

About 5 years ago he conceived the idea that there was an economic need for something in the nature of a company to help individuals finance the purchase of stock of small independent banks as one of the means of perpetuating their existence. His own record of successful business accomplishment and experience in banking and raising money for small businesses has, for a number of years, attracted considerable attention among bankers and businessmen throughout the Northwest and in other sections of the Nation.

About 3 months ago he decided to make an exhaustive exploration of the economic problem as he saw it and the mechanics of a possible solution. He has submitted his ideas to more than 58 bankers in the Midwest, including the Federal Reserve Banks in Minneapolis and Chicago. During the past few weeks he has explained his idea and his proposal to the Federal Reserve System, to the Federal Deposit Insurance Corporation, to the U.S. Treasury Department, to the Department of Commerce, and to one of the economic advisers to President Eisenhower. He has generated considerable interest in the merits of the premise upon which he is working and upon the mechanics of how the economic problem conceivably could be reduced. It is only to be expected that in pioneering an idea involving a scope such as this he would not encounter complete understanding of the problem or of his suggested proposal in all quarters of government.

He has, however, made considerable headway in converting many persons to his ideas. He is, in effect, stymied temporarily in one agency which does not necessarily disagree with him, but which, in effect, maintains the position that, while his plan is not in conflict with Federal statutes, there is on the other hand no Federal statute expressly approving the mechanics of certain of these proposed details.

Mr. Barry has concluded that while his ideas are sound, he may be confronted with an educational program which may delay starting his plan for 1 or 2 years.

Mr. President, these remarks were made approximately 11 years ago. In the interim, Mr. Barry's proposals have been quite widely discussed. Two banking magazines, one in Minneapolis, Minn., Commercial West; and another published in Kansas City, Mo., Bank News; have recently carried articles on the revival of interest in the small bank ownership succession problem.

I ask unanimous consent that the articles by these two magazines be printed in the RECORD at this point as part of my remarks.

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

[From the Kansas City (Mo.) Bank News, Nov. 15, 1963]

#### SMALL BANK OWNERSHIP SUCCESSION?

(By Lloyd C. Riggs, Editor)

For the past two decades or thereabouts, the problem of small bank ownership succession has been increasingly complicated by at least two situations:

1. The inflation which has helped to boost the net worth of small banks beyond the reach of many otherwise qualified and ownership-minded officials.

2. High personal income tax rates have hindered the opportunities of this generation of qualified bank officers by reducing their ability to accumulate net worth in relation to the growth of small- and medium-sized banks.

Many good younger No. 2 men in banks have determined that if they were to borrow

the money to buy control from aging ownership-management, they literally would require a lifetime to get out of debt, because of the two factors just mentioned.

But developments of the past year indicate that an answer to this problem is now within reach.

The answer lies in what has been called the Barry plan and the use of new financial tools for bank capitalization. These include preferred stock and subordinated debentures.

Late last year, it will be recalled, Comptroller of the Currency James J. Saxon gave his blessing to the use of these tools as a means of capital expansion under appropriate circumstances.

Since then, a number of larger banks, including Franklin National of Long Island, United California Bank and Union National of Wichita, have increased their capital structure through the sale of either preferred stock or capital debentures, or both. And at least one country bank, the Farmers & Merchants National of Columbia, Tenn., has sold a capital debenture.

#### STIGMA VANISHING

The stigma which was attached to preferred stock and subordinated capital debentures in banking for so many years is vanishing rapidly. And only last month, the October 12 issue of Business Week magazine contained an article commending this type of financing for banks.

The question now arises: Why shouldn't these same tools be used as a means of bank recapitalization, as well as expansion. This would permit the orderly transfer of voting control of typical country banks from aging ownership-management which wants to sell to capable younger bankers who want to buy but have not yet had the time in which to build up any sizable cash or liquid net worth?

We don't see any reason why it can't be done. It is not believed that any new legislation is necessary. It is believed that only a statement from the Comptroller and/or from State supervisory authorities, giving their blessing to the idea, is required.

Now, to back up a bit and to reintroduce to our readers Richard H. Barry, a former banker and a successful financial consultant of Fargo, N. Dak. The writer first met Mr. Barry exactly 10 years ago this month, on a trip to Minneapolis, Minn. He told us of his idea, and we reported it in the December 15, 1953, issue of Bank News.

It was an idea which had gained considerable acceptance, at that time, among bankers in the North Central States, and Mr. Barry had become a popular speaker at banker meetings in that region. He was also well received when he spoke before the National Association of Supervisors of State Banks.

But Mr. Barry, at that time, failed to win approval of his idea from the Comptroller, the FDIC and the Federal Reserve Board.

He then took his idea and put it to work in nonbanking situations where owners of closely held small- and medium-sized companies had become frozen into their ownership, and because of age, illness or other factors, were looking for a means to perpetuate management and local ownership. In the past 10 years, he has been most successful in helping key employees to buy out their older employers, and his work has been recognized in articles in the national business press.

Now, to come back to more recent events. In the past 12 months or so, Comptroller Saxon has come very close to approving the Barry plan, and we believe he would approve it if it were called to his attention. This is something which we intend to do.

#### HOW IT WOULD WORK

Perhaps the Barry plan can best be described by illustration.

Let us take the case of a typical county seat bank with total capital structure of \$500,000, as follows:

Common stock.....	\$300,000
Surplus.....	170,000
Undivided profits.....	30,000

The long-time active president owns 81 percent of the stock. He wants to sell out and retire. He has no sons interested in banking. His young vice president is an able banker, capable of managing the bank, but he has inherited little or no money and he hasn't had the time in which to accrue much liquid net worth. He and his associates have only about \$105,000 in cash available for the purchase of the bank president's stock. They could attempt to borrow the remaining \$300,000 (assuming the president would sell at book value), but with the tax situation being what it is today, they might work a lifetime trying to get the loan paid off.

In a telephone conversation a few weeks ago, Mr. Barry told us that as a rough rule of thumb (with allowance for unusual circumstances), he believes that approximately 50 percent of a small bank's earnings, after income taxes, could be used to service dividends, interest, and annual sinking fund payments on the preferred stock and subordinated capital debentures.

Therefore, let us assume that average earnings after income tax on net worth of \$500,000 is 9 percent—about the national average for all banks in recent years—or \$45,000, and let us also recapitalize the above cited bank as follows:

#### Step one

Capital debentures.....	\$100,000
Preferred stock.....	200,000
Common stock (\$100 par).....	300,000
Surplus.....	170,000
Undivided profits.....	30,000

Combined total..... 800,000

#### Step two

The young banker and his associates purchase directly from the president 630 shares of his stock for \$105,000.

#### Step three

The bank calls in and retires all of the president's 1,800 remaining shares, and in payment therefor he receives \$300,000 cash.

#### Step four

The capital structure of the bank is now:

Subordinated debentures.....	\$100,000
Preferred stock.....	200,000
Common stock.....	120,000
Surplus.....	50,000
Undivided profits.....	30,000

Combined total..... 500,000

The total is still \$500,000. Depositors still have the same capital structure protection.

The heart of the Barry plan is this: The problem of ownership-management succession has been made easier by reducing from \$405,000 to \$105,000 the amount required by the young vice president and his associates to acquire the president's 81 percent interest.

And while the new owners would have only 21 percent of the entire capital structure of \$500,000, they would have voting control through their 52½ percent ownership of the common stock. Holders of the preferred and the debentures would have no voting rights so long as certain conditions specified in the indentures authorizing these securities are met.

#### EFFECT ON EARNINGS

The preferred stock would be callable after 10 years or annually, depending on the requirements of the purchaser of the preferred, as well as the minimum standards established by the bank supervisory agencies. The debentures would normally

be callable in a fixed amount annually, plus interest. The new purchasers and the other common shareholders benefit by an increased earning rate in book value appreciation, after income taxes, which would change from 9 percent to 16¼ percent annually the first year, if earnings after income taxes stayed at a level above \$42,500.

(NOTE.—We realize that a bank of this size might sell for more than book value, but for purposes of simplicity in the illustration, we have assumed that book value and market value were identical. Regardless of the selling price, the principle is the same.)

[From the Bank News magazine,  
Dec. 15, 1963]

**SMALL BANK OWNERSHIP SUCCESSION: THERE IS A MARKET FOR SENIOR SECURITIES OF COUNTRY BANKS**

(By Lloyd Riggs)

There is a market for either preferred stock or capital debentures of country banks, and there are numerous investment banking firms in this area that would be pleased to work with potential buyers and sellers of country banks in arranging the mechanics of a transaction.

We make the above statement after receiving letters from 11 different investment bankers in 6 cities. In these letters, these men expressed their thoughts concerning the article in last month's issue of Bank News that described the Barry plan for small bank ownership succession.

To review that article quite briefly, the Barry plan, proposed by Richard H. Barry, of Fargo, N. Dak., would make it easier for capable younger bankers to acquire voting control of banks from aging ownership-management wishing to sell. The plan involves recapitalizing a bank by reducing the amount of common stock and replacing it with either preferred stock or capital debentures which would be sold to insurance companies, pension funds, and other investors. Except under unusual circumstances, these senior securities would have no voting rights. Thus, a young banker might acquire control of the voting shares without needing to borrow so much money that he literally would need to work a lifetime to get out of debt.

After the November 15 issue of Bank News was published, we called this article to the attention of investment bankers, State supervisory authorities, and investment officers of insurance companies, and solicited their views.

With a few modifications which we will report later, all 11 who responded gave affirmative answers to both questions.

These included five Kansas City investment bankers: Howard H. Fitch, resident partner of G. H. Walker & Co.; Mark A. Lucas, Jr., vice president, E. F. Hutton & Co., Inc.; Milton Luce, Jr., president, Luce, Thompson & Co., Inc.; Frank W. North, president, Barret, Fitch, North & Co., Inc.; and Hoyt Purcell, vice president, Parker, Eisen, Waekerle, Adams & Purcell, Inc.

Aside from one man who asked not to be quoted by name, the others responding and giving affirmative answers were: John D. Cleland, vice president, Seltsam, Hanni & Co., Inc., Topeka; John H. Edwards, president, R. J. Edwards, Inc., Oklahoma City; Glenn L. Milburn, president, Milburn, Cochran & Co., Inc., Wichita; John E. Van Horne, president, Van Horne Investments, Inc., Omaha, and Richard A. Westcott, First Nebraska Securities, Inc., Lincoln.

One of the most enthusiastic endorsements came from John Edwards, who said in part: "I believe it is the best plan I have yet seen for affecting transfer of ownership of a bank from one group to another. As it is now, our tax laws make it almost prohibitive for a group of young bank officers to save enough money to acquire control of a bank in which they work from the older officers."

[From the Commercial West magazine, Nov. 23, 1963]

**BARRY PLAN IN SPOTLIGHT AGAIN—BANK OWNERSHIP SUCCESSION CONTINUES AS VITAL TOPIC**

Over an extended period of time beginning a little more than 10 years ago, Commercial West devoted a substantial amount of space to publicizing the so-called Barry plan, concerned with the ownership-management succession problems of small banks.

As the mechanics of the plan became widely known to bankers and banking supervisory circles at the State and National levels, on the strength of the introductory springboard provided in this magazine, more and more leaders in the banking industry came to regard it seriously as a possible, most practical means of solving the dilemma of adequate ownership-management succession.

Originated by Richard H. Barry, of Fargo, N. Dak., prominent businessman and former banker who had used his formula repeatedly in the successful reorganization and revival of nonbanking business enterprises, the Barry plan soon reached the attention of bank supervisory people in Washington and Members of the Congress. Biggest stumbling block to its continued forward march, Barry indicated at the time, was an educational program which appeared to be needed to sell banking on its adaptability.

A decade has passed and things have changed perceptibly in banking.

For one thing, James J. Saxon, present Comptroller of the Currency, has indicated an inclination toward liberalizing many old banking concepts.

Here are pertinent paragraphs on the subject, from the new manual issued by the Comptroller:

**"CORPORATE PRACTICES**

**"14.4 Preferred stock:**

"It is the policy of the Comptroller of the Currency to permit the issuance of preferred stock by national banking associations in accordance with normal business considerations. Subject to the provisions of 12 U.S.C. 51a, 51b, and 51b-1, the bank may, by vote of stockholders owning a majority of the stock of the bank, issue convertible or nonconvertible preferred stock of one or more classes, with such other provisions and in such amount and with such par value as shall be approved by the Comptroller, and make such amendments to its Articles of Association as may be necessary for this purpose.

**"14.5 Capital debentures:**

"(a) It is the policy of the Comptroller of the Currency to permit the issuance of convertible or nonconvertible capital debentures by national banking associations in accordance with normal business considerations.

"(b) Subject to the provisions of 12 U.S.C. 82, the bank may, with the approval of stockholders owning two-thirds of the stock of the bank, entitled to vote, issue convertible or nonconvertible capital debentures in such amounts and under such terms and conditions as shall be approved by the Comptroller, provided, however, that the principal amount of capital debentures outstanding at any time, when added to all other outstanding indebtedness of the bank, except those forms of indebtedness exempt from the provisions of 12 U.S.C. 82, shall not exceed an amount equal to 100 percent of the bank's unimpaired paid-in capital stock plus 50 percent of the amount of its unimpaired surplus fund."

Other leaders in the industry, in banking itself and in the supervisory agencies, are believed to be in sympathy with much of this liberality trend.

For another, a law passed by the 1957 Minnesota Legislature permits existing State banks to sell preferred stock as well as debentures.

Within the past month, Commercial West learns from Dick Barry he has received from Ernest Kohn, research director in the New York State Banking Department, an inquiry about the details of the Barry plan for dealing with the problems of ownership-management succession for small banks.

In his reply, Barry frankly admitted: "I believe, in the interest of obtaining the cooperation of persons like yourself, that I should point out and admit that my concepts of ownership-and-management succession cannot solve every problem in that field. I am hopeful that the bank supervisory officials will approach my concepts from the standpoint of matching their experience with mine, for the purpose of refining ways and means to solve ownership-management succession problems in small- and medium-sized banks."

Barry also told Kohn that Commercial West "was the earliest of the many understanding" people to support "my succession-of-ownership educational campaign."

Here's what Commercial West had to say, in part, in introducing the Barry plan in its issue of March 14, 1953:

"A new type of investment company to help individuals finance the purchase of small- and medium-sized banks in the upper Midwest and which has been under study for the last 3 months by a North Dakota businessman and former banker, R. H. (Dick) Barry, of Fargo, has now been brought to the attention of Congress.

"The need for a company of this nature was conceived by Barry about 5 years ago in connection with a growing economic problem which in 1952, he points out, found an average of two banks per week going out of existence in the United States, while only one new bank per week was being started—despite the fact that this Nation was growing at the rate of 2 million persons annually.

"Figures obtained by Barry from the research records of the Federal Reserve System also showed that more independent banks went out of existence in the United States in 1952 than in any year since 1943.

"While there are several reasons for this economic problem, including inflation and high income taxes, Barry believes that long-term credit for prospective buyers who have integrity and capacity and a reasonable part of the required capital will help reduce the problem.

"This opinion, according to a survey which he has made, is beginning to be shared by more and more bankers. The survey also brought out that many businessmen and economists are concerned that a broad economic problem confronts this Nation in connection with the dwindling continuity of local ownership of many types of business in addition to banks.

"Barry recently returned from spending 3 weeks in Washington, D.C., where he generated considerable interest in the broad economic problem among several Members of Congress, the Department of Commerce, and one of the economic advisers to President Eisenhower.

"He also presented to the Federal Reserve System, the Federal Deposit Insurance Corporation, and the Office of the Comptroller of the Currency the mechanics of his proposal whereby certain of his clients, where they were satisfied with the soundness of the bank from the standpoint of the quality of the assets, the geographic location, and the proposed management, would give favorable consideration to investing from 25 to 75 percent of the required capital, providing the proposed purchaser or purchasers would forgo dividends on his or their stock for a given number of years and that an arrangement be made to take them out through a sinking fund in annual installments over a period of 15 to 20 years."

[From the Commercial West magazine, Dec. 7, 1963]

**NORTH DAKOTA'S WATTAM A BOOSTER FOR REVIVAL OF THE BARRY PLAN**

"I was interested in your article in the November 23 issue relative to the Barry plan," writes C. C. Wattam, of Fargo.

Now treasurer and formerly longtime secretary of the North Dakota Bankers Association, Wattam recalls that in 1953, after Commercial West first called attention to the plan developed by Richard H. Barry, also of Fargo, which was (and is) concerned with the ownership-management succession problems of small banks, he attempted "to interest the other secretaries in the subject." He correctly reflects that a considerable amount of time and effort was "spent by many bankers to make the merits of the plan known across the country and make it a national project."

In letters to various bankers association secretaries in October 1953, Wattam reported on a meeting he had attended in Minneapolis with representatives of the Minnesota, Wisconsin, and South Dakota associations, where Barry was invited to outline the plan.

"All present recognized that the matter was one from which many bankers might profit very materially," he wrote, and "after a 2-hour discussion \* \* \* those present were unable to locate the 'bugs,' if any" and "were in unanimous agreement that the ideas presented appeared sound." They felt that "the plan could be of tremendous benefit not only in the sale and purchase of small banks, but also in tax savings."

It also was agreed, Wattam reported, "that the success of the plan, insofar as bankers are concerned, depended upon its 'sale' to governmental banking agencies, and might in some instances require some State legislation." Accordingly, he said, the Barry plan required first of all, "education."

With that, Barry was in complete agreement. As Commercial West said in its story of the revival of the Barry plan, 2 weeks ago: "Biggest stumbling block to its continued forward march, Barry indicated at the time, was an 'educational' program which appeared to be needed to sell banking on its (the plan's) adaptability."

Now, on the strength of admitted enlightenment in many sectors of the Nation's banking structure, bankers, supervisory authorities, and legislators on the State and Federal levels would appear to be lending increasing attention to and study of the Barry plan to solve the riddles involved in ownership and management succession problems of small banks.

**TOBACCO REPORT**

Mr. BEALL. Mr. President, last Saturday there was released the report of a special commission's study on the use of tobacco. The report leaves us with questions regarding smoking and health still in dispute—and I feel that further study is needed.

First, I would suggest that we proceed with caution in dealing with an industry involving millions of Americans—one of our largest industries and one of our largest agriculture crops. Injury to this industry could bring on economic chaos.

Some 750,000 farm families, averaging 3 or 4 to a family, in 21 States depend upon the growing of tobacco for their livelihood; tobacco is this Nation's fifth largest cash crop. In the United States, there are 578 processing plants in 30 States. These plants and the companies which supply goods and services to the industry employ some 17 million people.

Tobacco products last year provided some \$3.2 billion in taxes. This is nearly 40 times the yearly budget of the United Nations.

In our country, about 80 million people use tobacco products—well over half the adult population.

That, in brief, indicates tobacco's social and economic importance.

This is not to suggest that the tobacco industry is entitled to some kind of special privilege. But it is to suggest that before we permit damage to such an industry—damage which might upset our whole economic structure at this time—we proceed with caution.

I would say the same thing if someone wanted to damage the automobile industry on the grounds that automobiles injure and kill hundreds of thousands of people every year.

As the poet has said, there is good and bad in everything.

The history of America and the history of tobacco run parallel. Tobacco was once used here as money. And it has been smoked here for over 350 years—with satisfaction. And that, in itself, is a commentary. Who can say with assurance that we would have been better off without tobacco?

I want to make it clear that I am not a tobacco raiser, though in our State much tobacco is grown—and Maryland is noted for its high-quality tobacco.

I am not a scientist. I cannot discuss this issue on a scientific basis. However, let me interject one idea of a layman on the subject of health. Mental health is a subject much in the public mind. Psychiatry has come into its own because of the stress and strain of the present day. Most doctors will tell us, I believe, that this stress and strain accounts for much of the disability of today. Possibly we need more relaxing, more contemplation. And may I ask, what better tool for relaxing, for contemplation, than a good smoke? Let us be sure that we do not kill one evil with perhaps a bigger one.

**U.S. GOVERNMENT EMPLOYEE IN CAIRO CAUGHT PARTICIPATING IN SMUGGLING OPERATION**

Mr. WILLIAMS of Delaware. Mr. President, today I wish to call the attention of the Senate to another example of the State Department "Operation Cover-up." In this instance an employee of the U.S. Government, working in the American Embassy in Cairo, was caught participating in a smuggling operation involving \$1.5 million of foreign currency.

Notwithstanding the fact that the investigation definitely established the guilt of this individual the only action taken by the State Department was the acceptance of his resignation in lieu of facing the charges.

Apparently in the opinion of the State Department the only crime this employee committed was in getting caught.

Last August there appeared in the press an Associated Press article to the effect that a member of the U.S. Embassy in Cairo had taken part in a currency smuggling operation totaling over \$1.5 million.

Under date of August 20, 1963, I addressed a letter to Secretary Rusk quoting this newspaper article and asking for a report.

At this point I ask unanimous consent to have incorporated in the RECORD my letter of August 20 as addressed to Secretary Rusk.

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

U.S. SENATE,

Washington, D.C., August 20, 1963.

HON. DEAN RUSK,  
Secretary of State,  
Washington, D.C.

MY DEAR MR. SECRETARY: The following article captioned "Charge United States with Part in Currency Smuggling" appeared in a recent issue of the Chicago Tribune:

"CAIRO, July 2.—Cairo newspapers today carried stories of three diplomatic currency smuggling operations totaling \$1,500,000. Reliable informants said the embassies involved were those of the United States, Lebanon, and Mali. 'No comment,' said the press attaché at the American Embassy. 'We know nothing about the affair,' a Lebanese Embassy spokesman said. There was no comment from Mali."

I would appreciate a report as to the accuracy of this charge, and in particular whether or not any U.S. official or U.S.-owned currency was involved. If so, I would appreciate receiving a complete report.

Yours sincerely,

JOHN J. WILLIAMS.

Mr. WILLIAMS of Delaware. On August 27, 1963, I received a reply stating that the American involved in this smuggling operation was an employee of the U.S. Department of Agriculture who had been assigned to the staff of the American Embassy in Cairo. Accordingly they were referring my inquiry to that Department for an answer.

At this point I ask unanimous consent to have printed in the RECORD the State Department's letter of August 27 as signed by Mr. Frederick G. Dutton, Assistant Secretary.

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

DEPARTMENT OF STATE,  
Washington, August 27, 1963.

The Honorable JOHN J. WILLIAMS,  
U.S. Senate.

DEAR SENATOR WILLIAMS: Thank you for your letter to the Secretary of August 20, 1963, regarding the Cairo newspaper report of diplomatic currency smuggling operations, which has been referred to this office for reply. Because this report pertains to a U.S. employee of the Department of Agriculture who was assigned as a member of the staff of the American Embassy in Cairo, I have taken the liberty of referring your letter to the Department of Agriculture for their direct report to you.

If the Department may be of any further assistance to you in this matter, please do not hesitate to let me know.

Sincerely yours,

FREDERICK G. DUTTON,  
Assistant Secretary.

Mr. WILLIAMS of Delaware. Subsequently, under date of September 12, 1963, I received a reply from the Department of Agriculture, signed by Mr. Lester P. Condon, inspector general.

In this letter Mr. Condon identified Herbert Keith Ferguson as the employee who was involved in the Egyptian currency manipulations and stated that Mr.

Ferguson had been ordered to return to the United States pending the results of the investigation. This investigation had confirmed that Mr. Ferguson was a member of the smuggling ring trading Egyptian currency for the currency of other countries.

Notwithstanding the fact that the Department's investigation definitely established that Mr. Ferguson, an employee of the American Government, had been caught participating in this smuggling ring, the only action taken against him was to accept his resignation in lieu of pressing charges.

At this point I ask unanimous consent to have incorporated in the RECORD two letters confirming this whitewash attempt. First, I ask that there be printed the letter from the Department of Agriculture dated September 12, 1963, signed by Mr. Lester P. Condon. This letter confirms the establishment of Mr. Ferguson's guilt. I quote from this letter and then ask that the full letter appear in the RECORD:

Investigation by this office and the Department of State security investigators confirmed that Mr. Ferguson acted as a go-between in the sale of Egyptian currency for the currency of other countries.

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

U.S. DEPARTMENT OF AGRICULTURE,  
OFFICE OF THE SECRETARY,  
Washington, D.C., September 12, 1963.  
Hon. JOHN J. WILLIAMS,  
U.S. Senate,  
Washington, D.C.

DEAR MR. WILLIAMS: This refers to your August 20, 1963, letter to Mr. Rusk requesting information on the Associated Press dispatch from Cairo, dated July 2.

This is to advise that on June 25, 1963, we received information that the agricultural attaché stationed at Cairo, Egypt, Herbert Keith Ferguson, was allegedly involved in Egyptian currency manipulations. Mr. Ferguson was ordered to return to the United States, and he arrived in Washington on June 30, 1963. Investigation by this office and the Department of State Security investigators confirmed that Mr. Ferguson acted as a go-between in the sale of Egyptian currency for the currency of other countries. It has been established that no U.S. Government funds were involved. Mr. Ferguson submitted his resignation during the course of the investigation.

This case was referred to the Department of Justice for possible criminal action. We have just been formally advised by letter from the Department of Justice that the currency manipulations by Mr. Ferguson did not appear to involve any violation of the Federal laws of the United States. Additionally, the letter informed us that the Department of State had reported a possible violation of passport laws by Mr. Ferguson, and that the Department of Justice had requested State to investigate that matter further.

Sincerely yours,

LESTER P. CONDON,  
Inspector General.

Mr. WILLIAMS of Delaware. Next I ask unanimous consent that there be printed in the RECORD a letter received from the U.S. Civil Service Commission dated October 21, 1963, signed by Mr. John W. Macy, Jr., Chairman. I quote one sentence from this letter, following

which I ask that the full letter be printed:

This report, furnished us by the Department of Agriculture, states that Mr. Ferguson resigned from his position July 3, for personal reasons, in lieu of charges, while under investigation for alleged improper activities.

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

U.S. CIVIL SERVICE COMMISSION,  
Washington, D.C., October 21, 1963.  
Hon. JOHN J. WILLIAMS,  
U.S. Senate,  
Washington, D.C.

DEAR SENATOR WILLIAMS: In compliance with your request of September 30, there is enclosed the employment record of Mr. Herbert K. Ferguson whose last employment was with the Department of Agriculture, as Agricultural attaché, Cairo, United Arab Republic.

This report, furnished us by the Department of Agriculture, states that Mr. Ferguson resigned from his position July 3, for personal reasons, in lieu of charges, while under investigation for alleged improper activities. Sincerely yours,

JOHN W. MACY, JR.,  
Chairman.

Mr. WILLIAMS of Delaware. Not only does the participation by Mr. Ferguson in this international smuggling ring while serving as an employee of the U.S. Government in Cairo, Egypt, bring discredit to him as an individual but his conduct is also a reflection on the entire United States. And when representatives of those countries see no action being taken against the illegal activities of one of our foreign representatives, the inference naturally can be drawn that the State Department condones such operations.

Rather than having attempted to whitewash this case it would have been far better for the State Department to have taken vigorous action to prosecute the guilty.

#### SOVIET PERSECUTION OF CHRISTIANS

Mr. KEATING. Mr. President, in the Soviet Union, this year began with the revival of the antireligious campaign, aimed this time at those adherents of Christianity who, through nearly half a century of choking repressive measures, have held fast to their faith. Communist Party newspapers, resorting to the most transparent ruses—such as attacking baptism as a cause of pneumonia—now turn their fire on age-old religious ceremonies that for centuries have been a source of sustenance and joy to Christians everywhere.

The Soviet Communists, unable to throttle the most peaceful and non-political group within their own country, have undertaken a ruthless campaign to root out religious faith, a force deemed threatening to the Communist system. It seems that the widespread celebration of Christmas in the U.S.S.R. was a source of alarm to rulers there, for we learn that the Yelokhovski Cathedral, where thousands of Russians thronged to worship on the eve and day of Christmas, is expected to be torn down, supposedly to alleviate traffic conditions

in a city where few automobiles are in use. The Council of Ministers of the Russian Federation recently recommended the establishment of a commission to create "new civil ceremonies of all kinds." Apparently religious ceremonies marking the memorable events in the lives of individuals and families are also regarded as threatening to the Soviet system.

Soviet party leaders have consistently engaged in a concerted but unsuccessful effort to forge monolithic culture within the U.S.S.R. Members of the Jewish religion have suffered particularly. We offer our sympathy to those genuinely pious religious leaders and followers in Russia, that they may resist these renewed attempts to crush spiritual strength.

#### ARAB SUMMIT HATE CONFERENCE

Mr. KEATING. Mr. President, this week the world will be witness to one of the strangest international gatherings of the decade. Twelve heads of government will be present. The purpose of this meeting at which monarchs will rub shoulders with revolutionaries and presidents with generals is unfortunately not a constructive one, but a deliberately negative and belligerent one.

The 13 Arab States of the Middle East are looking for a way to block the State of Israel from the water development and irrigation projects which are necessary to Israeli economic growth and progress. Although most of the Arab leaders are not on speaking terms with at least one of their colleagues, they have agreed, for the moment at least, to put their smaller grievances aside and concentrate instead on their big hate, the State of Israel.

To an objective, rational observer, there seems little that the Arab States can do. Israel has worked for years on a plan for diversion of the Jordan River waters to make the desert of the Negev flourish. Based originally on blueprints for a cooperative Arab-Israeli effort, Israel's plans have proceeded even though the Arab States dropped out and refused to cooperate. The Arabs have no legal right to deny Israel a share of the waters of the Jordan. Equally, and perhaps more significantly, they do not have the military force or the outside backing that would be necessary to stop the Israeli moves.

For this reason, the present, highly headlined meeting offers something of a puzzle. Some interpret it as a fanatic Arab effort to push Nasser, who alone has a fairly respectable military force, into direct action, or to embarrass him if he refuses. Yet in actual fact, it was Nasser who called the meeting, and he may be seeking to spread the blame for inaction as widely as he can.

On the other hand, when all the rival Arab leaders get together to talk about Israel, there can be no doubt that each will seek to outdo the others in the virulence of their verbal attacks on Israel. There can be no doubt that each will try to push the others into bearing the brunt of the stop-Israel movement while taking as much of the credit as possible.

The fact is that what was originally advertised as an Arab unity conference may instead advertise to the world Arab divergences and Arab inability to stop the development and progress of Israel.

Nevertheless, the danger of more extreme action cannot be ruled out. The United States should take this occasion to make clear once again, both publicly and privately, that the United States will not tolerate Arab efforts to block reasonable Israeli diversion of some of the waters of the Jordan River. Our 6th Fleet in the Mediterranean is a potent force. It should be alert now and in the ensuing months to discourage any Arab adventures or military activities directed toward Israel.

If the Arabs wish to convene a "summit conference" merely to lament their own inability to act, that can do little harm and indeed it may persuade some of Nasser's listeners that his bark is worse than his bite. But if the Arab leaders move toward any decisive action or commitment against Israel, then the United States must make clear beyond question the interest and responsibility which we feel toward the continuation of peace—or relative peace—in the Middle East.

The tragedy of this meeting, as of the large part of Arab policies since the emergence of Israel as an independent state, is that the efforts and energies of the 13 national leaders are turned to barren, unproductive hate.

Through a policy of agreement and cooperation, there is so much the nations of the Middle East could learn, so many benefits that could be derived. Instead, Israeli technicians go to African nations and elsewhere to assist less skilled people while the pressing problems of the desert lands of the Middle East are largely untouched except in Israel. A cooperative Arab-Israeli resource development effort could make the desert bloom with crops. Instead, Cairo's loudspeakers boom with hatred, this week through 13 voices instead of 1, and the basic problems of the Arab peoples are utterly ignored.

#### TRIBUTE TO JOHN F. KENNEDY

Mr. HUMPHREY. Mr. President Dr. Jerome B. Wiesner, the special assistant to the President for science and technology, has written a deeply moving eulogy of the late President Kennedy which appeared in *Science* magazine, on November 29, 1963.

His remembrance of President Kennedy perceptively captures the true spirit of a man whose vision and outlook made it easy for him to understand the social significance of modern science and technology.

In this age of technological revolution we are fortunate to have such wise and dedicated men as Dr. Wiesner serving as science adviser to the President.

I share with him this sense of great loss he felt for a leader who, though he had no background or training in scientific matters, nevertheless, had a quick, almost instinctive understanding of problems once he was given the facts.

I ask unanimous consent that the article by Dr. Wiesner 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 *Science* magazine, Nov. 29, 1963]

#### JOHN F. KENNEDY: A REMEMBRANCE

"His respect for science as an instrument of good was one of the Chief Executive's distinctive qualities"—Jerome B. Wiesner.

(The following was written especially for *Science* by the late President's special assistant for science and technology.)

Never have I been given a more difficult task. To put into words the true spirit and charm and intelligence of John F. Kennedy would be impossible even for a writer far more gifted than I. It would take the telling of many tales, a description of his handling of problems large and small, a detailed history of his 3 brief years as a world leader, to show his true greatness.

I have just returned from Arlington National Cemetery where thousands of people from all over the world paid their last respects to the man who had given them so much hope. It was a beautiful, cold, sunny day, the kind he loved. One could almost call it a New England day. The day was like the President, radiant and crisp. He added something indescribable to every occasion; his smile brightened it, his humor livened it. He had a quick and often sardonic humor and a quick mind. To these he added an optimism about the future and a determination to bring out the maximum capabilities of our people, and, indeed, of all mankind. He was an intelligent, educated man. He was a kindly man. I never knew him to do a mean thing to any person. He was never too busy for a word of greeting. He had a strong temper but one that subsided quickly. Challenged, he responded firmly. Big problems were never allowed to submerge the small, today's problems to obscure tomorrow's. At the height of the great crises of his tenure—the Bay of Pigs disaster, the resumption of nuclear testing by the Soviet Union, Mississippi, Birmingham, the confrontation with the Soviet Union over the missile installations in Cuba—he still talked about the future. He retained his monumental interest in the details of the ongoing business of government. He read an amazing amount, and seemingly remembered it all. He often asked about obscure stories concerning science buried in the *New York Times* or the *London Observer* or any one of the dozens of papers and periodicals he somehow found time to read.

#### VISION AND OUTLOOK

I met Jack Kennedy while he was a Senator from my home State of Massachusetts. He needed advice on technical matters, particularly military technology and nuclear test ban, issues then occupying much of my time. I agreed to help largely because friends asked me to and because he was my Senator. I heard from him only infrequently at first and saw him even less. But even those brief contacts caused me to admire him, so that I readily agreed to join up and provide what little help I could when he became the Democratic candidate for the Presidency. Many things impressed me then and drew me to him. There was, of course, his charm but there was much more. I was most impressed by his quick, almost instinctive understanding of problems once he was given the facts. His background ill prepared him for an interest in scientific matters, yet his interest was lively. He was, in fact, then a member of the Harvard University visiting committee. Obviously unprepared to understand the theory of scientific subjects, he tried to get a physical feel of the matter. For example, he was forever trying to get

someone to explain electromagnetic propagation comprehensibly. He didn't call it that. He wanted to know how radio worked. But when one tried to answer, one learned that the question was not about electron tubes or transistors or coils—these were manmade things which he could believe—but why and how did nature really allow energy to be sent through space.

Someone called him a truly modern man, this first American President to be born in the 20th century. And he was that. He had confidence in and used the modern tools. In a real sense technological marvels gave him his chance to be President. Without the airplane and television, he would not have been able to wage his successful campaign in 1960. And he never forgot this. His vision and outlook made it easy for him to understand other products of technology. President Kennedy, better than any political figure I have known, understood the social significance of modern science and technology.

As I try to remember the things that impressed me most about the President, four qualities stand out: his intelligence, his hopefulness, his sense of history, his striving for excellence. All of us who worked with him were proud of him. His very appearance, his composure, his sensitivity for every situation led us to an ever-growing admiration. He was the President from the very beginning, and as he was tested in his terrible job, he grew.

His vision and perfectionism may best be seen in his speeches. He had a vision of what he thought the world could be, and he projected this in his poetic prose. His inaugural address set the plan for his administration, and he strove consistently to reach the goals he set then. He said, "To those peoples in the huts and villages of half the globe struggling to break the bonds of mass misery, we pledge our best efforts to help them help themselves, for whatever period is required—not because the Communists may be doing it, not because we seek their votes, but because it is right. If a free society cannot help the many who are poor, it cannot save the few who are rich."

And about the arms race, "Finally, to those nations who would make themselves our adversary, we offer not a pledge but a request: that both sides begin anew the quest for peace, before the dark powers of destruction unleashed by science engulf all humanity in planned or accidental self-destruction. \* \* \* Let both sides explore what problems unite us instead of belaboring those problems which divide us. Let both sides, for the first time, formulate serious and precise proposals for the inspection and control of arms—and bring the absolute power to destroy other nations under the absolute control of all nations."

Much of President Kennedy's hopefulness was derived from his conviction that science provided our Nation with vast powers for good. In the inaugural speech, he summed this up with, "Let both sides seek to invoke the wonders of science instead of its terrors. Together let us explore the stars, conquer the deserts, eradicate disease, tap the ocean depths and encourage the arts and commerce." He was ever pressing to put technology to work. In foreign affairs, for helping other nations, for insuring our security, in seeking solutions to our domestic problems, he looked to science for the clues.

#### NATIONAL ACADEMY SPEECHES

Twice he responded to invitations to speak before the National Academy of Sciences, and, as far as I know, set a precedent for Presidential attendance at academy functions.

On April 25, 1961, the President, in dedicating the new wing of the academy, disregarded his prepared text and in an eloquent extemporaneous talk revealed his sensitive understanding of the necessary cooperation

between the Government and the scientific community. In calling upon the academy and the scientific community, the President remarked:

"This country must move forward, and most of the areas where we must move forward involve most sophisticated problems which your experience and training can help us to solve. One of the problems, it seems to me, of a free society is the fact that all of the questions which we must decide now are extremely sophisticated questions. It is difficult enough for those who hold office, either in the administration or in the Congress, to attempt to make a determination between alternate courses of action—fiscal policy, monetary policy, agricultural policy, international policy, disarmament, arms control, all the rest, all of these involve questions to confound the experts. For those of us who are not expert and yet must be called upon to make decisions which involve the security of our country, which involve the expenditures of hundreds of millions or billions of dollars, we must turn, in the last resort, to objective, disinterested scientists who bring a strong sense of public responsibility and public obligation. So this academy is most important."

Again, on October 22, 1963, a month to the day before the tragic events in Texas, the President appeared before the academy on the occasion of its anniversary convocation and he emphasized the importance of basic scientific investigations, the contributions that science can make to international objectives, and the interdisciplinary and intercultural aspects of science in playing its role in modern society. He also dwelt on a theme that he many times expressed, the need for applying the results of scientific and technological advances to the conservation and development of natural resources. During his relatively brief stay in office he gave physical meaning to these objectives.

On the subject of basic scientific research, the President said in his last academy speech:

"But if basic research is to be properly regarded, it must be better understood. I ask you to reflect on this problem and on the means by which, in the years to come, our society can assure continuing backing to fundamental research in the life sciences, the physical sciences, the social sciences, on natural resources, on agriculture, on protection against pollution and erosion. Together, the scientific community, the government, industry, and education must work out the way to nourish American science in all its power and vitality."

President Kennedy regarded international scientific cooperative activities and scientific exchanges as one of the strongest bridges to other nations, and at the academy celebration he expanded on this view: "I would suggest that science is already moving to enlarge its influence in three general ways: in the interdisciplinary area, in the international area, and in the intercultural area. For science is the most powerful means we have for the unification of knowledge, and a main obligation of its future must be to deal with problems which cut across boundaries, whether boundaries between the sciences, boundaries between nations, or boundaries between man's scientific and his humane concerns."

He closed his talk with an anecdote that revealed the strength of his conviction about the importance of basic research to the country's future when he remarked, "the great French Marshal Lyautey once said to his gardener: 'Plant a tree tomorrow.' And the gardener said, 'It won't bear fruit for a hundred years.' 'In that case,' said Lyautey to the gardener, 'plant it this afternoon.'" "That is how I feel about your work," said the President.

#### BASIC RESEARCH AND MANPOWER

Under the President's leadership there has been a substantial strengthening of the basic research grants of the National Science Foundation in recognition not only of the need for the results of such research, but also of the essential role of basic research in the training of new scientists. In a news conference on January 15, 1962, the President expressed his concern about the future adequacy of our scientific and technical manpower in referring to a study of Soviet technical manpower that had just been published by the National Science Foundation. He said, "This has been a matter of some concern to me for some time because one of the most critical problems facing this Nation is the inadequacy of the supply of scientific and technical manpower, to satisfy the expanding requirements of this country's research and development efforts in the near future." He called upon the President's Science Advisory Committee, in cooperation with the Federal Council for Science and Technology, to report as quickly as possible on the specific measures that could be taken to develop the necessary, well qualified scientists and engineers, and he reinforced his personal concern with the words, "To all those who may be within the sound of my voice or who may follow your stories in the papers, I want to emphasize the great new and exciting field of the sciences." Following a submission of the Science Advisory Committee report of December 1962 on needs for graduate training in engineering, mathematics, and physical sciences, the President's 1964 budget for the National Science Foundation reflected his acceptance of the PSAC judgment of the importance of increased support for graduate education. This is also reflected in his proposed legislation to increase the number of fellowships under the National Defense Education Act, and in his extemporaneous remarks at the National Academy celebration he expressed his deep disappointment in the failure of the Congress to support this program.

#### SPACE PROGRAM

During his administration he made persistent efforts to strengthen the U.S. space program. He saw in it the opportunity to serve many national needs. He was firmly convinced that Soviet space supremacy had greatly weakened the United States in its foreign affairs. He saw military hazards in a lagging space capability. He saw the exploration of space as one of the great human adventures of this century, and he appreciated the important scientific possibilities of space exploration. He dedicated this Nation to a massive space program with a firm target of a manned lunar landing in this decade. This is a costly program and his decision to undertake it was not made lightly. He talked to hundreds of people in the process of making his decision and he weighed the costs with real concern. In the end he became convinced that the United States could not remain second in this important field. Despite continual review, he remained convinced of the correctness of this course.

Yet with the closing of the gap between United States and U.S.S.R. outer space capabilities, he followed through his inaugural theme with the proposal to the U.S.S.R. for a joint moon venture.

He also followed through on his inaugural hopes of conquering the deserts, and the national efforts at desalinization were greatly reinforced, along with a stepped-up program of underlying basic and applied research to overcome the barriers to economic desalinization.

#### NATURAL RESOURCES

In the field of natural resources, the President early in his administration took steps to accelerate the pace of the national pro-

gram in oceanography, and at the same time provided leadership and backing both for congressional support and for a coordinated, balanced, and imaginative interagency approach to oceanographic research. An old sailor, he had a special interest in this research. He got a particular pleasure when the Presidential yacht *Williamsburg* was converted into an oceanographic research vessel. For a film on oceanographic research just completed, the President provided the opening and closing lines. Recently, after I had recovered from the consequences of a sailing accident, inaccurately reported, he offered to give me lessons in sailing and press relations. He called upon both the National Academy of Sciences and the Federal Council for Science and Technology to study and make recommendations for strengthening the Federal efforts across the broad horizons of natural resources in the land, sea, and air so that they can better serve the needs of the American people.

Early in his administration, too, the President lent substance to his desire to encourage commerce through science and technology by initiating a national program to strengthen civilian technology, including the appointment of an Assistant Secretary of Commerce for Science and Technology. In remarks prepared for delivery in Dallas, never given, the President pointed out that communities possessing the best in research and graduate facilities tend to attract the new and growing industries. He congratulated those who recognized the relationship between leadership and learning and the need for community support for the advancement of learning underlying the creation of the forward-looking Graduate Research Center of the Southwest.

President Kennedy's interest in international aspects of science was again highlighted in his September 20, 1963, address to the United Nations, where he urged a world center for health communications to warn of epidemics and the adverse effects of certain drugs; regional research centers to advance common medical knowledge and train new scientists and doctors for new nations; and a cooperative system of satellites to provide communication and weather information on a worldwide basis. As a result of his initiative, work has already begun in the world meteorological organization to develop the outlines of a world weather system and to strengthen basic research in atmospheric sciences on an international basis.

In connection with technical assistance to newly developing countries, the President was instrumental in bringing about closer attention to the need for research underlying the planning and execution of the AID program. This was reflected in the formulation of his Alliance for Progress program with its emphasis on science education, and in the establishment of the Office of Human Resources and Social Development in the Agency for International Development.

There are numerous other examples of President Kennedy's interest in promoting the development and application of science on an international basis, ranging from his initiative in establishing the United States-Japan Science Committee and his encouragement of the scientists' Pugwash movement, to his request for specific studies from his Science Advisory Committee, including a study of the problem of hoof and mouth disease in Argentina, the problem of water logging in Pakistan, and most recently his initiation of a study of the boll weevil problem in cotton production, a matter of international as well as national concern.

#### ARMS CONTROL

I have already referred to the President's strong conviction about the need for bringing about adequately safeguarded international arms control, a matter that occupied a very substantial part of his time from

the very first days of his administration. The whole world can be thankful for two major accomplishments that flowed from his efforts, two monuments to his labors on the road to peace—the Arms Control and Disarmament Agency and the Nuclear Test Ban Treaty—which can inspire us to persist in the efforts to avoid the nuclear holocaust that so haunted him. One of his first acts was to propose to Congress the creation of the Arms Control and Disarmament Agency, the world's first governmental activity dedicated solely to the study of disarmament problems. As a result, the U.S. Government now has a small cadre of professionals in this extremely complicated and important field.

The signing of the nuclear test ban treaty gave the President enormous satisfaction. For him it proved that meaningful disarmament steps were possible, and it justified the hundreds of hours of debate and study, the deep disappointments along the way. His striving for this treaty, begun in the first days of his administration, weathered many bitter disappointments and was the subject of much unjust criticism. He could hardly have been blamed had he abandoned hope after the Russians resumed nuclear testing in the summer of 1961. Characteristically, though, he continued his attempts to work out an acceptable agreement. The question of the need for further nuclear tests in order to enhance our national security involved highly technical issues and extremely controversial ones as well. So did the capabilities of nuclear test detection systems. The President made himself an expert on these subjects. He listened to many briefings and more debates. He talked to experts with every possible view and finally formed his own conclusions.

In the process he also achieved an understanding of the role of scientific advice in policy matters. In his last National Academy address he said, "As the country had reason to note in recent weeks during the debate on the test ban treaty, scientists do not always unite themselves on their recommendations to makers of policy. This is only partly because of scientific disagreements. It is even more because the big issues so often go beyond the possibilities of exact scientific determination.

"I know few significant questions of public policy which can safely be confided to computers. In the end, the hard decisions inescapably involve imponderables of intuition, prudence, and judgment."

The President called the nuclear test ban treaty a small first step. Since its signing the nations of the world have also responded to his call for a pledge to prohibit the placing of nuclear weapons in orbit. He hoped that these agreements would be followed by many more.

President Kennedy not only understood the need to invest resources for extending our understanding of science and its applications but also saw the need for institutional change to guide and assist the mounting governmental involvement in science and technology to serve national objectives. He shared the view that the Federal scientific enterprise would be best served by strengthening the individual agencies whose missions required the exploitation of science, rather than by the creation of an all-encompassing department of science. Toward this end he sought the inclusion of a technically educated individual at the policy level in each department which is heavily dependent upon science for the accomplishment of its mission. The evolution of the Office of Science and Technology also reflects this policy of building strength in the individual agencies. On March 29, 1962, after much discussion, he sent a message to the Congress providing for reorganization in the field of science and technology. He pointed out that the evergrowing signifi-

cance and complexity of Federal programs had earlier necessitated several steps for improving the organizational arrangements of the executive branch. The President believed that the creation of the Office of Science and Technology would facilitate communication between the executive branch and the Congress. The wisdom of the President in making this proposal is being increasingly realized through the activities of its director, in its close collaboration with the Bureau of the Budget, its presentations to congressional committees, and through its leadership in initiating long-range planning of research and development within the Federal agencies. To assist this work, the National Science Foundation has created an Office of Resources Planning, and closer ties with the National Academy of Sciences have been established through its newly created Committee on Science and Public Affairs.

These are only the highlights of President Kennedy's broad interest in science and technology and the tangible forms they have taken. Although much progress has been made, much more needs to be done. But because of his interest and support we have a stronger base upon which to extend the already impressive contributions of American science and technology.

#### SENATOR McGOVERN EXPLAINS VOLUNTARY WHEAT CERTIFICATE PLAN

Mr. YARBOROUGH. Mr. President, on January 9 the distinguished junior Senator from South Dakota [Mr. McGOVERN] addressed the annual convention of the National Wheatgrowers Association in Amarillo, Tex.

Senator McGOVERN is well known as the author of the voluntary wheat certificate plan. He tells me that the voluntary wheat certificate plan, which is embodied in S. 1946 and currently before the Committee on Agriculture and Forestry, has been endorsed by wheat associations in 12 States and that the National Grange has further adopted a resolution supporting the program.

The National Wheatgrowers Association contains approximately 70,000 members and has unanimously endorsed the McGOVERN proposal. Senator McGOVERN sets forth his plan in this outstanding address, and I ask unanimous consent that it be printed in the RECORD.

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

#### WHEAT IN 1964

(Remarks of Senator GEORGE McGOVERN, of South Dakota, at the annual convention of the National Wheatgrowers Association, in Amarillo, Tex., January 9, 1964)

The person who can foresee the role of wheat in the world in 1964, as proposed for me in the program, would be one of history's major prophets.

Since about 8000 B.C.—10,000 years ago—when wheat made it possible for a band of humans to establish the first permanent homes on the Mesopotamian plains, wheat has played a major role in the history of mankind.

It has never had a more important role than it has today.

The world situation would be vastly different now if Russia's grain bins, instead of ours, bulged with surplus wheat, or if Red China had a few hundred million bushels for annual export.

Wheat may help determine the outcome of the competition between the free world and

the Marxist world. Free world provision of wheat not only to underdeveloped nations, but to some of the Eastern bloc countries, can have a far-reaching political and economic impact.

History may very well record that our much-maligned surplus of wheat in the late fifties and sixties turned the tide of the cold war. In the 9-year life of Public Law 480, \$8 billion worth of wheat and flour, at Commodity Credit Corporation costs, has been exported under agreements signed with other nations. It is by far the most important commodity on our Public Law 480 list. As director of the Nation's food-for-peace program under Public Law 480 in 1961 and 1962, I saw American wheat bringing life and strength and hope to millions of human beings all over the world.

Wheat is also important in our relationships with our allies. The present competitive situation between our country and other wheat-exporting nations is fraught with serious political and diplomatic problems that may be more fundamental than the economic significance. There is need for forward-looking rational trade policies among the free-world countries rather than a free-for-all scramble for markets.

Wheat policy can have far reaching domestic consequences. It can determine the prosperity of the western wheat States, including the well-being of every business from the banks to the barber shops in thousands of small towns and cities. This can affect the national economy. It can determine whether our agriculture is going to move more swiftly away from family-type agriculture to large commercial or even corporate farming, swelling the ranks of the unemployed in the cities.

Obviously, the commodity under discussion at this annual meeting of the National Wheatgrowers Association has significance far beyond the price or income to the producers. Let me suggest a sound wheat program must assure producers an adequate income and avoid the liquidation of farming operations, especially at a time of chronic unemployment as a consequence of automation and weak spots in the economy.

A sound wheat program must avoid dumping into either the domestic feed market or into the world markets to the disadvantage of others.

A sound wheat policy must, at the same time, maintain in reserve our ability to expand exports, and to expand production as rapidly as this important cereal can be used to combat hunger and promote peace and freedom.

The importance of wheat in my State, in the national economy, and in the world as a whole were all in my mind last July when I proposed S. 1946, the voluntary wheat certificate plan, to prevent a chaotic wheat situation in 1964.

It was then my hope that by some near miracle we might get quick consideration of wheat legislation ahead of most of winter wheat seeding but that was a vain hope. Producers were not united for a program. Federal officials were not convinced that a new program should be offered. Senator ALLEN ELLENDER, chairman of the Senate Committee on Agriculture and Forestry, told me correctly, when I sought early hearings on the bill, that it would be almost impossible to pass wheat legislation until there was unity behind a proposal among all the forces concerned and, that even then, the outcome would be doubtful.

As a consequence of that situation, I reset my goals for wheat legislation in advance of spring planting, and have attempted in the intervening months to encourage consideration and the unification of forces behind a common approach to this very crucial problem.

It is gratifying to me that despite the difficulties of communication, 10 State wheat

associations have endorsed a voluntary wheat certificate plan, and that the Missouri Farmers Association, the National Grange and leaders of the National Farmers Union and the National Federation of Grain Co-operatives are with us. Also, that the Department of Agriculture and its Advisory Committee on Feed Grains and Wheat have called for a voluntary certificate approach to the wheat problem—plus quick congressional action so prices will not fall in 1964. President Johnson has made it clear to the Congress that he strongly favors wheat legislation as quickly as possible and Secretary of Agriculture Freeman has testified that the voluntary certificate plan is the best approach.

Two of the critical first steps toward adoption of a program for wheat applicable to the 1964 crop have been taken. Producers have united on an approach to the problem. The administration has joined in the effort. The third step—congressional consideration—is now being taken. Hearings are currently in progress before the House Subcommittee on Wheat, chaired by the able Texas Congressman, GRAHAM PURCELL. But unless insistence upon legislation by the supporters of a certificate plan is sufficiently intense to sweep aside political lethargy and opposition tactics, this third step will never be completed.

Passing a wheat bill in either the U.S. Senate or the House of Representatives is going to be a nip-and-tuck battle which can only be won if we have the support of every Congressman and Senator from the wheat-producing States, plus the support of others who are concerned about the economic effect of a sharp decline in farm income, or are simply being loyal to the administration.

The Food and Agriculture Act of 1962 passed the House of Representatives by a 202 to 197 vote. It had only a 4-vote margin—42 to 38—in the Senate when the original test vote was taken in May 1962 on S. 3325, the original Senate version of the Food and Agriculture Act of 1962.

The vote against the bill in the Senate included 7 Senators from the 11 States represented in the National Association of Wheatgrowers. The vote against the bill in the House—the 202 to 197 vote—included 33 “no” votes from the 11 States represented in your association.

Wheat growers can not take “no” votes for an answer in 1964 from their own Members of Congress and expect to pass a wheat program.

It is apparent that opponents of the voluntary certificate proposal intend to fight it with every weapon they can use. It will not disturb present price relationships between wheat and bread, and other wheat products. Nevertheless, the “bread tax” charge already has been raised. It is not a legitimate charge against the certificate plan until the middlemen make bond that they will reduce consumer prices on wheat products next July 1 in proportion to any reduction in wheat prices to farmers. But it is already being used whether it is legitimate or not—and we will hear it more and more through the next few weeks.

One can be sure that something is afoot when the Chamber of Commerce of the United States supports a Brannan plan—production payments—for any product, even on a temporary basis, yet that is what the chairman of their agriculture committee did before the Purcell subcommittee last month. He urged payments from the Treasury—not certificates.

Let no one tell you, as wheat producers, that production payments would be better than the certificate system for wheat.

The forces advocating production payments at the moment do not intend that they shall continue.

Wheatgrowers should read, and insist that those who represent them in Congress, also read all of the recent testimony in regard to the use of payments. They will find in the chamber of commerce testimony this statement:

“We urge the provision of a transitional program in which prices are more clearly determined by the real market with partial offsets in the form of direct payments to producers. These payments would, to start with, be in the amount of the difference between the present artificially supported level and the average received in the markets.

“In the first place, this payments program should be of relatively short duration. This means not only that the payments should be known in advance to terminate at the end of the transition period, but also that during that period they would be gradually and systematically reduced—scheduled to taper off.”

I have often wondered what the virtue is of gradually bankrupting the farmers. The only advantage that I have been able to discover in it is that it would provide a steady flow of cases into the bankruptcy courts for a few years rather than a single, sudden deluge.

We are indebted to the Chamber of Commerce of the United States for its candor in supporting payments.

In a very different way, we are indebted to two great Texans on the House Agriculture Committee for their enlightened leadership in Congress in agricultural affairs.

Congressman W. R. POAGE, the ranking Democrat on the House Agriculture Committee, is one of our real agricultural statesmen. He is not only a close student of farm affairs, but an excellent legislative craftsman. He knows the problems of legislating—of getting bills enacted. He knows what is practical and what is impractical, and is a great helmsman in any legislative voyage.

Congressman GRAHAM PURCELL, chairman of the Wheat Subcommittee of the House Agriculture Committee, will be entitled to much of the credit if a wheat bill is passed before spring wheat has to go into the ground. Congressman PURCELL called hearings on wheat last July, less than 60 days after the referendum. Those hearings made it possible to call national attention to the catastrophic drop which would occur in wheat income unless a new wheat law was enacted—to get people to thinking. Had it been practical to do so, Mr. PURCELL's subcommittee was then in a position to initiate a bill in advance of winter wheat planting, but it was obviously not practical. No one was ready to move. The administration was stunned by the outcome of the referendum, and a great many legislators were bitterly suggesting that wheat farmers should be allowed to drown in their own surpluses—an attitude that has subsided some in the 8 months since the referendum, but is not entirely gone yet.

We are indebted to Mr. PURCELL now for having his House hearings on wheat so well advanced that there can be quick action on a wheat bill in the House this month or early in February—action which must come quickly if there is to be a 1964 program at all. If the House had to start from the beginning tomorrow, the prospect for wheat legislation by March 1 or March 15 would be gloomy indeed.

Senator ALLEN ELLENDER, chairman of the Senate Committee on Agriculture and Forestry, has assured me that the Senate committee will meet promptly and set its course on wheat and cotton legislation.

Senator ELLENDER is himself now outspokenly opposed to any new wheat legislation. The last time I talked with him he felt that the results of last May's referendum should be allowed to stand, that wheat pro-

ducers should be allowed to vote on compulsory controls again this year, and, if they vote “No” again that wheat programs should be allowed to lapse altogether.

I hope that it will be possible to dissuade the distinguished Agriculture Committee chairman from this view, and win his support. But it should be recognized that his view is held by numerous others in both the House and Senate. We cannot win back all those who voted for the farm bill in 1962. It is this fact which makes it imperative that we have solid support from wheat State Members of both the Senate and the House.

We cannot lose 33 wheat State House Members, and 7 wheat State Senators in 1964 and expect to get new legislation. It will be a real legislative achievement if a wheat bill is passed with 100 percent support from the major wheat-producing States.

The third step toward a wheat program effective in 1964 is the most difficult one. It will take all the political muscle that can be assembled by producers, the Department of Agriculture, and those of us in Congress committed to such a program to get favorable congressional action. It is gratifying that most of the scattered battalions of farmers and producers have been brought together around a common banner. But the showdown—the test of strength with those who want to deflate agriculture—is just now beginning.

The way the battle goes—the outcome—is largely up to those who are assembled here today, and what you are able to do in the next 30 to 60 days with my colleagues—and they are your Representatives—in the Congress of the United States.

It is impossible, in my opinion, to be overly urgent about wheat legislation.

If the value of wheat as an ingredient in foodstuffs drops in 1964 to \$1.25—or even to a somewhat higher world price, but still below its present food price—it will be next to impossible to restore present price levels.

Time is short. I expect to go directly from here to Washington and make wheat legislation my immediate top interest in the 2d session of the 88th Congress. I hope to see some of you there very soon.

Number of votes lost in 1962 on Food and Agriculture Act from the 11 Wheatgrowers' Association States

	Congressmen	Senators
Colorado.....	2	1
Kansas.....	5	2
Montana.....	1	0
Nebraska.....	3	2
North Dakota.....	2	0
Oklahoma.....	2	0
Oregon.....	2	0
South Dakota.....	2	1
Texas.....	9	1
Washington.....	4	0
Wyoming.....	1	0
Total.....	33	7

WOOL IMPORT PROBLEM BEFORE TARIFF COMMISSION

Mr. YARBOROUGH. Mr. President, increasing imports of raw wool and wool cloth and clothing are of increasing concern to our domestic wool industry. The effective operation of the National Wool Act may be affected if present trends continue or are encouraged.

An interesting statement on this subject was presented to the U.S. Tariff Commission on January 10, 1964, by Mr. Edwin E. Marsh on behalf of the National Wool Growers Association. Texas is the leading wool growing State in the Na-

tion; our State has a vital interest in this problem. I ask unanimous consent that this statement be printed in the RECORD.

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

STATEMENT OF EDWIN E. MARSH  
SUBJECT MATTER OF BRIEF

Strong opposition to inclusion of above items on the list for consideration of further tariff reductions because of adverse economic effect both on the domestic sheep industry and the operation of the National Wool Act.

ORGANIZATIONS AFFILIATED WITH THE NATIONAL WOOL GROWERS ASSOCIATION

Arizona Wool Growers Association, Phoenix.

California Wool Growers Association, San Francisco.

Colorado Wool Growers Association, Denver.

Idaho Wool Growers Association, Boise.

Indiana Sheep Breeders Association, Lafayette.

Maryland Sheep Breeders Association, Germantown.

Mississippi Sheep Producers Association, State College.

Montana Wool Growers Association, Helena.

Nevada Wool Growers Association, Ely.

New Mexico Wool Growers Association, Albuquerque.

Oregon Wool Growers Association, Fossil.

Western South Dakota Sheep Growers Association, Belle Fourche.

Texas Sheep & Goat Raisers Association, San Angelo.

Utah Wool Growers Association, Salt Lake City.

Washington Wool Growers Association, Ellensburg.

Wisconsin Cooperative Wool Growers Association, Milwaukee.

Wyoming Wool Growers Association, Casper.

Midwest Wool Marketing Cooperative, Inc., Kansas City, Mo. (membership in Kansas, Missouri, and Oklahoma).

North Central Wool Marketing Corp., Minneapolis, Minn. (membership in Minnesota, South Dakota, Iowa, and Nebraska).

My name is Edwin E. Marsh. I am executive secretary-treasurer of the National Wool Growers Association, Salt Lake City, Utah. I am presenting this statement in behalf of our organization, which in 1965 will have completed 100 years as the recognized spokesman for the sheep farmers and ranchers of the United States.

Our principal membership consists of 19 State and area sheep producer and wool marketing organizations listed on the preceding page of this statement. These organizations operate in the States of Arizona, California, Colorado, Idaho, Iowa, Indiana, Kansas, Maryland, Minnesota, Mississippi, Missouri, Montana, Nevada, Nebraska, New Mexico, Oklahoma, Oregon, Texas, Utah, Washington, South Dakota, Wisconsin, and Wyoming. In the 23-State area covered by these organizations, approximately 75 percent of the Nation's sheep, lambs, and wool are produced.

You no doubt remember my appearance before you just 1 month ago when I was also speaking on behalf of domestic sheep producers and opposing reductions in duties on dressed lamb and mutton and live lambs. Like a stool which needs three legs for proper support, ours is an industry dependent for its existence on the income from the sale of three products—sheep, lambs, and wool. Because of this and the fact that tariff duties on these three competing imports, as well as on wool manufacturers, are all listed for negotiation at forthcoming tariff conferences,

we find it necessary to appear before you on these two occasions. We testified last month on certain duties listed in schedule 1 of U.S. Tariffs and this testimony covers duties on a number of schedule 3 items.

We appear before you today in strong opposition to any further reductions in tariff duties on raw wool, woven wool fabrics, wool apparel items and miscellaneous wool textile products. Here are the facts:

DUTIES ON RAW WOOL

On January 1, 1948, duties on raw wool for apparel use—those wools of a fineness competing with the bulk of our own domestic production—were reduced 25 percent. Some coarser grades were reduced up to 50 percent. This was done in spite of strong protests of our industry and predictions of the adverse economic effect such reductions would have on our industry. When that reduction went into effect on January 1, 1948, we had 34,337,000 sheep in the United States. Five years later, on January 1, 1953, that number had dropped almost 2½ million head, to 31,900,000. The drop would have been even greater if the Korean war had not caused a temporary spurt in wool prices which, also temporarily raised the sheep population slightly in 1951 and 1952. Our protests prior to this 1948 reduction were amply justified as evidenced by this reduction in our sheep population. Furthermore, our predictions of the adverse economic effect of this reduction were well borne out by the section 22 investigation of the U.S. Tariff Commission, made in 1953 after 5 years of operation under the reduced tariff. This investigation of the Tariff Commission revealed:

"1. That wool, carbonized wool, and wool tops are, in the aggregate, being imported and are practically certain to continue to be imported into the United States under such conditions and in such quantities as to materially interfere with and to tend to render ineffective the price-support program for wool undertaken by the U.S. Department of Agriculture.

"2. That to prevent imports of said wool, carbonized wool and wool tops from rendering or tending to render ineffective, or materially interfering with, the said price-support program for wool undertaken by the Department of Agriculture, it is necessary that a fee of 10 cents per pound of clean content but not more than 50 per centum ad valorem be imposed on wool, and a fee of 11¼ cents per pound but not more than 50 per centum ad valorem be imposed on carbonized wool and wool tops."

In line with these findings the Tariff Commission on February 19, 1954, made the following recommendations:

"It is recommended that the President issue a proclamation pursuant to section 22(b) of the Agricultural Adjustment Act, as amended, imposing the fees on imports of wool, carbonized wool, and wool tops set forth in finding 2 above, such fees to be in addition to the duties imposed upon such products under paragraphs 1101(a), 1102, and 1106 of the Tariff Act of 1930."

On March 4, 1954, the administration announced that in lieu of taking action on these recommendations, it was submitting to Congress a program providing for Government assistance to growers when wool prices dropped below desired levels. The results was the passage by Congress of the National Wool Act which the President signed into law on August 28, 1954.

Our association since its inception in 1865 has always advocated a tariff adequate to meet differences in costs of production here and abroad. Members of our association finally supported the National Wool Act as a substitute for the recommended increase in tariff duties by reason of the fact that pay-

ments under the act were to be tied to and limited to receipts from 70 percent of the tariff revenue on wool and wool manufactures. This support by our members was also based on an understanding by the administration that in order for the National Wool Act to function properly, the tariff would have to be held at least at existing levels. In order for the National Wool Act to function properly today it is still very necessary that the duties on wool and wool manufactures be held at least at present levels. In fact, the Department of Agriculture has not seen fit to raise the incentive level on wool since the inception of the Wool Act almost 10 years ago.

One compelling reason for this is the danger of depleting available funds at current tariff levels under the terms of the act. Costs of production in the domestic sheep industry, however, have risen constantly since the passage of the National Wool Act in 1954.

Any reduction in duties on raw wool (or wool manufactures) would jeopardize funds available for Wool Act payments and within a short time could cause depletion of funds available for payment under the terms of the act. Furthermore, a tariff reduction would no doubt cause reduction in the price of domestic wool on the open market, thereby necessitating a larger payment by the Commodity Credit Corporation to meet the difference between the market price and the incentive payment level.

During the first few years of the operation of the Tariff Act of 1930 duties on raw wool amounted to 85 to 90 percent on an ad valorem basis. Today with duty reductions and changes in our economy, the tariff on an ad valorem basis is only 20 to 25 percent. In other words the United States has already made a most substantial sacrifice for the benefit of foreign countries shipping wool here—a sacrifice they should highly appreciate instead of constantly requesting even further cuts at the expense of our domestic sheep industry.

Representatives of foreign countries may come to these hearings and tell you that they could increase their shipments of raw wool to this country if the tariff were reduced. A few years ago this could have been true. We seriously doubt that it is true today. Our mills have been decreasing their production and in some cases liquidating entirely because they are being forced out of business by the tremendous growth in imports of finished wool products. The production capacity of our domestic mills is now the determining factor in the use of foreign and domestic wool—not the present 20 to 25 percent ad valorem tariff. However, I hasten to add that while this tariff is no longer a determining factor in imports, it has nevertheless been the factor that has kept many sheep producers from bankruptcy and liquidation. This it has done both by partial compensation for differences in production costs here and abroad and also through the application of these duties to the National Wool Act.

In the interests of maintaining a domestic sheep industry, therefore, we strongly urge this body to recommend that the raw wool tariff items not be on the lost for forthcoming tariff negotiations.

DUTIES ON WOVEN WOOL FABRICS

During the hearings you are conducting on schedule 3 tariff items you will hear testimony from the National Association of Wool Manufacturers and other representatives of domestic mills using wool. I know they will tell you of the vast increases in the imports of competing wool cloth during the past few years. One of the very important factors in the increasing liquidation and reduced capacity of our domestic mills is this rapid and

heavy increase in competing wool cloth imports from countries with wage and production costs below ours—in some cases drastically below ours. I will not take the time of this body today to point out to you the alarming increases in our wool cloth imports. This whole problem will be adequately covered by wool manufacturer representatives scheduled to appear before you this month. However, I do want to point out the extreme concern that we share with our domestic mills over this growing and serious problem. Domestic wool is not exported but must be sold in this country. Since domestic mills are the only customers for domestic raw wool, our wool growers are naturally interested in preserving their only market. They are concerned with liquidation of mills and consequently shrinkage of production capacity in this country. We have therefore cooperated very closely with our domestic mills in an effort to solve this problem. Senators from our wool-growing States have become concerned and have joined with Senators from the wool-manufacturing States in conferring at the White House level on this problem during the past 2 years.

As more and more of our mills have closed or reduced their capacity, strong efforts have been underway looking toward international agreements for quantitative limitations on wool cloth to the United States. In view of these efforts it seems entirely inconsistent and indefensible that tariffs on manufactured wool items would even be placed on the preliminary list for further tariff reductions.

#### DUTIES ON WOOL WEARING APPAREL AND ACCESSORIES AND MISCELLANEOUS WOOL TEXTILE PRODUCTS

Wool grown on the farms and ranches of the United States not only goes into cloth and other miscellaneous textile products manufactured in the United States, but all apparel items using domestic wool are also made by our own domestic garment manufacturers. The tremendous rise in apparel imports—many of them from countries paying very low wages by our standards—has also affected the outlet for domestic wool. Limitations of these imports is also necessary if U.S. garment manufacturers and producers of miscellaneous wool textile products are to stay in business. Therefore it is essential that these items also be removed from the list for further tariff negotiation.

#### CONCLUSION

1. Prompt removal from the negotiation list of the tariff on raw wool is urgent. As a result of duty reductions and changes in our economy the tariff today is only 20 to 25 percent ad valorem, where it was formerly 85 to 90 percent. The Tariff Commission found duties on raw wool inadequate in 1954. Since that time, costs of production on U.S. farms and ranches including commodities purchased, interest, taxes, and wage rates have risen approximately 12 percent. In the case of the sheep producer, the rise would be even greater because labor is such a large factor in sheep production. It is highly essential that the raw wool tariff be held at least at the present level if the National Wool Act is to continue to operate on a sound financial basis.

2. Continuation of the present tariff on wool cloth imports as well as the tariff on other manufactured wool products is vital in view of present efforts to solve the problem of competing and constantly rising imports. This is essential in view of economic losses already suffered by our domestic mills from import competition and the fact that the domestic sheep industry must rely on domestic mills for use of its raw product. Furthermore, tariffs on wool products, as on raw wool, must remain at least at present levels for the successful operation of the National Wool Act.

In the interests of preserving a domestic sheep industry we must hold the line on the tariffs on raw wool and wool manufactures.

#### CONRAD WIRTH DEVELOPED NATIONAL PARKS

Mr. YARBOROUGH. Mr. President, Conrad Wirth has retired as Director of the National Park Service. He retired after having rendered service to the National Park Service not exceeded by anyone else in the entire history of our Nation. An interesting article about his service, written by Mr. J. W. Davis, was printed in the Houston Post of Sunday, January 12, 1964.

Personally, I can attest to the value of the service of Mr. Wirth. Without his help, we would not have the Padre Island National Seashore Recreation Area. We in Texas also benefited from his aid in establishing the Fort Davis National Historic Site, and with the pending Guadalupe Mountains National Park legislation. It is the same story in State after State.

In all of my conferences and experiences with Conrad Wirth I have found him to be a dedicated citizen, with an eye single on progress and advancement and service for the people of the national park system. Conrad Wirth is the kind of public servant that I am proud to know and in whom the people of the United States can take pride.

I wish him happiness in retirement commensurate with his service to the United States.

Mr. President, I ask unanimous consent to have printed in the RECORD the article from the Houston Post of Sunday, January 12, 1964, entitled "Wirth of the Parks."

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

#### WIRTH OF THE PARKS

(By J. W. Davis)

WASHINGTON.—If you've ever enjoyed the natural wonders of one of America's national parks, the chances are you owe a debt of thanks to Conrad Wirth, one Government official who has rarely been turned down when seeking an appropriation from Congress.

Wirth, who has headed the National Park Service since 1951, goes into retirement this week a happy man. He is not even upset by the eggshell scatterers, beer-can tossers, and initial carvers who once in a while mess up the science and historic spots it's been his privilege to supervise.

Wirth's career and the Park Service's have been unusual in the Federal Government.

For one thing, Congress has almost fallen over itself to give the Park Service what it wants.

An example: When Wirth came up with the idea for Mission 66, a mammoth program of improvement and expansion that will run until 1966, the House Appropriations Committee voted \$17 million more for the first year than Wirth had asked for.

Congress usually reflects the feeling of the people.

Wirth once wrote for an Interior Department book:

"Truly the parks are being loved to death."

Wirth has drawn warm praise from a wide range of Washington officials.

Senator HARRY F. BYRD, Democrat, of Virginia, says of Wirth:

"He is a great and good friend of every man, woman, and child in this country \* \* \*

there is no other single man in the United States who has done so much for the healthful recreation and pleasure of so many people."

Interior Secretary Stewart Udall says: "Conrad Wirth has won a place on the highest honor roll of those who have done the most to preserve a rich outdoor legacy for the American people."

George B. Herzog, Jr., who has been associate director of the Park Service under Wirth, succeeds him as director.

Wirth, who was born in the city park of Hartford, Conn.—his father was park superintendent and the family had a house there—was 61 on December 1. There was no urgency to retire.

"I could stay on until I'm 70," he said. "But I believe 60 to 65 is a good time to retire. A person should retire while he is healthy and feeling good, leaving the organization in good shape."

Wirth has been in Government service since 1928, starting with the National Capital Parks and Planning Commission.

He is turning over to Herzog the world's finest park system, one that other nations are glad to copy so far as they can, and one that has become steadily more popular with its owners, the American people.

Here are a few figures:

The billionth visit to park areas, since records began 58 years earlier, was recorded in August 1962. The second billion is due to be recorded in 1973, only 11 years later. Visits now are running around 90 million a year.

There are 26 million acres in the 201 park areas of all sorts—including 31 national parks, 83 national monuments and memorials, plus various historical areas, battlefield sites, national cemeteries, parkways, etc.

What about those park visitors who carve their initials on tree trunks, scatter trash, and otherwise abuse the facilities?

"You do find some malicious people, and some people who I think don't realize what they are doing," Wirth said. "But I have a lot of faith in the American people. If properly approached, they will take care of the parks. It is a very small minority of careless, thoughtless people who cause trouble."

One of Wirth's headaches has been the way the military and highway builders have competed for land he considered better for park acreage.

In an article for the National Geographic Magazine, he wrote:

"The highway builders often decide parks offer the best routes for new roads.

"We insist, however, that the social and cultural values in a good park outweigh a road curve or detour.

"After all, more than 100 billion miles a year is rolled up by Americans on vacation or seeking a weekend's recreation. Why, then, destroy the very thing that people seek when they take to the road?

"Without sunshine, fresh air, and open space, man diminishes physically, mentally, and emotionally.

"We need more national parks—but, above all, we need more local parks, close to the people."

#### NEW YEAR CHEER

Mr. SCOTT. Mr. President, Governor Scranton of Pennsylvania has opened the New Year with good news for the people of our Commonwealth—a balanced budget with no new taxes.

Further, as the Pittsburgh Press of January 8 pointed out in an editorial, "employment in Pennsylvania is higher than at any time in 6 years." I ask unanimous consent to have this editorial printed in the RECORD.

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

#### NEW YEAR CHEER

The good news about Governor Scranton's new budget, for the fiscal year 1964-65, had been expected for a long time. It consisted of no new taxes, and negative as that feat may sound, it is nevertheless something to celebrate, in view of the recurring assaults on the taxpayer's ability to pay.

There are other features of the Governor's statement to the convening State legislature that merit attention. Employment in Pennsylvania is higher than at any time in 6 years, unemployment is down markedly, 56,000 people left the relief rolls last year, bank deposits are \$2 billion greater than a year ago, more than 700 firms have announced that they will locate or expand plants in the State.

These are indicators that have been watched for years and this year they seem all to point in the same direction—up. It is true, as the Governor points out, that Pennsylvania's population gain is small as compared with the national increase. But we have known all along that lack of economic opportunities here were responsible for population shifts, and we have been devising programs to improve the State's performance in this respect.

One of those approaches has been improvement in our educational facilities. Governor Scranton's message contained a number of references on this score. We've completed 2,500 new classrooms and started 2,000 more, we've committed a record \$70 million for improvements at Pennsylvania colleges. Of his recommended general fund budget, 50.9 percent goes to public education, a total of nearly \$600 million. Two years ago, 48.59 percent of the budget went for schools.

And while the 5-percent sales tax, increased from 4 percent only last year, weighs heavily, it is worth noting that the estimated \$517 million income from this levy will pay most, but not all, of the State subsidies for schools. Some \$77 million must come from other sources to make up the full budget.

Governor Scranton reported that he has paid off a deficit he said he inherited last January, will be able to lapse some funds not spent and will wind up the present fiscal year next June 30 with a surplus of \$23,625,995.

This improved financial position, plus better business conditions producing more tax revenue, plus nonrecurring costs, will enable the State to spend \$59 million more next year to make up a record-high budget of \$1,168 million.

Most budgets are not produced as promptly as Mr. Scranton's. And few in modern times have been as palatable. It may be accepted as true that Pennsylvania's State government, like a business, must spend money to improve its prospects. We shall hope that Mr. Scranton, in accordance with his campaign platform, will do his best to get a dollar's worth of value for the taxpayers' dollar he spends. If Pennsylvania does that, we'll all be better off.

#### WHO IS BILL SCRANTON?

MR. SCOTT. Mr. President, all Pennsylvanians are familiar with their dynamic young Governor, but, understandably, many Americans in other States upon reading some of the current speculation about his future are asking the question, "Who is Bill Scranton?"

The Pittsburgh Post-Gazette of January 8, 1964, answers this question editorially by citing his performance as this State's chief executive which it finds impressive.

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

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

#### WHO IS BILL SCRANTON?

The above question appears often in the articles of newspaper columnists and other commentators as they start to assess the various potential candidates for the Republican Party's presidential nomination. The implication in the question is that Mr. Scranton's prospects suffer because he is not well known nationally.

However that may be, Bill Scranton is the Governor of Pennsylvania, now entering the second year of a 4-year term, and yesterday he went before the Pennsylvania General Assembly to give an accounting of his first year in office, to discuss the budget for the next fiscal year, and to outline his objectives for the new year.

On the whole, it was a commendable performance. The record thus far is good. The State enters 1964 with a budget surplus and although it is proposed to spend \$39 million more in fiscal 1964-65 than in the current year, this can be done without additional taxation. It can be done as the result of administrative austerity, the budget surplus, and improving economic conditions.

The fact is that in his first year the Governor had the foresight to obtain new taxing authority to carry him through at least 2 years without the necessity of asking for additional levies. The sales tax, boosted from 4 to 5 percent last year, is providing enough revenue to finance all but \$78 million of the State's costs of public education, which will take almost 51 percent of the general fund budget in fiscal 1964-65.

While the Scranton administration proposes to spend a record \$1,168,000,000 in the next fiscal year, the Governor's report indicates that the funds are well administered and that the State is making a real effort to hold costs to an absolute minimum.

But the Governor's message is notable for more than its fiscal accounting. It also reports on last year's industrial progress, an improving economy (reflecting a national upturn if nothing more), expanding human services, and more progress in education than we can recall in any single year in Pennsylvania's history.

Much of the groundwork for that progress had been laid before Mr. Scranton took office. Nevertheless, he got the program through the legislature and raised the additional money needed to finance it. The results are that local school districts are getting more State help than ever before, teachers are better paid, three more educational television stations will be on the air within another year, the State board of education has been revamped, and the first application for a State-supported community college will be considered this week.

As for the future, Governor Scranton suggests nothing more than a determined effort to follow up on what he has begun. He outlined six major objectives for this year: a legislative program including constitutional revisions, further improvement of the machinery of government, a greater effort to expand industry, greater public understanding of State government, the achievement of a higher level of political maturity, and better race relations statewide.

These are laudable goals toward which all Pennsylvanians should cooperate loyally. They are more than enough to keep the young Governor busy through this and 2 more years.

But if he should be drafted by his party for the presidential nomination (the only basis on which he has expressed any interest), the best answer to the question, "Who is Bill Scranton?" is to be found, we believe,

in his performance as this State's chief executive. The performance to date is impressive.

#### I BELIEVE

MR. SYMINGTON. Mr. President, the tragedy which stunned our Nation in November prompted many Americans to dedicate themselves anew to the best in our proud heritage.

Samuel A. Montague, a prominent and public-spirited citizen of my State, compiled his thoughts into a creed for Americans.

This creed, in its few phrases, nevertheless captures the entire spirit of our precious liberties and civic obligations; and I would like to make these thoughts available to my colleagues by this creed inserted at this point in the RECORD.

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

#### I BELIEVE—A CREED FOR AMERICANS

(By Samuel A. Montague)

I believe in my country and the principles upon which it was founded—"that all men are created equal, that they are endowed with certain unalienable rights, that among these are life, liberty, and the pursuit of happiness."

I will not barter the freedoms my country guarantees. Rather, I will join with my forefathers and proclaim—"I know not what course others may take, but, as for me, give me liberty, or give me death."

I will learn all that I can about my American heritage so that I can share with others, and pass it on to future generations.

I will keep myself informed and prepared, so I can help my country meet the challenges of the present, and the promise of tomorrow.

I will guard and cherish my right to vote as my most valued possession.

I will do everything within my power to make America strong and vibrant, a Nation that is admired and respected by peoples everywhere.

I will respect the rights of all who live within its borders.

I will extend the hand of hospitality to all who come in friendship to my country's shores, and when I visit other lands I will always conduct myself in a manner that will be a credit to it.

I will faithfully perform all my duties of citizenship.

I will cheerfully fulfill any service my country may ask of me to insure that "this Government of the people, by the people, for the people shall not perish from the earth."

#### THE 1964 MARCH OF DIMES DRIVE

MR. MCINTYRE. Mr. President, the March of Dimes is committed to a program which promises to surpass the already magnificent achievements of the Salk and Sabin vaccines. Following the victory over polio, the National Foundation March of Dimes has come to grips with the problems of birth defects and arthritis—the greatest cripplers of mankind.

An estimated 250,000 infants are born with significant birth defects each year in this country—one every other minute—and at least 42,000 children are among the 11 million Americans suffering from arthritis or rheumatic disease. Adequate medical care for the great majority stricken by these and other

chronic disabling diseases is just not available in this country.

The March of Dimes medical treatment and research centers established throughout the Nation are leading the fight against these cripples, but they cannot continue to do so without the continuous support of all Americans.

Besides direct medical assistance, many March of Dimes supported research studies are now underway, covering a wide range of the life sciences. This research is already leading to greater understanding of genetics, heredity, the effect of drugs on living organisms, and other phenomena which may throw light on the mysteries of birth defects and arthritis.

This is the encouraging and helpful work we support by contributing to the March of Dimes. I urge all Americans to respond generously when asked to "Give for the life of a child."

The PRESIDING OFFICER. Is there further morning business?

#### INCREASED PARTICIPATION BY THE UNITED STATES IN THE INTER-AMERICAN DEVELOPMENT BANK

Mr. HUMPHREY. Mr. President, I ask unanimous consent that H.R. 7406, a bill to provide for increased participation by the United States in the Inter-American Development Bank, and for other purposes, which, under the unanimous-consent agreement of December 16, 1963, will come before the Senate at the close of routine morning business, remain before the Senate notwithstanding the arrival of 2 o'clock.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

#### HOPE

Mr. CLARK. Mr. President, one of the finest charitable enterprises presently doing great work around the world is the people-to-people health foundation known as HOPE.

An extremely interesting account of the work of HOPE has recently appeared in the Williamsport, Pa., newspaper known as Grit. This newspaper is published once a week in the heart of central Pennsylvania. It has an extensive national circulation.

I ask unanimous consent that the article to which I have referred, entitled "Angels of Mercy—Americans Treat Needy on Hospital Ship *Hope*," be printed in the RECORD at this point in my remarks.

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

#### ANGELS OF MERCY—AMERICANS TREAT NEEDEY ON HOSPITAL SHIP "HOPE"

Mothers arrive with whimpering babies in their arms. Old men and women hobble in on legs tortured by the infirmities of advancing years. There are those suffering from a dozen different diseases—and also

eager young men and women, filled with the desire to bring health and healing to every one of their fellow men.

All are drawn as if by a magnet to a gleaming white ship anchored in the harbor at Guayaquil, Ecuador. It is the U.S. hospital ship *Hope*, now on its third mission against the disease and pestilence that afflict many underprivileged nations.

#### THEIR BASIC MISSION

The basic mission of the angels of mercy—the volunteer American physicians, nurses, and technicians aboard the *Hope*—is to take the skills and techniques of medicine, surgery, and nursing to the people of other nations. It is essentially a teaching operation.

But on its visit in 1960 to Indonesia, on its recently completed 1-year stay in Peru and now in Ecuador its gangplank is an invitation to the sick and the suffering.

Several hundred thousand patients were treated by the staff while the *Hope* was in Peru. More than 100,000 Peruvians were given vaccines against infantile paralysis, diphtheria, typhoid fever, and whooping cough. After the hospital ship sailed home, wealthy Peruvians provided funds for a large new hospital to be staffed by native doctors and nurses who had received special training aboard the relief ship.

The *Hope* and its staff are linked in a real people-to-people mission. Funds for each trip, about \$3 million, are raised by public donations. The hospital ship is on loan from the U.S. Navy. The Americans aboard the ship are all volunteers, many of whom sacrifice high salaries at home to engage in service to the underprivileged. The American President Lines operates the *Hope* without charge.

#### IDEA OF CAPITAL SURGEON

The idea of the mission originated with Dr. William B. Walsh, a Washington surgeon. He organized the People-to-People Health Foundation.

In 1958, President Dwight D. Eisenhower saw the plan as an important means of promoting international understanding, so he directed the Navy to reactivate the hospital ship *Consolation*. Some of the most prominent men and women in the Nation became members of the board of directors of the project, and appeals for financial support brought a huge response from Americans.

Dr. Walsh has said that the work will continue as long as funds are available and trained men and women volunteers to staff the ship.

The *Hope* has a surgical section as complete as that of any land-based hospital. It carries the newest and best medical, surgical, and research equipment. There is ample space for class and demonstration rooms and laboratories.

And, most important of all in the eyes of the suffering who flock to its deck, it has a total of 800 hospital beds, most of them in constant use.

The *Hope* will be in Ecuador for 10 months.

#### THE WAR AGAINST POVERTY

Mr. CLARK. Mr. President, I was gratified—indeed, enthusiastic—by the emphasis which President Johnson placed in his state of the Union message on the war against poverty.

There is now appearing in the Philadelphia Inquirer, under the byline of Philip Meyer, who also writes for the Chicago Daily News a series of articles on the subject of pockets of poverty. Far too many pockets of poverty exist in our

country. Unfortunately, they exist in my own Commonwealth.

I ask unanimous consent that the first of this series of articles, entitled "Each Fifth American's Plight," may be printed in the RECORD at this point in my remarks. I commend it to all my colleagues as an excellent though terse summary of the difficulties which confront so many of our fellow citizens and which cry out for remedial action by Congress and the Federal Government.

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

#### EACH FIFTH AMERICAN'S PLIGHT

(By Philip Meyer)

WASHINGTON.—After civil rights, the next big domestic issue for 1964 is poverty. The Johnson administration, following the route outlined by President Kennedy, is making an issue of the fact that, although our Nation is the richest in the world in terms of averages, one American out of five has been by-passed by prosperity.

This fifth American lives in a world most of us never see. He gets little or no preventive medical care. He doesn't get enough to eat. He is the American whom the statisticians forget when they note that the average family income is over \$7,000. The well-to-do and wealthy families are numerous enough to offset his income of \$1,000 or \$2,000.

But there are other statistics where the impact of the fifth American is strong enough to pull us down in comparison with other nations. His existence explains some of these things you probably didn't know about America:

The average resident of Communist Yugoslavia eats better—by at least one standard measurement, protein intake—than the average American.

A baby born in one of the Scandinavian countries has a 50 percent better chance of surviving his first birthday than does a baby born in this country.

Of the 33 million Americans who are too poor for even a modest standard of living, less than a third get any kind of public welfare help.

Children born into this group are trapped by poverty, and most of them never escape it.

It is easy not to notice such things. The poor, hidden in their city slums or Appalachian valleys, are comfortably out of sight. Even the statistics hide them.

The 20 percent estimate of their number is somewhat arbitrary. Some authorities put it even higher. But 20 percent is the figure you get if you define poverty as having an income of less than \$1,000 for an individual, or \$3,000 for a family.

According to census figures, that gives you 36 million poor. For a more conservative definition, you can include all those whose income is too low to tax—\$2,675 for a family of four. It still adds up to 33 million living in poverty.

Looking at the 33 million, you find about 16 million living in city slums. Nearly 6 million live on farms. The elderly poor number about 6 million. The others are harder to define. More than half the total are children under 18. Most of those of employable age are unskilled workers, a category that in 1964 is nearly obsolete.

About half the Nation's poor live in the South. This means that the proportion of poor to nonpoor in the South is about double that of the more populous North Central States.

For another idea of poverty's geographic location, take a map of the United States and

black out those counties falling in the top 20 percent in the number of children who must receive public assistance. What you get is a dark smear over most of West Virginia, running through eastern and southern Kentucky, across southern Missouri, and down into Oklahoma. Another black patch covers most of Louisiana, Mississippi, and Alabama and spills over into north Florida.

Blot out the Indian areas of Arizona and New Mexico, paint some heavy shadows in the central interior of California, and you start to get a rough idea. Most States have at least one black spot.

Next, take a look at any city. In the central core, you are likely to find your own home-grown pockets of poverty.

To think straight about these people, some bits of cherished American folklore must be set aside. One is that anyone, regardless of his circumstances, can by hard work and diligence rise into the middle class—or at least advance far enough so that his children can.

It may have been true once. But the opportunities that the immigrants of years past enjoyed are not available to today's poor.

Children born into this kind of life occasionally break out of it. But most do not. Even the eighth-grade education, to which every child is supposed to be entitled, does not give the poverty stricken child a fair start in life. To the child whose parents are illiterate, who goes to school hungry, the ordinary educational system is not enough.

Forty percent of our young people never finish high school. Of those who do, half of those in the top 25 percent—those most qualified—never go to college.

Some of the 19th century social thinkers argued that poverty was caused by indolence and vice. Herbert Spencer argued that Government assistance to the poor only tended to perpetuate inferiority. A more logical assumption for our time is that poverty perpetuates itself. It creates the evils that contribute to it, and the people in this cycle are trapped.

Some, the aged and the disabled, can never break out, and all the Government can do is see that they get enough from welfare and social security funds to get by. Others can be trained to help themselves, and some States do have federally assisted training programs. But the main thrust of an all-out effort at the poverty problem must deal in terms of a generation and do something about the children.

It will be a costly effort. The Federal Government alone now spends \$900 million a year to help the States with their welfare programs. Yet, only about 7 million of the 33 million poor get cash from these minimal programs. Another 3.5 million or so receive surplus food.

A University of Michigan study team has estimated that every individual or family in the Nation could be brought up to a bare subsistence standard of living for \$10 billion a year. Even this would not solve the problem overnight, however. There would still be the problem of special education programs to enable deprived children to catch up. New efforts will be directed at helping people find their way out of their cycle of misery.

#### THE PRESIDENT AND CONGRESS

Mr. CLARK. Mr. President, I turn to my almost daily subject, the need for prompt and effective congressional reorganization. I call to the attention of my colleagues in the Senate an outstanding editorial entitled "The President and

Congress," which appeared in the New York Times on January 13. I ask unanimous consent that the editorial may be printed in the RECORD at this point in my remarks.

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

#### PRESIDENT AND CONGRESS

The struggle for power between the executive and legislative branches of the American Government is even older than the Constitution of the United States. It began as soon as the Original Thirteen Colonies chose a Continental Congress.

That Congress, true to later form, was convinced that it knew better than George Washington how to direct the strategy of the Revolutionary War. It even threatened on one occasion (the Conway cabal) to displace Washington as commander. Years later Congress attempted to take over an immense executive responsibility (in this case, a responsibility of Abraham Lincoln) when the Committee on the Conduct of the War was established in 1861.

These are extreme instances, but they dramatize a contest which goes on almost uninterruptedly and of which we had our most recent example in the dispute over the President's power to negotiate the purely administrative details of the sale of American wheat to Russia.

The real measure of the present rivalry for leadership between Executive and Legislature is to be found in the record of the first session of this same Congress which reconvened last Tuesday. To this Congress President Kennedy had recommended, among other things, a plan for tax reduction and reform, a new civil rights bill, a program of medical care under social security and various measures dealing with area redevelopment, mass transportation, civil defense, youth employment, SEC amendments and the establishment of a conservation fund. Though Congress was in session for 356 days—the fifth longest session in history—no time could be found to take action on any of these proposals.

What is most disturbing in this record is not that the judgment of Congress failed on all these measures to agree with the judgment of the executive. There are and always will be instances in which the collective judgment of Congress is better than the collective judgment of the President and his advisers. The really disturbing fact is that even in a very long session not one of these measures was permitted to come to a conclusive vote in the House and Senate. Congress, in short, simply ignored the necessity of Presidential leadership.

If the American system of democratic government is to cope successfully with the great new problems of the modern world, surely the minimum safety requirement is an assurance that proposals made by an American President will at least be brought to a congressional vote—up or down—within a reasonable period after these proposals are submitted. This could be accomplished, in the House, by a revival and improvement of the "21-day rule." It would need more heroic treatment in the Senate to curb "King Filibuster." But unless changes of this kind are made, unless the procedures of Congress are modernized, we seem certain to face increasingly grave dangers of drift and indecision.

Mr. CLARK. Mr. President, the editorial refers to the constant struggle for power between the executive and legislative branches of our Government, which went on even before the Constitution was

adopted. It points out that the real measure of the present rivalry for leadership between the Executive and Legislature is to be found in the record of the 1st session of the 88th Congress, which Congress is now reconvening.

The editorial notes that President Kennedy had recommended, among other things, tax reduction and reform, civil rights, health care under the social security program, mass transportation, area redevelopment, civil defense, youth employment, SEC amendments, and the establishment of a conservation corps, all to be provided through new legislation.

Although Congress was in session for 356 days, no time could be found to take action on any of these proposals. The editorial continues:

The really disturbing fact is that even in a long session not one of these measures was permitted to come to a conclusive vote in the House and Senate.

I invite attention to the pending proposal for a rules change, which I have submitted. It would require that all measures strongly recommended by the President of the United States be required to be brought to a vote in both Houses of Congress on their merits within 6 months of the time of the recommendation. That does not mean that the recommendation would have to be approved. It might be disapproved. It does not mean that amendments could not be offered. Amendments probably would be offered. It does mean that we in Congress have an obligation to pass on the strong recommendations of the executive branch of the Government one way or another during the session of Congress at which such recommendations are made.

#### ORDER OF BUSINESS

Mr. MORSE. Mr. President, is morning business still in order?

The PRESIDING OFFICER. Morning business is in order.

Mr. MORSE. Mr. President, I ask unanimous consent that I may be permitted to address myself for 10 minutes to the subject of Panama.

Mr. CLARK. Mr. President, probably the Senate should first conclude morning business. The Senator from Oregon could then obtain the floor.

Mr. MORSE. No; I believe that when morning business is concluded the Senate should proceed to the consideration of the pending business under the unanimous-consent agreement.

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

#### THE CRISIS IN PANAMA

Mr. MORSE. Mr. President, at the outset of my comments I wish to make it very clear that I completely approve of the course of action that President

Johnson has followed to date in handling the Panamanian crisis. We cannot proceed even with negotiations under coercion and duress, or in the light of the breaking of diplomatic relations on the part of the Panamanian Government with the United States. Most certainly we cannot discuss, consider, or negotiate any changes in our treaty with Panama with a government with which we have no diplomatic relations.

I take cognizance of the political situation in Panama, with the presidential election in the offing. It explains in no small measure the rather vigorous diplomatic course of action which the President of Panama has taken toward the United States.

However, this is an hour in which the people of Panama should take cognizance of the historic attitude which the United States has assumed with respect to Panama over the years. They should take note also of our record of friendly assistance to Panama. Had it not been for the friendship of the United States, Panama would not have come into existence as the state which she now is.

However, that is history. I recognize the fact that in hours of crisis there is a tendency by states, as well as by individuals, to forget the past, and to concern themselves only with the critical problems of the present. We say there is no such thing as gratitude in politics and that is true of international politics, too.

But if any improvements are to be made in the immediate future relations between our Republic and the Republic of Panama, they must be achieved on a diplomatic basis, bottomed upon a return to recognition of the United States by way of diplomatic relations on the part of the Government of Panama.

#### AMERICANS IN THE CANAL ZONE

It would be well for the United States also to take a look at some of the courses of action that we have followed in the past, which in no small measure contributed to the crisis that developed. The immediate matter was the unfortunate action by high school students who followed a course of lawlessness in violation of an understanding and agreement which existed between our two Governments. However, those high school students did not act in a vacuum. The response of their parents shows clearly that they did not act in a vacuum. The speed with which their parents arrived at the scene, and in large numbers aided and abetted and approved the course of action of the high school students, is very disappointing. It points up the American problem that has existed in the Panama Canal Zone for some time.

Let us always remember that the Panama Canal Zone is not a Louisiana Purchase. The Panama Canal Zone is the sovereign property of a foreign government, and our occupation of that zone is under a treaty. It should be remembered also that that treaty was entered into when one party to the treaty, Panama, was an exceedingly weak nation.

It involves no loss of prestige on the part of the United States to recognize that from time to time treaties need to be reviewed and renegotiated. There is no doubt that the Panama Canal Zone Treaty needs to be renegotiated and reconsidered.

However, I wish to discuss the status of American citizens in the Panama Canal Zone. I am satisfied that they have developed a colonial complex, psychologically, and that they have taken on a good many of the attitudes of Frenchmen in Algeria. They seem to think that the Panama Canal Zone is part of the United States and should be operated as Americans in the Panama Canal Zone think it ought to be operated, rather than as the people of the United States, through Congress, feel it ought to be operated.

It has been a great mistake to develop this canal group in the zone by giving them long tenure. My investigation revealed a length of tenure that surprised me. Those people have developed a vested economic and emotional interest, according to their lights, in the Panama Canal Zone. They are the beneficiaries of hardship allowances for living in the Panama Canal Zone. They receive many gratuities. They enjoy the advantage of various Government gratuities by way of the purchasing of goods at post exchanges, for example.

By and large, they live more cheaply than do Americans in Miami, Atlanta, New York, or Washington. Much of their hardship allowance would be difficult to justify.

Mr. CLARK. Mr. President, will the Senator yield for a question?

Mr. MORSE. I yield.

Mr. CLARK. The Senator from Oregon, as chairman of the Subcommittee on American Republics Affairs of the Committee on Foreign Relations, is well versed on this subject. I wonder if he could identify a little more clearly the Americans having alleged colonial tendencies. Are they businessmen or Government employees?

Mr. MORSE. First, when I speak of hardship allowances, I direct my attention to all U.S. employees in the Canal Zone.

Mr. CLARK. It is my understanding that a number of those who have been widely criticized in the press for their activities are Americans who have been living in the Canal Zone for two or three generations, and are not Government employees at all. Is this true?

Mr. MORSE. That also is true; but do not think that the Government employees are without blame in regard to the development of certain unfortunate American policies in the Canal Zone.

My first recommendation to deal with them is to provide for a 2-year rotation system—no more. Get them back to the United States within 2 years.

Also, it should be made clear to American businessmen in the Canal Zone that the United States will control our foreign policy in the Canal Zone.

Also, the 2-year rotation should be applied without exception to every per-

son in the military personnel in the Panama Canal Zone.

We need to be careful not to make the same mistake that some other countries around the world have made in the development of a colonial class that takes advantage of the locale in which they live, and create for the American people, in the field of foreign policy, unnecessary problems. This, in my judgment, has happened in the Panama Canal Zone.

Mr. GORE. Mr. President, will the Senator from Oregon yield?

Mr. MORSE. I yield.

Mr. GORE. I am sure the Senator realizes that Panama is one of the tax havens in several respects. I do not know to what extent the preferential tax treatment which non-Government employees, who are citizens of the United States, receive there is responsible for the ill feeling between Government employees, businessmen, and others, on the one hand, and Panamanians, on the other. One of the tax benefits is an exclusion from U.S. income tax of income earned abroad, not at \$600, which is the inadequate personal exemption for people living and working in the United States, but \$35,000. It seems to me that this is one tax provision to which Congress could give its attention when the tax bill reaches the floor of the Senate.

Mr. MORSE. The Senator from Tennessee is correct. We need to have a complete review of American policy in the Panama Canal Zone at once. It should have been made long ago. In my opinion, there is no doubt that American policy in the Panama Canal Zone has for a long time needed revision.

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

Mr. MORSE. I ask for an additional 10 minutes.

The PRESIDING OFFICER (Mr. JOHNSTON in the chair). Is there objection to the request of the Senator from Oregon? The Chair hears none, and the Senator is recognized for an additional 10 minutes.

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

Mr. MORSE. I yield.

Mr. CLARK. I thank the Senator for yielding, so that I may address a question to the Senator from Tennessee, who made a startling statement a moment ago.

Will the Senator elaborate on what I understood him to say, which was that a resident of the Panama Canal Zone, an American citizen, who is subject to the U.S. Federal income tax, is given an exemption of \$35,000 on his income tax? This seems incredible to me.

Mr. GORE. The Senator may recall—and I think that when I relate the incident he will recall—that when the bill relating to foreign income was before the Senate, I offered an amendment to reduce the exclusion for income earned abroad to \$6,000 a year, which is 10 times the amount of the exemption a citizen within the United States has, but my amendment was rejected by a close vote.

Mr. CLARK. Mr. President, will the Senator from Oregon further yield?

Mr. MORSE. I yield.

Mr. CLARK. Do I correctly understand that if I were living as an American citizen in the Panama Canal Zone and had an otherwise taxable income—adjusted net income—of \$10,000, I would pay no tax to the United States?

Mr. GORE. If the Senator lived in Panama and earned that income there, I am referring now to residence in Panama.

Mr. CLARK. In the Republic of Panama?

Mr. GORE. Yes.

Mr. CLARK. Not in the Canal Zone?

Mr. GORE. I do not think it would matter. I am not positive about that, but I believe the foreign-earned income exclusion does apply to residents of the Canal Zone; I would like to check on that before making a positive statement.

The exclusion applies if one lives in Montreal. It applies if he lives only a few miles from Florida, in the Bahamas. It applies if he lives in Mexico City or Tijuana.

Mr. CLARK. So this is general policy, whether valid or not, and does not apply exclusively either to Panama or to the Canal Zone?

Mr. GORE. I am very glad the Senator has asked this question, because I may have left an impression that the exclusion applied only to residents of Panama. That is not the case; it is general.

Mr. CLARK. I thank the Senator from Tennessee.

Mr. MORSE. I use this colloquy as a basis for my announcement that I intend, as chairman of the Subcommittee on American Republics Affairs, to call upon the State Department and other Federal agencies for the information that is needed with respect to the problem of gratuities and the benefits that Americans who live in the Panama Canal Zone obtain, including certain customs advantages and free port advantages which I understand prevail to a remarkable degree.

The next point I wish to make is that we had better examine the economic policies we have been following in Panama in respect to U.S. citizens and Panamanian citizens. I have said that the Panama Canal Zone is not a Louisiana Purchase. It is sovereign real estate of the Government of Panama in respect to which the United States has certain treaty privileges. What makes anyone think that we could practice discrimination in wage scales, for example, as between U.S. citizens and Panamanians, and create good will, is beyond me. We have permitted this sore to fester into a boil, and the boil has finally broken open.

In connection with policies of economic discrimination, we also need to revise our course of action in respect to the hiring of Panamanians. The old excuse that Panamanians are not trained cannot be used any more in this world. We must train them. We had better put

to work Panamanians who can do the work, at least on a reasonable ratio formula, instead of permitting economic discrimination on the part of the United States to build up into the bad feeling that exists in Panama, and out of which the Communists make Communist fodder. I do not know how we can be so stupid in doing the job for the Communists that we do in so many places, not only in Latin America, but elsewhere in the world. In my judgment, that situation will have to be reviewed by us before we enter into negotiations with the Government of Panama.

#### FLAG POLICY IN LEASED TERRITORY

I have asked the Library of Congress, in connection with my next point, to make a study of international law in respect to the flag policy that we have been following in the Panama Canal Zone. I have said before, and I now repeat, that we do not honor our flag by waving it into tatters. A part of our flag policy in Panama can be aptly described as an exercise in waving the flag into tatters. So I have asked the Library of Congress to do some legal research on the proposition as to whether the U.S. flag should ever have been flown over anything in the Panama Canal Zone, other than installations, for I think a body of law will be found that raises a question as to whether even under a treaty we have the right to raise our flag on the soil of Panama. Even psychological factors are important. To fly the flag over an installation is one thing; to insist on planting the flag on the soil is another thing. We need to review this policy on the basis of what the precedents of international law are, to see whether we should not face a change in our flag-flying policy in the Panama Canal Zone by flying the flag on the installations, but keeping it off the soil.

These matters become technicalities, but they are real to our treaty partner. There is no doubt that the understanding that was entered into for the joint flying of the Panamanian flag and the U.S. flag was violated by the high school students, supported by the parents of many of them. I am not passing judgment—because I do not know all the facts—on the decision that was made by the U.S. Governor in the zone to reduce the number of sites on which the American flag was to be flown as a means of decreasing the number of sites on which the Panamanian flag was to be flown.

But, Mr. President, do we lose prestige? Do we somehow lose face—although I do not believe that oriental complex is a part of American psychology—if we recognize in the American zone of the Panama Canal the right of the owners of the soil, the Government of Panama, to fly its flag rooted in its own soil?

#### PRESENT CANAL OBSOLETE

I come to my next point. For some years, as chairman of the Subcommittee on American Republics Affairs, I have been very much interested in the feasibility and desirability of a second Pan-

ama Canal. It is totally obsolete as a military installation. It is an ideal target of the missile age. Our defenses already take this into account, and we have a two-ocean navy for the very reason that we recognize that the Panama Canal would be knocked out quickly in a nuclear war.

The present Panama Canal is also obsolete with respect to certain types of modern commercial shipping. To make it suitable for modern shipping, it would have to be rehabilitated at great cost.

This raises the question, with foreign policy in so many parts of the world moving toward internationalization of international waterways, as to whether the U.S. taxpayer should foot the bill.

So I believe consideration should be given to a second canal, a sea-level canal, the situs for which we could possibly negotiate with Costa Rica, Nicaragua, or some other Latin American country. There are several sites available.

As recently as last Saturday, I was advised that experiments have already been conducted in connection with the use of atomic power for excavations, which could be canal excavations as well as other kinds of excavations.

Thus, I believe all of Latin America, as well as Panama, should know that it is feasible to build a sea-level canal elsewhere that would meet all the needs of modern shipping. It would not eliminate them all, but of course it would reduce traffic through the Panama Canal.

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

Mr. MORSE. Mr. President, I ask unanimous consent that I may proceed for 10 additional minutes.

The PRESIDING OFFICER. Without objection the Senator from Oregon is recognized for 10 additional minutes.

Mr. MORSE. This might cause the Government of Panama to take a long hard look at the great debt she owes the United States for the contributions we have made to the Panamanian economy throughout the years as a result of building the canal in the first place. Panama might also take a look at the great loss of American life involved in the construction of the Panama Canal. Panama should also take a long look at the great contribution to the health of Panama to which the United States contributed in its medical research which helped to solve the problems of tropical diseases, especially malaria.

These facts are history. But during a crisis, people are prone to forget historical obligations they may owe.

I believe that we should take a look at the feasibility of building a sea-level canal, but not to buy future trouble for the United States. In connection with the building of a sea-level canal or the rehabilitation at great cost of the present obsolete Panama Canal, we should give consideration beforehand and not afterward to internationalizing the canal. If the canal is to be internationalized the American taxpayer should not be burdened with the total cost of

either the rehabilitation or the construction of the new canal.

However, the negotiation should be made before and not after its construction. It should include a contribution from the other countries of the Western Hemisphere which will primarily benefit from the construction of such a canal. All contributions would be, on a loan basis, because such a canal would be self-liquidating.

(At this point Mrs. NEUBERGER took the chair as Presiding Officer.)

Mr. MORSE. Madam President, I am not sure that we can argue for the internationalization of the waterways in other parts of the world and then take the position that we have some kind of Monroe Doctrine in the United States that prevents any internationalization of waters in the Western Hemisphere. We will not be able to sell that policy in generations to come, and probably not even in our own generation.

I am constantly keeping my eyes on the great contest that confronts us in Latin America in the years ahead; namely, the contest between and among three mighty ideologies. These are the ideology of communism, that will take advantage of every shortsighted course of action the United States might follow and every mistake it might make; the ideology of fascism represented by the military juntas of Latin America which unfortunately the United States has aided and abetted time and again—and, within the recent past, aided and abetted by the recognition of the Dominican Republic and the military junta of Honduras.

As I stated at the time, we would throw great fear into the hearts of our friends in Latin America—and we have done exactly that, for one friendly diplomat or president after another has expressed great concern at that mistaken foreign policy course of action on the part of our Government. But it has been done, and all we can do now is to make the best of a bad situation, in the hope that we can use our influence to try to return to those two unfortunate countries constitutional, democratic government.

I shall continue to oppose any aid to either of them, military or economic, until the Dominican Republic and Honduras reestablish constitutional democracy for the benefit of their people.

Then there is the ideology of freedom in Latin America, in support of which we inaugurated, under our late President, the Alliance for Progress program. That program was really born as a result of a series of hearings and studies in the Senate when President Kennedy was a member of the Subcommittee on American Republics Affairs.

Madam President, this offers hope for people of Latin America; and I shall continue to do what I can to support the export of economic freedom from the United States to Latin America. Once it takes root and grows, anywhere in Latin America, it will flower into political freedom. But there is no hope for

political freedom anywhere in Latin America in the contest involving communism versus fascism on the one hand and freedom on the other, until we do a better job than we have been doing in transplanting economic freedom in Latin America.

It means, as I have stated many times, that the people of Latin America and its leaders will have to help themselves. When I say "help themselves," I do not mean to help themselves to money from the pockets of the American taxpayers, but I mean that they must help themselves by bringing about the political reforms and the legislative reforms in their countries that will provide a fertile soil for the seeds of economic freedom to grow and flower into political freedom.

In conclusion I shall always be found working for a program of loans to Latin America project by project, not by government to government, but by government or private industry in the United States to individual economic projects in Latin America; so that that money may be drawn upon on a line-of-credit basis, installment by installment, going into the pipeline, going into the refinery, going into the steel plant, the road, the railroad, the powerplant, or any other institution of economic freedom rather than into the pockets of Latin American politicians.

I always try to see what good can be taken from something that is bad. The crisis in Panama is bad, but let us try to drain off some good from it, if it at least opens our eyes to some of the problems that confront us in Latin America. Perhaps it will lead to negotiations that will help solve these problems by a peaceful approach rather than by the exercise of the old outworn device of the jungle law of military might. That means that we must take a new look at our approach to Latin America and start practicing our professions that we are willing to submit critical issues to the institutions of law. If we fall in diplomatic negotiations with the Panamanian Government, if we fail in mediation with the Panamanian Government, I believe we should be willing to say to the Organization of American States that we are perfectly willing to submit the issues between us and the Government of Panama to a law tribunal to be established by the Organization of American States for determination on its merits and for final and binding decision. I know whereof I speak when I say that there are those who will raise their hands in opposition and their voices in exclamation of horror.

But I say to the American people, "Face the issue." No longer can we alone call the shots in Latin America.

The time has come when the Government of the United States will have to practice its profession about following the rule of law. We must be willing to submit hard cases to international arbitration through the Organization of American States if we cannot settle the problems by diplomatic negotiation or by mediation through an organization

such as the Organization of American States. We have a great opportunity to advance the cause of rule of law in Latin America if we are first willing to recognize that the record of the United States in the Western Hemisphere is not a perfect record, and specifically that our record in Panama is not one of which we can boast.

The PRESIDING OFFICER. Is there further morning business?

#### TAX REFORM

Mr. GORE. Madam President, whether Congress will pass a tax reduction bill this year seems now a moot question. I regret to acknowledge that I have lost my battle to defeat the bill. I have thought that the proposed tax cut was unsound and dangerous fiscal policy. I have thought that the great need of our society was not for larger corporate profits, not for larger dividends, not for greater productive capacity—all of these are at alltime highs. I have thought that the real and pressing need of our society can more readily be identified in the fields of education, medical care, housing, highways, hospitals, and community facilities.

But, as I have said, that battle against passage of a bill has been lost.

The issue now is, What kind of tax bill will the Congress pass? Will the Senate pass a bill which will make the present inequities worse, which will make the tax law more complicated than it is at present, and which will make the tax structure more regressive and less progressive?

Perhaps my colleagues will be surprised to learn that, on the basis of calculations made from data supplied by the Treasury Department—

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

Mr. MANSFIELD. Madam President, I ask unanimous consent that the Senator from Tennessee may proceed for an additional 10 minutes.

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

Mr. GORE. I thank the Senator.

The "typical" taxpayer, with a realized income of \$1,500,000 per year, will pay taxes not at 91 percent, not at 70 percent, not at 60 percent, not at 50 percent, and not at 30 percent. Under the Dillon bill the actual tax payment of the "typical" person with a realized income of \$1,500,000 per year will be 15.9 percent of such realized income.

I know that the popular conception is that we have a highly progressive system of taxation, and the stated rates in the law would make it so appear. But there are so many loopholes of which people with sufficient money may take advantage that we get a highly inequitable and utterly astounding result.

In order that it may be clear that the statistics I cite are from official sources, from the Treasury Department, I ask unanimous consent to have printed in the Record at this point a table supplied by the Secretary of the Treasury,

which appears on page 709 of the hearings of the Senate Committee on Finance.

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

*Tax savings and increase in after-tax income under House bill*

[Married couple with 2 dependents, with typical dividends, capital gains and other income,<sup>1</sup> and typical itemized deductions]

Adjusted gross income <sup>1</sup>	Present law		House bill		Tax cut or increase in after-tax income		
	Tax	After-tax income <sup>2</sup>	Tax	After-tax income <sup>2</sup>	Amount	Percentage tax cut	Percentage increase in after-tax income
\$3,000	0	\$3,131	0	\$3,131			
\$4,000	\$143	3,987	\$103	4,027	\$40	28	1
\$5,000	299	4,827	219	4,907	80	27	2
\$6,000	455	5,671	339	5,787	116	26	2
\$7,500	719	6,917	569	7,067	150	21	2
\$10,000	1,193	8,993	972	9,214	221	19	2
\$12,500	1,657	11,079	1,373	11,363	284	17	3
\$15,000	2,196	13,189	1,830	13,555	366	17	3
\$17,500	2,745	15,288	2,296	15,737	449	16	3
\$20,000	3,369	17,344	2,820	17,893	549	16	3
\$25,000	4,755	21,271	3,983	22,043	772	16	4
\$30,000	6,322	25,139	5,297	26,164	1,025	16	4
\$40,000	10,026	32,305	8,392	33,939	1,634	16	5
\$50,000	14,254	38,947	12,217	40,984	2,037	14	5
\$75,000	23,799	57,421	20,672	60,548	3,127	13	5
\$100,000	33,965	79,247	29,670	83,542	4,295	13	5
\$200,000	63,318	184,262	56,675	190,905	6,643	11	4
\$500,000	154,249	567,116	138,216	583,149	16,033	10	3
\$1,000,000	261,929	1,239,659	238,037	1,263,551	23,892	9	2

<sup>1</sup> Includes such income as wages and salaries, interest, rents, business and partnership income, royalties, and typical dividends and capital gains. Estimates of typical dividends and realized capital gains and itemized deductions are based on 1960 tax return data.

<sup>2</sup> After-tax income exceeds adjusted gross income for very-high-income-tax payers because 50 percent of the long-term capital gains, which constitute a high proportion of income for such taxpayers, is included in adjusted gross income under present law and 40 percent is included under the House bill.

Source: Office of the Secretary of the Treasury, Office of Tax Analysis, Oct. 11, 1963.

Mr. GORE. I ask unanimous consent to have printed at this point an additional table in which I use these statistics from the Treasury Department table, and then add a percentage calculation column.

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

*Effective tax rates under H.R. 8363*

[Married couple with 2 dependents, with typical dividends, capital gains and other income,<sup>1</sup> and typical itemized deductions.

Adjusted gross income <sup>1</sup>	Realized income <sup>2</sup>	Tax under H.R. 8363	Tax as percentage of realized income
\$3,000	\$3,131	0	0
\$4,000	4,130	\$103	2.5
\$5,000	5,126	219	4.3
\$6,000	6,126	339	5.5
\$7,500	7,636	569	7.4
\$10,000	10,186	972	9.5
\$12,500	12,736	1,373	10.8
\$15,000	15,385	1,830	11.9
\$17,500	18,033	2,296	12.7
\$20,000	20,713	2,820	13.6
\$25,000	26,026	3,983	15.3
\$30,000	31,461	5,297	16.8
\$40,000	42,331	8,392	19.8
\$50,000	53,201	12,217	23.0
\$75,000	81,220	20,672	25.5
\$100,000	113,212	29,670	26.2
\$200,000	247,580	56,675	22.9
\$500,000	721,365	138,216	19.2
\$1,000,000	1,501,588	238,037	15.9

<sup>1</sup> Includes such income as wages and salaries, interest, rents, business and partnership income, royalties, and typical dividends and capital gains. Estimates of typical dividends and realized capital gains and itemized deductions are based on 1960 tax return data.

<sup>2</sup> Realized income exceeds adjusted gross income largely because adjusted gross income includes only 40 percent of capital gains under H.R. 8363 (50 percent under existing law).

NOTE.—Several items, such as tax-exempt interest, 1/2 of long-term capital gains, including so-called statutory gains which often have no logical relationship to capital transactions, depletion, and intangible drilling costs, are omitted from adjusted gross income and from realized income.

Source of basic data: Office of the Secretary of the Treasury, Office of Tax Analysis. See table on p. 709 of Finance Committee hearings.

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

Will the passage of a bill under which the "typical" taxpayer with a realized income of more than \$1.5 million a year pays less than 16 percent represent an attack, a battle, in the war on poverty? Such a bill would be a battle lost in the war on poverty. We must start not by giving the greatest benefits to those who need them least, but by giving tax relief to those who need it most—the parents with the largest number of children to educate.

Madam President, the Senate Finance Committee is proceeding with orderly consideration of amendments to the bill. In due course it will be reported to the Senate. I shall offer amendments in the interest of equity and fairness; but I shall not wait to alert the Senate to the unfairness and inequity of this bill. Daily I shall speak briefly in the Senate on this point.

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

Mr. GORE. I yield.

Mr. MORSE. The Senator from Tennessee will recall that in 1958 I joined in offering a proposal for a \$1,000 exemption, and was willing to compromise at \$800. We lost the proposal for the \$800 exemption on a voice vote. We were not even able to obtain a ye-and-nay vote.

I want the Senator to know that when his amendment, calling for a \$1,000 exemption, reaches the floor of Senate, I shall support it. My mind is open about other proposals made by the Senator from Tennessee.

Also, I shall support some reduction in the corporate tax from 52 percent. Two years ago I said on the floor of the Senate that I would go as low as 46 percent, but I would be glad to compromise at 48 percent. With respect to many American businesses, a corporate tax of 52 percent operates as a restriction of production, rather than an expansion of production. It is leading to restriction, which is costing jobs. We need to expand the economy, not restrict it. The tax structure is one way of dealing with that problem.

As the Senator knows, there are certain tax deductions which are loopholes, and I shall help the Senator try to plug them.

Mr. GORE. I thank the Senator from Oregon. His comments are encouraging. Perhaps many other Senators will join in the battle on poverty when the Senate considers the tax bill.

Mr. GORE. Senators will find that the highest percentage tax payment shown on the table is reached at an adjusted gross income of \$100,000 and a realized income of \$113,212. This high point of tax rate for "typical" taxpayers in the various income groups is not the confiscatory rate of taxation about which we hear and read so much, but a payment which represent 26.2 percent of realized income. From there on, in the table, Senators will see that as income goes up, the effective rate goes down.

While I call the Senate's attention to this point, I wish also to invite the attention of Senators to the fact that a father with a child to clothe, feed, and educate would be allowed an exemption for himself and each dependent of only \$600 a year. That represent a wartime levy. In 1940 a man and his wife had an exemption of \$2,000. That amount was reduced during World War II in order to raise revenue for the war and to dampen consumer demand. Do we now need to dampen the consumer demand of low-income people in the hills of Kentucky?

We do not need now to suppress demand. Our economy needs stimulation of the consumer sector.

President Johnson has declared unrelenting war against poverty. I applaud him for it. He identified the place where we should start. He called attention to the fact that one-fifth of our people live in or near poverty. One-fifth of our people live either in abject poverty or on the very verge of it. This is where we need to start the war on poverty. Do not forget that the tax bill is supposed to be an important part of the war on poverty.

**SMOKING AND HEALTH—REPORT OF THE ADVISORY COMMITTEE TO THE SURGEON GENERAL**

Mr. COOPER. Madam President, the report of the Advisory Committee to the Surgeon General of the Public Health Service, entitled "Smoking and Health," is being studied and considered seriously throughout the country. I intend later this week to discuss it more fully and, I hope, constructively. Today I want to bring to the attention of the Senate, and to the news media, a point about which

I believe there has been widespread misunderstanding.

I think it very important that those who are interested in this subject—who speak, comment, and write on the subject—be very sure of their facts and read carefully the report. For our people, with their deep interest in it from the standpoint of health and its important economic interest to thousands of farmers and others, require that this subject be treated factually.

My purpose in speaking briefly today—and I expect to comment later in more detail—is to emphasize the need for care by calling attention to one specific point which has been commented upon very widely. In news reports, and in several editorials, it has been generally stated that there is no evidence that filters used in cigarettes have any value. Some statements have gone further. They have indicated that the report of the Advisory Committee stated that filters have no value. I think, in part, this impression or misconception followed the press conference Saturday by Dr. Luther Terry, the Surgeon General, Dr. James Hundley, Assistant Surgeon General, and members of the Advisory Committee. I noted in the New York Times of Sunday, January 12, 1964, a report of their responses to questions from the press.

The inference is drawn from the statements in these articles that filters in cigarettes were found by the Advisory Committee to have no helpful effect. I read the report and I could find no conclusion or finding in it to substantiate such an inference. In fact, I found, from my reading of the report, scarcely any mention of filters. The Committee evidently made no comprehensive study of filters, pointing out they had been in use only about 10 years.

At pages 60 and 61 of the report the Committee uses language which suggests that further study may show that filters are or would be helpful. I quote from page 60:

The fact that side-stream smoke—

By which is meant smoke along the side of a cigarette when it is not being smoked, as distinguished from smoke inhaled from the cigarette—

contains three times more benzo(a)pyrene than mainstream smoke has been cited as evidence that more efficient oxidation could conceivably lower the content of carcinogenic hydrocarbons.

On page 61 I find this statement:

Activated carbons differ markedly in their adsorption characteristics. Carbon filters previously employed in cigarettes do not have the specific power to scrub the gas phase. It has been reported that a filter containing special carbon granules removes gaseous constituents which depress ciliary activity.

I do not want to go into details, for I am not a scientist or a doctor. But these statements do suggest the effective value of filters.

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

Mr. COOPER. Madam President, I ask unanimous consent to have additional time.

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

Mr. COOPER. I want to make the point that the Committee did not make any findings upon the effectiveness of filters.

To make certain that I was correct, I wrote a letter yesterday to Dr. Luther Terry, the Surgeon General. I asked if he would respond as quickly as possible. I received a letter from him today which verifies what I have said. I will read the letter. Then I shall ask that my letter and his reply be placed in the body of the RECORD.

The letter is dated January 14, 1963:

DEAR SENATOR COOPER: This is in response to your letter of January 13 which poses certain questions as to the Advisory Committee's views on cigarette filters. Certainly, it is erroneous to conclude that cigarette filters have no effect. As noted in the Committee's report, filters in common use do remove a variable portion of the tars and nicotine. Your specific questions and our replies will follow:

1. Is it not correct that the Advisory Committee made no judgment as to the effect of adding filters to cigarettes?

Answer. Yes.

2. Do I understand correctly that the Committee made no finding on filters because it believed it had insufficient evidence from animal experiments, clinical studies, or population studies—the three kinds of evidence it considered—on which to base any findings as to the effect of the various types of filters?

Answer. Yes.

3. To the extent that a filter removes tar, nicotine, and the gaseous elements of cigarette smoke, is it not reasonable to assume that the effects of the filter will be similar to the effects reported by the Committee of smoking fewer cigarettes?

Answer. A categorical answer to this question is difficult. The best I could do would be to answer "Yes—perhaps," or "Yes—probably." A part of the problem here is whether the filter in addition to removing tar, nicotine or other elements of cigarette smoke might also lead to different levels of cigarette consumption and different amounts of inhalation, etc. Another difficulty is that we do not know all of the substances which different filters do or do not remove. Since we do not yet know all of the substances in tobacco smoke which have adverse health effects, a given filter might permit the selective passage of hazard substances, as well as selectively removing others.

4. Does not the limited discussion of a new-type filter, on page 61 of the report, suggest that the Advisory Committee believes that the development of selective filters may have significance in terms of reducing the hazards to health the Committee believes it has found?

Answer. Yes; the Committee felt that the development of better filters or more selective filters is a promising avenue for further development.

5. Would not standardized research on the effectiveness and selectivity of filters, as well as additional research on the components of smoke, be desirable?

Answer. Yes, unquestionably.

I hope these responses will be of assistance.

Sincerely yours,

LUTHER L. TERRY,  
Surgeon General.

My comment on this is that those who study this report must be careful not to extend the conclusions of the Committee.

No findings were made with respect to filters. It is important that further study and research be conducted on the question of filters. Dr. Terry has stated that the Committee felt that the devel-

opment of better or more selective filters is a promising avenue. I urge that research in this area be expanded.

The PRESIDING OFFICER. Without objection, the two letters will be printed in the RECORD at this point.

The letters ordered to be printed in the RECORD are as follows:

U.S. SENATE,  
January 13, 1964.

Dr. LUTHER L. TERRY,  
Surgeon General, Public Health Service, Department of Health, Education, and Welfare, Washington, D.C.

DEAR DR. TERRY: The report on smoking and health, and the press conference Saturday, January 11, by the Advisory Committee to the Surgeon General, appear to be widely interpreted as having included a finding that cigarette filters have no effect. On the contrary:

1. Is it not correct that the Advisory Committee made no judgment as to the effect of adding filters to cigarettes?

2. Do I understand correctly that the Committee made no finding on filters because it believed it had insufficient evidence from animal experiments, clinical studies, or population studies—the three kinds of evidence it considered—on which to base any finding as to the effect of the various types of filters?

3. To the extent that a filter removes tar, nicotine, and the gaseous elements of cigarette smoke, is it not reasonable to assume that the effects of the filter will be similar to the effects reported by the Committee of smoking fewer cigarettes?

4. Does not the limited discussion of a new-type filter, on page 61 of the report, suggest that the Advisory Committee believes that the development of selective filters may have significance in terms of reducing the hazards to health the Committee believes it has found?

5. Would not standardized research on the effectiveness and selectivity of filters, as well as additional research on the components of smoke, be desirable?

Because the report of your Advisory Committee is the subject of wide and general interest, it will be helpful to have your answers, at least to the first question, as quickly as possible.

Sincerely,

JOHN SHERMAN COOPER.

DEPARTMENT OF HEALTH, EDUCATION, AND WELFARE, PUBLIC HEALTH SERVICE,

Washington, D.C.

HON. JOHN SHERMAN COOPER,  
U.S. Senate,  
Washington, D.C.

DEAR SENATOR COOPER: This is in response to your letter of January 13 which poses certain questions as to the Advisory Committee's views on cigarette filters. Certainly, it is erroneous to conclude that cigarette filters have no effect. As noted in the Committee's report, filters in common use do remove a variable portion of the tars and nicotine. Your specific questions and our replies will follow:

1. Is it not correct that the Advisory Committee made no judgment as to the effect of adding filters to cigarettes?

Answer. Yes.

2. Do I understand correctly that the Committee made no finding on filters because it believed it had insufficient evidence from animal experiments, clinical studies, or population studies—the three kinds of evidence it considered—on which to base any finding as to the effect of the various types of filters?

Answer. Yes.

3. To the extent that a filter removes tar, nicotine, and the gaseous elements of cigarette smoke, is it not reasonable to assume that the effects of the filter will be similar

to the effects reported by the Committee of smoking fewer cigarettes?

Answer. A categorical answer to this question is difficult. The best I could do would be to answer yes—perhaps, or yes—probably. A part of the problem here is whether the filter in addition to removing tar, nicotine or other elements of cigarette smoke might also lead to different levels of cigarette consumption and different amounts of inhalation, etc. Another difficulty is that we do not know all of the substances which different filters do or do not remove. Since we do not yet know all of the substances in tobacco smoke which have adverse health effects, a given filter might permit the selective passage of hazard substances, as well as selectively removing others.

4. Does not the limited discussion of a new type filter, on page 61 of the report, suggest that the Advisory Committee believes that the development of selective filters may have significance in terms of reducing the hazards to health the Committee believes it has found?

Answer. Yes. The Committee felt that the development of better filters or more selective filters is a promising avenue for further development.

5. Would not standardized research on the effectiveness and selectivity of filters, as well as additional research on the components of smoke, be desirable?

Answer. Yes, unquestionably. I hope these responses will be of assistance.

Sincerely yours,

LUTHER L. TERRY,  
Surgeon General.

#### SAIGON SUMMARY

Mr. DODD. Madam President, I invite the attention of my colleagues to an article entitled "Saigon Summary" by Miss Marguerite Higgins, which appears in last week's issue of *America* magazine.

This is a shocking article; indeed, it would be almost incredible if it did not come from a correspondent of such exceptional stature. Although I am in no position to vouch for the accuracy of Miss Higgins' statements on every point, her article raises such serious questions about the conduct of American foreign policy that it cannot be dismissed or ignored. On the contrary, I believe that the Foreign Relations Committee should look into the charges and allegations made by Miss Higgins, and that Miss Higgins should be called before it as the first witness to report in more detail on her personal knowledge of the developments in Vietnam.

"Saigon Summary" is the story of the final days of the Diem regime, or, in Miss Higgins' words:

Of the inglorious role played by the Department of State by encouraging, for the first time in our history, the overthrow in time of war of a duly elected government fighting loyally against the common Communist enemy.

In her article, Miss Higgins makes the statement that the agitation about Buddhist persecution was a complete fraud and she charges, further, that the State Department knew that it was a fraud. She quotes Roger Hilsman, Assistant Secretary of State for Far Eastern Affairs, as saying:

After the closing of the pagodas on August 21, the facts became irrelevant.

Miss Higgins, whose personal contacts are second to none in the Washington press corps, states that Secretary of

Defense McNamara and Central Intelligence Director John McCone opposed a coup d'etat because they feared its consequences but—

They were overruled by the pro-coup d'etat faction led by Ambassador Henry Cabot Lodge, Under Secretary of State Averell Harriman, and Assistant Secretary of State for Far Eastern Affairs Roger Hilsman.

The point was made by every commentator at the time that, through its August 25 broadcast, the Voice of America virtually called on the Vietnamese military to overthrow Diem. Miss Higgins offers the additional information that:

At the same time, Ambassador Lodge asked the CIA to poll the Vietnamese generals and see when and if they were ready to translate revolt talk into action.

Miss Higgins also points out that Thich Tri Quang, the No. 1 Buddhist leader who took refuge in the American Embassy, was, according to his own admission, a one-time member of the Vietnam Communist liberation front; that he had twice been arrested by the French for dealings with Ho Chi Minh; that his brother is currently working for the Ministry of the Interior in Communist Vietnam; and that Thich Tri Quang is an outspoken neutralist. She quoted Thich Tri Quang as telling her:

We cannot get an arrangement with the north until we get rid of Diem and Nhu.

As I have said, the article would be all but incredible if it did not come from a correspondent of Miss Higgins' stature.

Miss Higgins, despite her relative youth, was generally credited with being one of the ablest of the corps of American correspondents covering World War II. She covered the Korean war with equal distinction. She has reported on the major political events of our time in the course of travels that have taken her repeatedly through many countries. She has served as chief of the New York Herald Tribune bureaus, both in Berlin and in Tokyo. She has won the Pulitzer Prize and numerous other journalistic honors. But above all, I believe that Miss Higgins' article deserves special attention because of the enviable reputation which she enjoys both for thoroughness and for integrity.

Of this I can speak from personal experience because I came to know Miss Higgins well when she was covering the Nuremberg trials and I was serving as executive trial counsel under Justice Jackson. In all of my long experience I have never met a more honest or more conscientious correspondent than Marguerite Higgins. And I believe this opinion of her is shared by everyone who knows her.

Unlike some of the journalists who covered the Vietnamese crisis for the American press, Miss Higgins was no newcomer to Vietnam. Indeed, she has been in that country at virtually every critical period since Dienbienphu. She saw Vietnam during the period of crisis that followed the French pullout and the partition of the country, when virtually all of the State Department pundits despaired of creating a viable government in the south. She was a witness to the almost miraculous consolidation and progress that took place under Pres-

ident Diem. And she was in Vietnam again both before the recent coup and after the coup.

Unlike some of the other American correspondents in Vietnam, Miss Higgins did not confine herself to Saigon. She traveled extensively in the Vietnamese countryside. She interviewed Government officials and leaders of the Buddhist opposition, Vietnamese villagers and Vietcong deserters, American officers and rank and file members of the American forces in Vietnam.

In a remarkable series of articles which she wrote for the New York Herald Tribune during the last week of August of last year, Miss Higgins did not absolve the Diem government for its handling of the so-called Buddhist crisis. But she sought to look at the picture of Vietnam whole, examining its strong points as well as its weaknesses. Her articles devoted much attention to the situation in the rural countryside, where as she pointed out, the overwhelming majority of South Vietnam's 14 million people live, and where the war will be either won or lost.

I have hesitated to say anything critical of our Vietnamese policy because I believe that in a situation such as exists in Vietnam, we must accept the regime in power, seek to help it overcome its shortcomings by persuasion, and cooperate with it loyally.

While I deplore the assassination of Diem and Nhu, and while I gravely fear that their overthrow may produce a worse situation rather than a better situation, I have not wished to say anything that could be construed as undercutting the military junta now in power in Vietnam.

It is my hope, indeed, that we will support the junta somewhat more loyally than we supported the government of President Diem; that we will not demand of it the democratic perfection that we demanded of Diem; that we will not subject its shortcomings to propaganda bombardments that can only play into the hands of the Communists; and that we will not again stoop to engaging in intrigues against an allied anti-Communist government.

I hope that, by our actions, we will give the lie to the Peiping broadcasts which have been warning the new rulers of Vietnam that American imperialism, when it suits its whims, will betray them as mercilessly as it betrayed Ngo Dinh Diem.

It is for this purpose that I speak today, and, it is for this purpose that I ask unanimous consent that the article by Miss Marguerite Higgins entitled "Saigon Summary" be inserted into the RECORD at the conclusion of my remarks.

By way of historical background, I also ask consent to insert into the RECORD the text of the series of six articles on Vietnam which Miss Higgins wrote for the New York Herald Tribune during the last week of August 1963.

I urge my colleagues to give Miss Higgins' article the careful study which it merits. I hope, too, that the Foreign Relations Committee will be convened at an early date to hear Miss Higgins because I am certain she possesses more information of a confidential nature that she has not yet published.

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

[From America, Jan. 4, 1964]

SAIGON SUMMARY: OUR COUNTRY PLAYED AN INGLORIOUS ROLE IN THE FINAL DAYS OF THE DIEM REGIME

(By Marguerite Higgins)

(Miss Higgins, Pulitzer Prize winner, former New York Herald Tribune bureau chief in Berlin and Tokyo, has just returned from Saigon. She now reports for Newsday, Garden City, N.Y.)

What is the meaning of the five tragic self-immolations that took place in Vietnam in the 6 weeks following the November coup d'état against Diem? How did it come to pass that under the military junta, which seized power in the name of an end to "persecution," there have been more suicides by fire over a short period than had ever been the case under President Diem and his brother Ngo Dinh Nhu? Even though virtually ignored by the Western press, will this latest spate of suicides by fire—without clearly stated reason—destroy at last the false notion that the repeated acts of self-immolation in Vietnam were indisputable proof of massive persecution of the Buddhist religion by President Diem, a Roman Catholic?

Will historians be more equitable with President Diem than his contemporaries were?

On two trips in Vietnam in 1963, one before and one after the coup d'état, this writer was never able to find an instance of repression on religious grounds. Under Diem, there was repression of Buddhists, Catholics, Confucianists, etc., when—in defiance of clearly stated laws—they took to the streets to demonstrate against the Government. But Diem's repression was not directed against a religion. It was aimed at overt political opposition. There were deplorable police excesses in Vietnam, but there is no sign that they were desired or condoned by Diem any more than police excesses in Alabama are condoned or desired by Washington.

There was, for a long time, a clear double standard in Vietnam, in which accusations against Diem gained, in most cases, giant headlines, but attempted refutations received only perfunctory notice. For instance, last summer Thich Duc Nghiep, the Xa Loi pagoda spokesman, told reporters dramatically that 365 persons in a Saigon suburb had been arrested "because they were Buddhists." That figure was headlined throughout the world. But when I went to the suburb in question, I found that a routine check was being made of a neighborhood through which the Vietcong often infiltrated. I stayed for 2 hours to talk with those rounded up as they emerged from the police compound after questioning. I talked to 20 persons—ancestor worshippers, Catholics, Confucianists, Taoists, Cao daists, etc.—before I finally found a genuine Buddhist among those picked up. So the charge of "365 persons arrested because of being Buddhists" was invention.

There is no doubt that the overwhelming majority of the American press corps in Saigon thought—out of the most idealistic and patriotic motives—that they were serving a good cause in arousing world opinion against Diem. Whether his strengths and faults were greater or less than those of his junta successors remains to be seen.

It is certain that under the military junta, Vietnamese have been jailed for far less than was necessary to send a person to prison under Diem. Said a European observer: "Under Diem, a Vietnamese had to do something specific against the regime to get into trouble. Under the military junta, a Vietnamese can be jailed without charge, simply under the suspicion that he was loyal to the Diem regime when it was the legally constituted authority."

Sanche de Gramont, of the New York Herald Tribune, has estimated the number of arbitrary arrests right after the coup as around 500. So far, Mr. de Gramont and this reporter are the only ones who have written with any detail about the junta's reversion to some of the police-state tactics the Saigon press corps so bitterly criticized in Diem.

Nowadays, some of the most ardent anti-Diem writers, such as David Halberstam, Saigon correspondent of the New York Times, acknowledge that the Buddhist agitation of last summer and fall was politically motivated. In an admiring magazine article written by his close friend, George J. W. Goodman, Mr. Halberstam is quoted as saying: "I always said it. The Buddhist campaign was political. . . . I thought I always emphasized that this was a political dispute under a religious banner—the only place an opposition had found to gather in an authoritarian regime."

Whatever Mr. Halberstam's intentions, his and other press dispatches last summer and fall did create the impression in the outside world that some kind of religious crisis was going on inside Vietnam. And it was the image of religious persecution—false as it was—that paved the way for Diem's downfall. Without the embarrassment of being the patron of a country suspected of battling Buddhists, it is doubtful that the United States would ever have reached the decision to try to get rid of Diem. The authorities in Washington knew, of course, that the conflict in Vietnam was political, not religious. But they were reluctant to speak out lest, in the process, they attract to Washington some of the onus being poured—with hardly any contradiction—on Diem.

By staying silent, Washington acted as if it thought Diem guilty. And this helped to complete the vicious circle.

Or as Roger Hilsman, Assistant Secretary of State for Far Eastern Affairs, put it: "After the closing of the pagodas on August 21, the facts became irrelevant." So, evidently, did a sense of perspective. What, for example, about the fact that President Diem was far more lenient to his political opposition than President Sukarno of Indonesia or Premier Sarit Thanarat of Thailand, both recipients of American aid? Whereas some 300 political prisoners, at most, were found in Diem's jails, the prisons of Thailand, Indonesia, and Burma were filled—and are still filled—with tens of thousands of political victims.

"But," explained a pro-coup State Department officer, "the world spotlight is not on those countries, and it is on Vietnam."

At the State Department, there have been some attempts to rationalize the coup d'état by describing it as necessary to save the Vietnamese war effort from going to pieces. One difficulty with this argument is that it makes liars out of Secretary of Defense McNamara, Chief of Staff Maxwell D. Taylor, and Gen. Paul Harkins, who testified under oath to Congress in October that the war was making reasonable progress. If the State Department ever took seriously the argument that the disturbances in the cities would affect morale in the countryside, it betrays a regrettable lack of understanding of the structure of Vietnam and of the gap between the countryside, where the war will be won or lost, and the cities, where less than 10 percent of the Vietnamese live.

For the Buddhists, intellectuals, and students who marched the streets in anti-Diem demonstrations could not have cared less about the war—before the coup, or after the coup. Vietnamese students in particular tell you quite frankly that one reason they prize admission to a university is that it enables them to avoid the draft. Vietnam's intellectuals have narrow horizons, are excessively inward-turning, and make constant and factional criticism their specialty. Except for a handful of terribly militant lead-

ers, the Buddhist monks are rather passive. If the success or failure of the war were to depend on these groups, Vietnam would have been lost from the start. As to the effects in the countryside of the critical clamoring by Vietnam's spoiled young intellectuals in the cities, it was virtually nil. The American attitude seemed to be that if a Vietnamese student demonstrates, virtue is on his side and the government is wrong. But in the countryside there were many peasants and plain soldiers who disapproved of the defiance of the regime—in those rare places where anyone knew anything whatsoever of what went on beyond the next village.

If there was any slowdown in the war in September and October of 1963, it was because the Vietnamese generals—under American prodding—were concentrating on thoughts of a coup d'état, while Diem and Nhu, out of fear of America, were concentrating on how to prevent a coup.

It was not until after the coup d'état that the Vietnamese war took a decidedly downward turn. The military junta with its uncertain leadership, after purges of key (and scarce) officials, finally plunged much of the countryside into the confusion from which it purportedly was trying to save Vietnam.

No wonder the Vietcong took advantage of the situation to seize the military initiative for the first time in many months. No wonder that, in the 2 months after the coup d'état, the military junta lost more real estate, lives and weapons to the Vietcong than at any previous time in the war.

It was precisely out of fear of such predictable consequences of trying to change regimes in midwar that Secretary of Defense McNamara and Central Intelligence Director John McCone opposed a coup d'état. But they were overruled by the pro-coup d'état faction led by Ambassador Henry Cabot Lodge, Under Secretary of State Averell Harriman, and Assistant Secretary of State for Far Eastern Affairs Roger Hilsman.

The Diem-must-go decision came shortly after the temporary closing of about a dozen (out of 4,000) pagodas on August 21, which outraged Washington. Diem said that his only aim was to get the Buddhist leaders out of politics and back to religion. The Vietnamese leader insisted that unless he shut down the propaganda machinery of the pagodas and put a halt to the glorification of suicide by burning, public disorder in the cities would mount and world misunderstanding would deepen. Washington disagreed. Further, it felt that Diem had not only humiliated it and flouted its advice, but had broken a promise to be conciliatory. Washington's anger was heightened by horrendous stories of alleged killings and brutalities during the pagoda raids. (There were no such killings, as the monks themselves later said.)

In any case, on August 24, the State Department sent out word—without the knowledge of Secretary McNamara or of CIA Director John McCone—instructing Ambassador Lodge to "unleash" the Vietnamese generals with a view to toppling the Diem government if they could. Plotting among educated Vietnamese, including the generals, is a kind of national pastime, as chess is to the Russians. Until lately it had been a pretty harmless pastime, because everybody knew that real action was dependent on an American green light—and until August such a green light had been withheld.

But on Sunday, August 25, Washington publicly gave the generals a green light in a Voice of America broadcast that virtually called on the Vietnamese military to take over. At the same time, Ambassador Lodge asked the CIA to poll the Vietnamese generals and see when and if they were ready to translate revolt talk into action.

Diem's shock at the Voice of America broadcast and the CIA poll of the Vietnamese generals can only be imagined by,

turning the tables around. Suppose the United States were engaged in a war against the Communists in which we depended almost totally on aid from Vietnam; suppose, in the middle of that war, Vietnam issued a broadcast calling for the American Joint Chiefs of Staff to overthrow the American Government?

The miracle is that the Diem regime survived as long as it did the virtual declaration of political war served on it that August by Washington.

What, after many months of hesitation, finally decided the generals (in mid-October) to stage the coup? In separate interviews with this correspondent, members of the military junta spoke of these factors:

1. The late President Kennedy called, at a press conference, for "changes of policy and maybe personnel" in Vietnam.

2. Washington announced the withdrawal of 1,000 American soldiers by the end of 1963, and possible total withdrawal by 1965. (Said one general: "That convinced us that unless we got rid of Diem, you would abandon us.")

3. The economic aid was cut. Many generals agreed that this cut was psychologically the most decisive goad to a coup d'état. "It convinced us," a key plotter explained, "that the United States was serious this time about getting rid of Diem. In any case, this was a war we wanted to win. The United States furnished us with the jeeps, the bullets, the very guns that made the war possible. In cutting economic aid, the United States was forcing us to choose between your country's help in the war and Diem. So we chose the United States."

Ironically, President Diem did make some important concessions to the United States in September and October. For example, in mid-September President Diem agreed to every point put forward by the United States in a program to reform and consolidate the strategic hamlet program in the Mekong Delta. Many Americans had long felt that this program had been overextended. At last President Diem agreed with the diagnosis and decided to do something about it. Why was this move toward the American position never publicized? One Western diplomat put it this way: "Ambassador Lodge and his deputy, William Truehart, were so determined to get rid of Diem that they were opposed to putting him in a conciliatory light. They were afraid this would strengthen the hands of those in Washington against a coup d'état."

Even at the 11th hour, Ambassador Lodge could, of course, have turned off the revolt if he had chosen to give the slightest sign that the New Frontier and President Diem were even beginning to move to heal their rift. As one member of the military junta put it: "We would never have dared to act if we had not been sure that the United States was giving us its moral support."

In the last hours before his death, President Diem was stripped of any doubt whatsoever of Washington's hostility. Telephoning the American Embassy from the Palace at 4:30 p.m. on November 1, after the bombardment had started, President Diem asked Ambassador Lodge: "What is Washington's attitude toward this?" Lodge replied: "I don't know Washington's attitude. After all, it is 4:30 in the morning there."

"But you must have some idea," Diem said.

Whereupon Lodge turned the conversation to the matter of Diem's safety, offering him an airplane to take him out of the country. Could anything have indicated more clearly that in American eyes the success of the coup d'état was a fait accompli?

The only certain thing about the murder of President Diem and Counselor Nhu is that they were shot in the back (Diem in the neck, Nhu in the right side) with their hands tied behind them. Nhu also had a

dagger or bayonet wound in the chest, which was apparently indecisive.

These facts were established beyond all doubt by this reporter through photographs and through talks with military eyewitnesses, attendants at St. Paul's Hospital (where the bodies were first taken) and from information given by two relatives, a niece and nephew who handled the preparations for the burial.

In the light of the way Diem and Nhu died, there is a strong possibility that the shootings were ordered by some or all members of the military junta. Would a junior officer take such a responsibility on himself?

Now for the Buddhists leaders who started it all: have they got what they wanted? I use the word "leaders" advisedly, for of the Buddhists in Vietnam, who form about 30 percent of the population of 14 million people, the overwhelming majority are largely nonpolitical. Buddhist monks tend to be somewhat passive. They would never have dreamed of resorting to violent demonstrations had they not been subjected to the skillful and inflammatory propaganda that poured from the humming mimeograph machines of the Xa Loi pagoda. By the end of last summer, the original grievances of the Buddhist leaders in Hue—matters of property rights, flag flying, etc.—had largely been met by the Diem regime.

In the midst of the anti-Diem ferment I wrote an article asking: "What do the Buddhists want? They want Diem's head—not on a silver platter, but wrapped in an American flag."

You have to hand it to the Buddhist leaders that they got what they wanted. But will this satisfy the more militant Buddhist leaders? It is heady stuff, even for Buddhists, to have the attention of the entire world focused on you, and to exercise the kind of political power that can topple governments. Will, for instance, the venerable Thich Tri Quang, the mastermind of the Buddhist campaign and by far the most intelligent and militant of all, be satisfied to take a political back seat?

Thich Tri Quang is a Buddhist leader from Hue who was granted asylum at the American Embassy even though his past is in some controversy. According to records of the French Colonial Office, he had twice been arrested during the postwar French occupation of Indochina for dealings with Ho Chi Minh. By his own admission, he was a member of the Vietminh Communist liberation front. He claims to have fallen out with the Communists later. Again according to the French, who still have representatives at Hanoi, Thich Tri Quang's brother is currently working for Ho Chi Minh in the Communist Vietnam's Ministry of the Interior. The duties of Thich Tri Quang's brother are the direction of subversion in South Vietnam.

None of this, of course, proves anything about Thich Tri Quang's current attitude toward the Communist Vietcong. What does seem clear is that he learned a lot from the Communists about organization and propaganda. He ran his emergency headquarters at the Xa Loi pagoda like a company command post. Orders were barked out, directing a demonstration here, a protest meeting there. Messengers scurried in and out, carrying banners with their newly painted slogans. Respectful monks brought in the latest anti-Diem propaganda blast for Thich Tri Quang to review word by word.

In my discussion with Thich Tri Quang, I was somewhat taken aback at his indifference about the war against the Communists. When I asked whether the occasional outburst of turmoil might not offer the Vietcong the opportunity to infiltrate among the demonstrators, Thich Tri Quang shrugged his shoulders and said: "It is possible that the current disorders could

lead to Communist gains. But if this happens it will be Diem's fault, not ours."

In the same interview in the Xa Loi pagoda, Thich Tri Quang told me that his preferred solution for Vietnam was "neutrality," adding: "We cannot get an arrangement with the North until we get rid of Diem and Nhu."

The Vietcong are suspected of having led several of the attacks against property on November 1, the day of the coup d'état. For instance, a small but violent gang of young people attacked and demolished the newly opened headquarters in Saigon of the Asian Anti-Communist League. This league had no connection, financial or otherwise, with Diem. Yet the coup-day rioters systematically removed its anti-Communist literature onto the streets, burned it, then wrecked the headquarters.

Whether the new military junta's government-by-committee can do any better than Diem and Nhu remains in doubt. The junta is ripe for further coups and countercoups. In any case, it was not because he enjoyed being condemned by world public opinion that President Diem engaged in repressive measures (mild as they were by Asian standards). The new Government will be faced by similar problems, because the fundamental situation has not changed. For example, the change of Government has not altered the tendency of Vietnam's censored intellectuals to take to the streets.

Within 2 weeks after the coup d'état, 10,000 students at Hue demonstrated noisily against the military junta because it had not dismissed several professors who had been loyal to Diem. This is but one example of pressure-by-mob. Can the military junta long tolerate decisions enforced by street mobs, or justice by demand of the newly freed and utterly irresponsible Vietnamese press? Three Saigon newspapers have been closed—and rightly—already. The smut and sheer mendacity of the postcoup free press of Vietnam is one of the blackest marks of recent months in the annals of Vietnam's so-called intellectuals. In view of the indiscipline, factionalism, and irresponsibility of censored Vietnamese, can the military junta long escape resorting to the same tight rein held by President Diem?

The only sure thing in Vietnam today is that the United States has set an extremely controversial precedent by encouraging, for the first time in our history, the overthrow in time of war of a duly elected government fighting loyally against the common Communist enemy.

[From the New York Herald Tribune, Aug. 26, 1963]

VIETNAM—FACT AND FICTION: FIRST OF A SERIES ON THE ASIAN TROUBLE SPOT BY MARGUERITE HIGGINS

(Today's events in South Vietnam are confused, uncertain and contradictory. Pulitzer Prize-Winning Herald Tribune Correspondent Marguerite Higgins, in 4 hectic weeks in the Vietnamese countryside, has spoken to the rulers and the peasants, to the Government and its foes, studying the background to the present crisis. This morning, she discusses the general outline of the situation in the country today. In five subsequent articles, Miss Higgins will present the facts and an interpretation of the Government-Buddhist dispute; the United States-backed war against the Communist Vietcong; the "new breed" American adviser; the Vietcong defectors; and the overall opposition to the Diem regime.)

(By Marguerite Higgins)

SAIGON.—The Montagnards, their spears at their sides, stood at rigid attention in the brand new village whose bamboo fence cut into the vast sweep of jade-green plateaus that stretch like a Shangri-la between the shelter of northwest South Vietnam's soaring 7,000-foot mountain peaks.

How do the Montagnards (non-Buddhist mountain people) feel about the Communist Vietcong guerrillas?

Their chieftain stepped forward mutely to show a badly butchered hand and arm. It was the cruelty of the Vietcong, he said, that was bringing his people (nearly three-quarters of a million strong) away from their beloved mountains and nomadic ways to the villages in the lush, emerald plateaus.

South of Saigon, far back from the mountain peaks and deep in the dull, flat muddy delta, a wizened Buddhist monk, considered a saint by the local villagers, shook his head disapprovingly at the news from the capital.

"I would not kill a fly myself," he said, "I do not believe in the taking of life in any form—even by suicide. \* \* \* All this talk of discrimination has nothing to do with reality as we know it here in our village. Our village chief (a Buddhist) gives out pigs, fertilizer and rice seed without asking anybody his religion. The Catholics don't get more than we do, and we don't get more than the Catholics."

Up north in the arid coastal plains of Phan Rang Province, a Moslem leader of Vietnam's Cham tribesmen (of Indonesian origin) stood outside the mosque with its blue mosaic dome and shook his head in puzzlement at the stranger's question, as did the villagers who crowded around.

"We know nothing about any religious persecution," said the Moslem. "President Ngo Dinh Diem was province chief here (beginning in 1923). He helped our people build mosques, and now he sends us rice, seed and water. So we are grateful to President Diem."

This is a fragmentary picture of the seldom-told other side of the story: the attitudes in the deep rural countryside where the overwhelming majority of South Vietnam's 14 million people live. This story contrasts violently with the tragic headlines and anti-Diem ferment in the big cities of Saigon and Hue, which have a combined population of slightly more than a million, but which have captured the bulk of the world's attention.

And it is in the countryside—not the cities—that the war will be won or lost.

Despite the strident antigovernment campaign spread to provincial towns from humming mimeograph machines at the Xa Loi pagoda in Saigon in the months before the Government's crackdown last week; despite the tragic suicides by fire; despite the loss of most citified intellectuals including university students, President Diem's Vietnamese armies continued this summer to gain in those areas of the countryside where the war is fought the hardest.

Paradoxically, the blacker Vietnam's image grew in the outside world, where President Diem was widely assumed to be totally at fault in the Buddhist affair, the greater grew the momentum of the Vietnamese Army's assaults on the Communist Vietcong.

Contrary to recent published reports that the situation in the rich Mekong River delta area has deteriorated, Gen. Paul Harkins, chief of the American military mission here, insists that the opposite is true. In a curious coincidence, the week that saw the greatest number of suicides by fire also brought the greatest decrease ever in Vietcong-initiated action in the delta. The American military, with few exceptions, are convinced that after 18 months of buildup, setbacks and false starts, the war in Vietnam is beginning to be won.

#### SAVAGERY

That is why the Buddhist affair and the savagery of the political repression are doubly tragic. They rivet world attention on the dark and dismal side of a picture that is by no means all black.

Why did the Diem government institute its crackdown on the Buddhists last week and declare martial law?

Not, certainly, for religious reasons. Rather because Mr. Diem was bitterly convinced that the leaders of the General Buddhist Association were going for his political jugular and that the conciliatory policies advocated by the United States were only making them more thirsty for his political blood.

President Diem stated this conviction in the strongest terms during an interview even though at the time he was still trying to please the Americans by going along, albeit reluctantly, with the policy of conciliation. This policy only allowed the Buddhists to stage otherwise illegal anti-Government demonstrations and to disseminate anti-Government propaganda. It was a privilege not extended to any other political or religious organizations by Mr. Diem's authorization regime, which always has pulled in the reins harshly when it felt politically threatened.

U.S. officials in Saigon and in Washington agreed with Mr. Diem's assessment of the Buddhist leaders' ambitions. But they disagreed angrily and bitterly with the brutal tactics with which he silenced his political opposition.

#### PRODS

Right up to the moment of the imposition of martial law, Americans had pleaded with Mr. Diem to put some sense of personal conviction and dynamism into the policy of conciliation. They argued that in this way the Buddhists would be deprived of an issue and would in due time be pacified by the real concessions which the Americans gradually and painfully had extracted from President Diem.

But Mr. Diem, prodded by his more militant brother, Counselor Ngo Ninh Nhu, and his brother's wife, Mrs. Nhu, could only see that each concession brought new Buddhist predictions of demonstrations and suicides to come.

Or as a Buddhist spokesman told this correspondent several weeks ago "when Lodge gets here there will really be some excitement."

Now that martial law has been imposed, it seems impossible, in this reporter's judgment, that President Diem, irrespective of American pressure, would again permit the Buddhists—or any other group—to set up mimeograph machines and start back up the road of antigovernment action.

In an authoritarian state, where there is no outlet for political steam, anything can happen.

No one is more aware of this than Mr. Diem and his family, especially Counselor Nhu who is the President's closest political adviser.

#### COUP

At an interview that took place prior to martial law, Mr. Nhu said: "I do not think that a coup d'etat could be successful without American support. And I certainly do not suspect the Americans of plotting to overthrow us, especially at a point when the war is beginning to go better. Still people are not always rational. And so somebody might be crazy enough to attempt a coup d'etat, especially in the present atmosphere."

Counselor Nhu observed that he had called army generals to a meeting to discuss the Buddhist affair.

"The army does not like to have this matter dragged out," Mr. Nhu said. "They see that the Government is successfully defied by the Buddhists, and this is a dangerous precedent. It could give ideas to others. So the army is angry with us for letting the Buddhists continue these demonstrations and disorders."

#### STOP

"The Americans want us to sit by quietly and let a handful of Buddhist leaders tell lies about us to the world and foment disorders. We offer the Buddhists everything—international investigation of every so-

called grievance; but the Buddhist leaders refuse because it is their policy to rouse opinion against us in hopes of overthrowing this Government. \* \* \* There is a point where this must stop."

It is of note that Counselor Nhu, after imposition of the martial law, gave army impatience with the Buddhist situation as a main reason for the regime's action against the pagodas.

After martial law was imposed, the Vietnamese Army made haste to assure the Americans that the war against the Vietcong would be prosecuted as vigorously as ever. The American military mission has confirmed that the tempo has not been slowed and that there has been no substantial diversion of frontline troops.

Is there a contradiction between the steady American optimism about the war against the Vietcong and the ferment caused in the cities by the Buddhist affair and the indignation of many Vietnamese over the Government's brutal methods?

The impact of the Buddhist affair in the rural countryside (the villages and hamlets rather than the provincial towns) is far less than Americans imagine for these reasons:

It is demonstrably incorrect to give the impression that the General Buddhist Association represents 80 percent, or even 70 percent, of Vietnam's population of 14 million people.

#### RACE

In the first place the association, whose member pagodas are largely in the coastal towns, is but one of the many rival Buddhist sects in Vietnam. In a 1962 pamphlet, the association claimed 1 million members plus 3,000 monks and 300 nuns. One million members is less than 10 percent of the population.

And even though reliable figures are hard to come by, it is clear that any percentage must not overlook the many different races as well as religions of Vietnam.

The Defense Department in its "Pocket Guide to Vietnam" and the American Embassy in Saigon give the following as the best estimate of the breakdown between the various groups, although noting that in Vietnam it is considered quite acceptable to have more than one religion.

For instance, a special dispensation was given several years ago to permit Vietnamese Roman Catholics to engage in ancestor worship. And President Diem, in his home at Hue, has a shrine there to his ancestors.

Out of 14 million people in South Vietnam there are:

One million five hundred thousand Catholics.

Five hundred thousand other Christians, including Baptists, Mennonites, Seventh Day Adventists, and converts of the Christian and missionary alliance.

One million five hundred thousand Cao Dai (believers in a mixture of Eastern and Western religions and worshipping as saints diverse figures such as Joan of Arc and Sun Yat Sen).

#### POINT

Five hundred thousand Hoa Hao, a new religion founded in 1939 containing elements of Buddhism and magic. Its founder, Huynh Phu So, was famous as a teacher and miracle healer and preached that temples, rituals and priests were not necessary to the worship of God.

Seven hundred and fifty thousand Animists (these are mainly the Montagnards, who worship gods of the soil and river, and so forth).

Three million Confucianists and ancestor worshipers (these include the nearly million Chinese left over from the 900 long years in which Peking, the larger dragon, ruled Viet Nam, the smaller dragon).

Five hundred thousand Hindus and Moslems (these include the Cham tribesmen

who are non-Mongol, and the many Pakistanis in Vietnam).

Five hundred thousand Taoists (again a heritage from the many years of Chinese rule).

Add up all these figures and the result is that 8.75 million people are not Buddhists. This leaves 5.25 million Buddhists at most, eliminating those who have no beliefs at all beyonds vague superstitions. So 35 percent would be indicated as a more realistic—though still generous—estimate of the percentage of Buddhists in South Vietnam.

Rufus Phillips, head of the U.S. operations mission that is helping create the strategic hamlet system in the Vietnamese countryside, gives his own well-educated guess that 30 to 40 percent of Vietnam is Buddhist in conviction, with perhaps 15 percent pagoda-going Buddhists. Mr. Phillips has been in southeast Asia since 1954 and has visited literally thousands of Vietnamese villages.

#### PICTURE

Roger Hillsman, Assistant Secretary of State for Far Eastern Affairs, states that the number of Buddhists in Vietnam "has been exaggerated" and says that the whole picture is much misunderstood.

Additionally, events in Saigon don't seem as compelling in the countryside as in Washington because there are thousands of hamlets that are so cut off from anything except their district headquarters that they literally may hear nothing about suicides and demonstrations for years, if then.

Of the more than three dozen hamlets visited by this correspondent, there were only two in which anybody could be found who had even heard about the self-immolation of Thich Quang Duc, the first dramatic suicide.

The steady loyalty of the Vietnamese Army—so far at any rate—is in some part related to the large number of officers drawn from the 2 million refugees who came south from North Vietnam. These soldiers have known Communist rule first hand and are likely to look on President Diem's rule differently than those who have never had this experience.

#### PRIDE

But a soldier's morale and a soldier's pride have far more to do with success or failure against the immediate enemy than with a dispute that most of them sense has more to do with political opposition to Mr. Diem than with religion. And in talking with many officers and men in three different corps areas, this reporter felt their excitement at "seeing the light at the end of the tunnel"—as one colonel put it.

Finally, former Ambassador Frederick G. Nolting, Jr. was quite clear in saying recently that there is no religious "persecution" in Vietnam. There has been repression of Buddhist leaders—not because of their religion but because they conducted antigovernment agitation. Many Vietnamese oppose the repression, but they understand it to be political, not religious.

There probably has been favoritism in the bureaucracy, especially in towns like Hue where the Catholic Archbishop Ngo Dinh Thuc is one of President Diem's brothers. Currying favor is a full-time occupation among some Vietnamese, and there are no doubt Catholics who sought to use acquaintance with powerful members of the Diem family to advance themselves. The Catholics are far better educated than the Buddhists. For one thing a Catholic has to have at least a high school education to be qualified to train for the priesthood in a seminary.

#### MONK

Under the Mahayana (greater vehicle) Buddhism of the association, anyone can go into a pagoda and become a monk for however long he pleases. No educational credentials are needed. And Buddhists tend to be more passive than the Catholics, who have

been intensely engaged in building hospitals, leprosariums and schools.

In the view of American officials on the scene, President Diem himself is not guilty of a policy of religious discrimination. But in addition to permitting police brutality, he is most certainly guilty of political and psychological ineptitude which are grave faults in a man trying to run a country by personal, unquestioned dictate.

Said a high official in Saigon: "If Diem had gone instantly to the microphone after the May 8 incident (in which eight bystanders to the Buddhist demonstration were killed), had deplored the tragedy and pledged the Government's best effort to see that such events did not happen again—irrespective of where the guilt lay—it would have been impossible for anyone to pin an anti-Buddhist image on him.

"Instead he is so preoccupied with saving face that he resists admitting anything done by his appointees could be wrong. At first he stayed silent, then he gave way to each Buddhist demand in such a grudging way that it had little effect."

The dispute between the General Buddhist Association and the Government started out as limited psychological warfare over limited and justified objectives involving mainly protocol and property. The Buddhist demands, later vastly amplified, were at first primarily that the Government permit Buddhist flags to be flown at pagodas and during religious processions on special holy days. They also asked that certain laws be amended to permit the Buddhists to have greater opportunity to buy property.

#### MISTAKE

According to Counselor Nhu, "the first mistake the Government made in this Buddhist affairs was to make a fuss about flags. Let them fly any flags they want. If my advice had been asked, I would never have permitted the local authorities to have enforced ordinances against flag flying."

President Diem has in fact yielded to all but one of the Buddhist demands (that he publicly accept guilt for the May 8 incident) but not until police ineptness and sheer brutality set in train events which neither the Buddhists nor the Government foresaw.

Violence first erupted in the university coastal town of Hue where on May 8 two exploding grenades killed eight people, including three children and one Catholic. The May 8 victims were watching a Buddhist protest march to the radio station where the monks wanted to put on a broadcast condemning the Government for attempting to prohibit flying the Buddhist flag even though the Catholics in a procession only 10 days before had flown their religious emblems.

The Buddhists blamed the Vietnamese Army for the killings, while the Diem regime said it was the Vietcong who threw plastic grenades into the watching crowds, insisting that the autopsy showed the fragments did not come from Government-type weapons.

The late Thich Quang Duc considered the Government police to be guilty and through his tragic suicide by burning in Saigon's principal intersection imprinted the Buddhist side of the story on the mind of the world.

#### DEFIANCE

It was then for the first time that the Buddhists began courting arrest deliberately by staging demonstrations in defiance of city ordinances that prohibit them (to all religions) without prior permission.

The police reacted in several instances with rambunctious brutality, beating seated monks and nuns savagely as they carted them off to concentration areas outside the city. The Government claims that those arrested were subsequently all released.

But in the meantime a tidal wave of world attention focused on the Buddhists of Vietnam who were soon making use of their un-

expected ability to manipulate international attention as a weapon against the Government.

In the pagodas, the monks, exhilarated by playbacks of U.S. press stories which were somehow copied from the U.S. Embassy file, began talking of continuing their campaign until Mr. Diem was overthrown. More and more in the weeks prior to martial law, the monks seemed to convince themselves that the new Ambassador, Henry Cabot Lodge, would be Washington's agent in overthrowing the Diem regime.

Mimeograph machines, loudspeakers, and English-speaking press spokesmen were brought to the pagodas to disseminate to the foreign press charges and demands that became tougher and tougher.

#### OFFER

For instance, the Buddhist Association at first clamored for an investigation of the Hue killings under credible conditions. But when Mr. Diem finally offered them an internationally observed joint investigation of this and every other alleged grievance, the Buddhists refused.

As a price for joining the investigation they demanded that Mr. Diem first admit guilt for the Hue killings.

In other words, the Buddhists demanded that the regime admit—prior to investigation—that it was wrong. The admission of guilt was part of the five Buddhist demands issued in May. But it was not made a precondition of an internationally observed investigation until midsummer.

In American eyes, the desperate need remains to establish the facts as to Buddhist charges of persecution for religious reasons, which is quite a different matter than police repression for political reasons, although the two are often confused. And the only way world opinion can be satisfied is for the investigation to be carried out in a manner that will make the results credible.

After martial law, this reporter queried President Diem on this point with this question: "You recently told me in answer to a question that a policy of conciliation was irreversible. Have you now reversed that policy? Or will you hold open the offer of an internationally observed investigation of Buddhist complaints?"

#### ANSWER

The President replied that the offer was still open, saying in his written answer: "My government has never had a policy of religious discrimination so why should we refuse the help of impartial and sincere observers to make clear to the world our good faith?"

And an internationally observed investigation to establish and rectify any Buddhist grievance seems the best way in American eyes to bring some understanding and order out of a confused and tragic situation.

The tragedy of the events set in motion by the Hue killings is heightened by the fact that never before last May 8 had there been mention of a "religious issue" in Vietnam.

Most Vietnamese do not know the religions of their friends and coworkers and do not presume to ask it.

This reporter has heard a Buddhist bureaucrat say that a Catholic got the promotion instead of himself because President Diem is a Catholic. It happens that a Catholic will say that the Buddhist got promoted instead of himself because Mr. Diem is bending over backwards to please the Buddhists. No one has accused Vietnam of suffering from a shortage of human nature.

But from a social point of view of clubs, or residential areas, or education, no Vietnamese has been socially handicapped by his religion as still happens today in America to some members of the Jewish faith and as used to happen to Irish Catholics in those days when the Kennedy clan was in Boston.

## BIAS

Never in history has a Vietnamese paper carried an ad: "No Buddhist need apply." But as President Kennedy's father and mother well remember, advertisements saying "No Irish need apply" were a fact of life not so very long ago.

More than half of the 40 province chiefs in Vietnam are Buddhists, ancestor worshippers, Confucianists, Cao Dal, etc.—that is, non-Catholic. Only 6 of President Diem's cabinet of 17 are Catholics. The task of negotiating a truce with the Buddhists had been assigned to Vietnam's Vice President, also a Buddhist.

The American mission here has had more than its share of troubles resulting from Mr. Diem's lack of political dynamism. No New Frontiersman he. The shock at police brutality has been profound. But this is not the first nation whose police have gotten out of hand. And these days it is a bit delicate for an American to lecture because it is not impossible for a Vietnamese simply to reply: "Remember Alabama."

## CHARGE

But prior to martial law there had been a certain disenchantment among Americans at persistent Buddhist dissemination of unproved charges. At one point, for instance, the Buddhists said flatly that the police had arrested 365 Buddhists in a suburb on the outskirts of Saigon in a night raid.

On checking the Americans found that hardly any of those arrested were Buddhists, that the raid was a routine one to check the identity cards of families in a district through which Vietcong frequently infiltrate into Saigon, and finally that all except those without identity cards and criminal records were released. The Buddhists were accurate on one point. The raid was at night.

There is not the slightest tendency among the Americans to gloss over the situation here. The Diem regime is authoritarian, admits it and justifies this on grounds of being engaged in a fight for its life.

## ACTION

Because his regime is authoritarian, President Diem cracks down on any opposition that resorts to direct action. If Montagnards or Cao Dais were to break the law and stage antigovernment street demonstrations such as those engineered by the Buddhists, they would be in trouble. Catholics are certainly not immune. A highly critical Catholic editor in a provincial town had his newspaper shut down not too long ago and was sentenced to 18 months in jail.

Americans—especially in the field—do feel frustrated that their efforts seem to be tarnished in the eyes of their countrymen just at a time when the day-to-day cooperation between Vietnamese and Americans has reached an alltime smoothness. This reporter has not seen and seriously doubts any anti-American feeling of any scope in Vietnam.

In the vast countryside, the peasant in the myriad tiny hamlets lives far too elemental a life to care about what is going on in Saigon, even if he happened to be a Buddhist. Tending ricefields all day and defending hamlets by night does not leave much time for thoughts about Buddhist banners and Buddhist property rights, which in any case are not matters that touch his life.

## TOLL

The same is true of the foot soldier who has no time for such abstractions because he is deeply engaged in a war that is being fought increasingly hard—so hard that the Vietnamese dead and injured are running at 14,000 a year. Up in the coastal Province of Quang Nai, which only last year was Communist controlled, this reporter asked a Vietcong defector, a warrant officer of 9 years service in Hanoi and elsewhere, who was going to win the war.

The ex-Communist fighter seemed surprised at the question. "Your side," he said, "because we are hungry and tired. When my battalion (the 80th Vietcong Battalion) came down from Hanoi in February 1962 we could get food and recruits from the villages. Now the villages are fortified and it is risky to go in. Life is very hard for us, but the Nationalists (Diem party) get supplies from the Americans. So that is why I think that they are going to win. Don't you?"

[From the New York Herald Tribune, Aug. 27, 1963]

## VIETNAM—FACT AND FICTION: WHY THE BUDDHIST FURY

(A monk in flames started it. A bizarre sacrifice in Saigon's main intersection, and the world was shocked and stirred. Since then the high stakes crisis in South Vietnam has grown more intense, and at the same time more emotional, more complex, more confusing. But Buddhist discontent remains the one constant factor in the swift march of events. Pulitzer Prize-Winning Herald Tribune Correspondent Marguerite Higgins, in the Vietnamese countryside, cut through rumor and contradiction in a search for the facts of the Buddhist-Government dispute. Today, in the second of a six-part series, she presents her surprising findings.)

(By Marguerite Higgins)

SAIGON.—The saffron-robed monk came down the steep steps of the Xa Loi pagoda looking much younger than his 24 years. Infinitely poised, he greeted the waiting journalists, each one by name.

From inside the ornate exotic pagoda, whose peaks thrust three stories high, drifted the mixed aroma of burning joss sticks and jasmine. Ceremonial services were being held for the late Thich Quang Duc, who set the tragic precedent of suicide by fire.

Outside the iron-grilled gates, another monk harangued several thousand of the faithful. He was standing, loudspeaker in hand, on the roof of the pagoda souvenir shop. It was doing a brisk business in postcards depicting photographs of the venerable Quang Duc's self-immolation at a Saigon intersection.

## DRAFT

The older members of the crowd stood impassively, but the youngsters seemed to be visibly enjoying the excitement. They roared back enthusiastically when the monk, in modified cheerleader fashion, gave the signal to shout "Buddhism forever" and "Down with Madame Nhu."

Back at the inner steps of the pagoda, the young monk—Thich Duc Nghiep, the assistant secretary of the General Buddhist Association and spokesman for the pagoda—expertly fielded in stilted but clear English, the questions of the journalists.

Then, as was routine, Thich Duc Nghiep handed out mimeographed sheets of new allegations about Government repressions against Buddhists. Almost as an afterthought, the monk remarked that it would "be very interesting" for the journalist to go to Hue (4 hours flying time from Saigon) "right away."

"Is it another barbecue?" blurted out a photographer with typical irreverence.

"Ahhh (drawing the word way out) I cannot say," responded Thich Duc Nghiep. "But I recommend going to Hue and it would be a good idea to take your cameras."

As he turned to go, the monk tossed back over his shoulder the admonition "You ought to try and be in Hue by 8 o'clock in the morning."

As it happened, although a number of reporters and photographers got to Hue the next morning, there were no self-immolations (the word suicide is taboo among the Buddhists) until a week later.

But the scene at the pagoda was typical of the expertise in Buddhist press handling

that was a thorn in the side of the Government.

This correspondent who had never before passed much time in pagodas, was astonished to be greeted on the first day at Xa Loi with a query by Thich Duc Nghiep: "Ah, you are from New York \* \* \* what kind of a play are we getting?"

Not expecting the question, I asked, "Do you mean is the Buddhist story still getting headlines?"

"Yes, yes," he nodded impatiently.

## THE PAGODA PUBLICISTS

"It certainly is," I said. "That's why I'm here."

And when Thich Duc Nghiep learned that my stay in Vietnam would be limited to about 3½ weeks, he declared, "You are making a great mistake, Miss Higgins. When new U.S. Ambassador Henry Cabot Lodge arrives, there will be many demonstrations that will make what went before look like nothing. And there will be many more self-immolations \* \* \* 10, 15, maybe even 50."

"Exactly what was the discrimination that was causing all this tragedy," I asked young Thich Duc Nghiep.

"What we want," said the monk, "is for the Government to fulfill the five Buddhist demands in a just spirit."

(The five demands involve flying Buddhist flags on certain ceremonial occasions, improved chances to purchase property, freedom to propagate the Buddhist faith, punishment of those guilty of throwing grenades into a crowd of demonstrators May 8 in Hue, and an end to arrests and persecution of Buddhists.)

But what, I inquired, about the Government's claim that it had met virtually all these demands in an agreement signed June 16?

## A SUMMONS

"That is just on paper," said Nghiep.

"Is it absolutely too late for the Government to find agreement with the Buddhists?"

Nghiep: "We do not go in for political questions. But it does seem too late to reform."

Buddhist intentions became clearer to me in one of the few amusing incidents of a sad period.

I was leaving the Hotel Caravelle an hour before store closing time to pick up some slacks for a dawn departure for the combat zones the next morning. Excitedly, the hotel telephone operator intercepted me to say that "the very highest monk" at the Xa Loi pagoda had summoned me to an audience, that I was to report instantly to the pagoda, and that I was not to bring my interpreter as this was to be "top secret."

At the pagoda I passed rows of politely bowing monks in saffron robes and was ushered into the innermost inner sanctum—a small cozily furnished room in the residential wing of the Xa Loi.

There sat Thich Duc Nghiep and an older, alert-looking monk. This one was in grayish blue robes. He was lavishly introduced by the young pagoda spokesman as "one of our most important leaders and one who ordinarily never sees correspondents—but since you represent the White House."

The light dawned.

## THE MESSAGE TO KENNEDY

I dug into my purse, got out the White House press card which I had used earlier that day at the pagoda as identification, and said to the monks, "You don't understand. I am a reporter. I am only accredited to the White House."

"Precisely," answered Thich Duc Nghiep, triumphantly taking the White House card and showing it proudly to Thich Tri Quang, one of the leaders from Hue. "You are accredited to the White House, and we have a message for President Kennedy."

Argument got me nowhere. Two and a half hours later, after the stores were closed

and the slacks irretrievable, I emerged with the message to President Kennedy which boiled down to this:

"We the Buddhists have good information that President Kennedy sympathizes with our anti-Diem efforts and he no doubt had to maintain a certain public posture. But his last press conference was much too favorable to Diem. The time is coming when President Kennedy will have to be more outspoken because it would be hard to get rid of Diem without explicit American support."

In response to my rather astonished questions (I had only been there 2 days) Thich Tri Quang indicated that the Buddhists felt Mr. Diem would be inhibited by American pressure from cracking down on them. So they thought they had a good chance of continuing their agitation to the point where the Americans would be embarrassed into withdrawing their support of Mr. Diem or getting rid of him. And the Buddhists had no apparent doubt that "getting rid of Mr. Diem" would be Washington's choice.

#### A GOAL

What did the Buddhists want? Diem's head—and not on a silver platter—but enveloped in an American flag.

It was Buddhist strategy, as a number of their leaders openly told me, to keep agitation—and publicity about it—at a high level until Washington finally ordered new Ambassador Lodge somehow to remove the Diem family from power. A number of the now jailed Buddhist leaders, in fact, asked me point blank: "How much will it take to force the United States to act against Mr. Diem?"

Although they insisted that they had no special candidate for the Presidency, the Buddhists clearly expected that the power and influence of their leaders would be enhanced under any successor to Mr. Diem.

The political nature of the Buddhist aims was evident to Westerners in Saigon despite the worldwide acceptance of Buddhist claims of religious persecution. The Buddhist leaders are being persecuted all right—but for daring to challenge Mr. Diem, not for their religion.

Former Ambassador Frederick Nolting, Jr., is one among many diplomats who believe that the Buddhist leaders deliberately expanded some perfectly legitimate local grievances about flying flags and property rights into a misleading picture of religious strife for political ends.

Father Patrick O'Connor—an Irishman, not an American—wrote from the scene an article that appeared August 9 in the Catholic Standard, stating:

"The Buddhists in South Vietnam have been selling the American public a bill of goods. They sold it first to some of the foreign correspondents in Saigon. . . . The militant intersect committee for the defense of Buddhism has listed five demands. For these five demands, the Buddhist association is prepared to throw the country into disorder and defy the Government in the middle of its life-and-death struggle with communism."

#### THE POLITICAL ENDS

"For these it is prepared to let bonzes (monks) burn to death—if the foreign press can be present. . . . As one bonze has admitted to a correspondent, the five demands no longer represent their aim.

"No matter what the Government may do, the leaders will find a new matter for complaint. Only the fall of the Government will satisfy them."

Although Pope Paul VI has personally interceded with an appeal for tolerance in South Vietnam, the Vatican has also taken a position that the conflict is not a religious dispute, but a political one. The Vatican newspaper L'Osservatore Romano, in a front-page article last week, said that the cause of the crisis was "the political judgment of the

Government—whether justified or not—as to the ability of the Buddhist community to resist and defend against communism."

How do the political aims of the Buddhist leaders in Saigon square with five tragic suicides by fire of monks and nuns? In every case the suicides left notes indicating that their act was done in the belief that Buddhism was being persecuted as a religion—a religion that in some interpretations approves self-sacrifice.

It is a fact that monks in pagodas and some Buddhist laymen would tend to accept as correct the claims of persecution put out by Buddhist leaders in Saigon whether they themselves or anyone around them had ever experienced religious persecution.

#### A MOTIVE

And outside Vietnam, the American public—which has a hard time avoiding the temptation of applying Western logic to oriental situations—tends almost automatically to assume that the tragic suicides are proof in themselves of religious persecution. Why would anyone, the Westerner reasons, choose such a horrible death unless he or she had irrefutable proof that the Diem government was doing terrible things to Buddhists.

The unnecessary savagery of the Vietnamese Army in smashing the pagodas cannot help but deeply tarnish Mr. Diem's regime. But police brutality, which had also occurred before the imposition of martial law, was not the cause of the tragic spate of suicides.

For example: At Phan Thiet, the coastal town where a 20-year-old Buddhist monk burnt himself at high noon alone in the memorial park, the Buddhists were unable to give this reporter any specific example of their grievances except that they had been compelled on Buddha's birthday to fly the Vietnamese national flag alongside the Buddhist flag.

This reporter remarked that this hardly seemed a grievance warranting suicide. Agreeing, the Buddhist spokesman finally said: "But whatever is the case here, we know there is persecution because our leaders in Saigon have told us so."

In talking to monks in the smaller towns, I found them kindly, credulous, and disconnected from reality. Most had not had more than a grammar school education. The effort of sorting out the facts in the maze of charges and denials between the Buddhist Association and the Government was beyond any desire of theirs. If the venerable elder monks in Saigon's pagodas said Buddhism was being persecuted—then it must be so.

No one will ever know, of course, just how much the suicides were influenced by the emotional, powerfully written tracts sent out from Xa Loi. Among the slogans lettered on huge banners draped over the pagoda's outer wall were these: "We are ready to sacrifice ourselves for Vietnamese youth." \* \* \* "Resolutely in the footsteps of Quang Duc" (the first suicide).

In the stormy seas of charge and counter-charge, there are only a few steadfast islands of incontrovertible truth.

The Diem government has had a history of religious tolerance.

For many years President Diem's two closest advisers were members of the Jewish faith: Wolf Ladejinsky, land reform expert, and Dr. Wesley Fishel, head of the Michigan State University advisory group to Vietnam.

#### THE ISLANDS OF TRUTH

There is no record of the phrase "religious issue" ever being used in South Vietnam until after the May 8 incident.

Catholics, Confucianists, and others have joined the protest against the Government and in fact have faced punishment as the result of their stand; among them, the Catholic rector of Hue University, who was dismissed for his backing of demonstrations.

A U.S. military mission fact sheet prepared in November 1962 had this to say:

"The religious atmosphere of Vietnam is characterized by tolerance and acceptance of various religious beliefs. Confucianism, Buddhism, Taoism, and Christianity are prevailing religions. To the Vietnamese there is nothing wrong with holding several religious beliefs at once."

It is also true that the Buddhists in the weeks before the imposition of martial law had become increasingly militant in their anti-Diem propaganda. They were clearly courting arrests by staging demonstrations of larger and larger proportions even though these are illegal under local ordinances which apply equally to Catholics, students, or any organized group.

President Diem, in a statement to this reporter, insisted that the recent action against the Buddhists was not because of their religion, but because they turned their pagodas into "hives of anti-Government political activity."

#### AN ANGER

"Why do the American correspondents insist on calling my government 'Diem's Catholic regime'?" President Diem once flung out angrily. "I notice they never say 'Kennedy's Catholic regime.'"

When this reporter interviewed Mr. Diem, the President was clearly torn by his desire to please the Americans and his inner conviction that the Buddhists were determined to keep things stirred up and topple him.

And even to please the Americans, Mr. Diem was not about to take steps he felt might weaken his personal power and so begin the liquidation of his regime.

In this reporter's judgment, the Buddhists overplayed their hand in thinking that the Americans could indefinitely stay Mr. Diem from reacting in the face of the rising tide of demonstrations, suicides, and Thich Duc Nghiep's open predictions of "much more excitement when Lodge gets here."

And the Buddhist capacity to keep things stirred up stemmed directly from their public relations skill. But while this skill skyrocketed the Buddhist cause to world attention, it was also part of the reason for their current plight, including arrests during the brutal police raid on the Xa Loi and other pagodas. In equal measure to Mr. Diem's fury at the Buddhist political agitation was his fury at the world's attention it received.

For instance, a couple of Mondays ago at 10 p.m. on a rainy night in Saigon, an 18-year-old girl was found on the steps of the Xa Loi pagoda, her right arm bleeding profusely from her unsuccessful attempt to chop it off at the wrist. (In some Buddhist circles, detachment of limbs is an acceptable religious gesture.)

#### THE DIEM DICHOTOMY

Within 10 to 20 minutes of the discovery, American photographers and reporters were at the macabre scene. They had been summoned there by spokesman Thich Duc Nghiep, who rushed to pagoda phones that kept in close touch with the American and other foreign correspondents. The Xa Loi monks made the blood-drenched girl available for at least 40 minutes to photographers and the press, for whom she tape-recorded a statement. Only then was she finally taken to the hospital.

And that is how the United States learned of the incident within hours even though, ironically, the villages of Vietnam would probably not hear of it for months, and in some cases years.

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

FACT AND FICTION—No. 3—VIETNAM BATTLE IN THE FIELD AND THE GOVERNMENT

(American death No. 106 in South Vietnam came Monday—an Army reconnaissance pilot, his plane shot down by Communist

fire. It was another tragedy of the lonely war in which the United States has staked the lives of 14,000 soldiers and more than \$1 billion in aid, with the goal of defeating the Communist Vietcong guerrillas. President Kennedy has pledged the United States will stay in South Vietnam "until we win." The Herald Tribune's Pulitzer Prize-winning correspondent, Marguerite Higgins, touring the Vietnamese countryside, reports today on how close the West is to success in this crucial cold war battleground.)

(By Marguerite Higgins)

SAIGON.—"The Vietcong are losing because we are steadily decreasing their areas of maneuver and the terrain over which they can move at will."

This judgment was rendered by U.S. four-star Gen. Paul D. Harkins shortly before President Ngo Dinh Diem instituted martial law through South Vietnam. A tall blunt soldier, General Harkins has been in charge here since U.S. military advisory units began to swing into action against the Communist Vietcong guerrillas. Big-scale American efforts got underway in February 1962.

General Harkins continued: "The fortified villages are cutting the Vietcong lifeline to the little people whom they used to tax to get their plasters and their rice. It is harder for them to get into the fortified areas to kidnap youngsters and turn them into recruits. Slowly, I grant you, but surely, the Vietcong will find that there is no place to hide."

The general's words reflected the somewhat favorable turn the war had taken—despite the Buddhist dispute with the Government—during the spring and summer.

How will the imposition of martial law affect all this? It's simply too early to tell. The Diem regime has declared that there will be no substantial diversion of troops from the war zone. Whether this promise can be kept obviously depends on the state of law and order.

But as of this moment, General Harkins and his staff flatly contradict published reports that South Vietnam's United States-backed fight against the Communists—particularly in the rice-rich delta—is "deteriorating" and that a Vietcong buildup is taking place to the point where the Communists will be able to conduct mobile warfare with battalions as well equipped as the Government's.

"What is mobility?" interjected one of the general's corps advisers. "Mobility means vehicles and aircraft. You have seen the way our Vietnamese units are armed—50 radios, 30 or 40 vehicles, rockets, mortars, and airplanes. The Vietcong have no vehicles and no airplanes. How can they be mobile?"

"Further," the American officer continued, "there has been no evidence of any increase in the number of Vietcong units in the delta even though we expected there would be because our strategy is to sweep them steadily southward and finally corner them. As to weapons loss, a year ago our side was losing 20 percent of its weapons. Now the average for our side is 5 percent. Further, the delta area under our control is increasing, not spectacularly, but steadily."

General Harkins frequently has been taken to task by the resident American press corps for overoptimism, but such criticism has left him unmoved.

#### BREAKTHROUGH

The general and the key members of his staff commanding 14,000 Americans, are convinced that a military breakthrough has begun this summer. At last they can see their laborious preparations paying off as the Vietnamese emerge in imposing numbers from the training camps and the intelligence and communications systems start functioning as they should. Most gratifying of all, the peasants have abandoned their historic and fear-enforced neutrality and have increasingly come to the Vietnamese and

Americans to tip them off on Vietcong whereabouts.

But it is when talk turns to the fortified villages (the strategic hamlet program) that the glint of anticipated victory—not this year but not too many years away—really comes to the eyes, not only of General Harkins, but of most of the American and other diplomatic missions here.

Unless something goes wrong unexpectedly, it is in the strategic hamlets that the American taxpayer will get his \$1-million-a-day worth.

There is no question but that this program—although it has a long way to go—already has changed for the better the security and—even more important—the psychology of huge areas of South Vietnam.

The strategic hamlet plan was developed by United States and Vietnamese leaders as a bold, revolutionary method to halt Vietcong control of the countryside.

Under the plan, peasants—who make up 85 percent of Vietnam's 14 million people—were grouped in rebuilt, fortified communities.

Previously, Vietcong harassment had resulted in whole villages paying tribute to the Communists to avoid extinction. But in a strategic hamlet, the peasant is backed up by a village militia and, if necessary, by the regular army or militia from other villages, which maintain close communication.

Since February 5, 1962, 8,500 hamlets have been established, in which 8 million Vietnamese live. This means that more than half of the nation has a measure of security from Vietcong pressure that has never before been available.

The most convincing report of the success of the strategic hamlet program comes from those who should know best—the Communists themselves.

In the amnesty camp near Quang Nai in the northern coastal regions, a 28-year-old master sergeant who defected told his story.

"I gave up because I was hungry and I heard about the Government's amnesty program. It used to be easy to go into the villages and obtain a bottleful of rice a day from the people. Some were willing to give it. Others we had to force. But after the villagers were given guns and barricades it became risky to try to go in even at night. So life in the mountains became very hard."

#### SECURITY

Maj. John Kelly, the U.S. sector adviser at Quang Nai, said the reasons advanced by the Communist sergeant were similar to those given by nearly all of the 800 Vietcong defectors who had come through the camp since the amnesty program was launched in the spring of 1963.

The strategic hamlets look like the stockades the American pioneers built to defend themselves against the Indians, except that the Vietnamese use bamboo instead of logs. Most peasants have not been physically moved from their old homes. Rather, defense works—bamboo and barbed wire fences and sometimes moats—are erected around a group of closely situated villages.

Under President Diem's concept that democracy can best be learned at the rice paddy roots, hamlets are not declared a part of the national network—which would qualify them for a number of special health and educational benefits—until after elections have been held for the hamlet chief.

The hamlet program has gotten off the ground despite an unfortunate psychological start. The Vietnamese Army announced the opening of the program in such a way that it sounded as if hundreds of thousands of families were going to be moved into the fortified villages whether they liked it or not. In actuality only those who volunteered were moved.

The strategic hamlets are not completely immune from attack. In American judgment, the Diem regime has moved too quickly

in some areas in setting up strategic hamlets and arming the village militia before the surrounding area is sufficiently cleared of Vietcong.

This reporter visited in July the village of Van Vien, which had been held for 30 hours by the Vietcong. Although the village had called for help when attacked, the regular military forces normally stationed at the province capital of nearby Mytho had been diverted at the time to a major military operation in another Province.

In August, the Vietcong attacked and burned a strategic hamlet only 20 miles from Saigon. But occasional attacks on a few strategic hamlets do not materially change the picture of increased security for those in the 8,500 hamlets already established. The majority of these, of course, are not successfully overrun.

Deep in the Mekong delta, a few miles from Ap Bac, where bloody battles have been fought with the Vietcong, this reporter talked with villagers whose huts had literally been put aboard army trucks and transported to a new strategic hamlet. The land around the house seemed strangely bare because the rice had been planted late. And the villagers were not without their complaints.

One of the elders—greatly respected because he could read and write and had a slight command of French—talked frankly as we sat on his tiny front porch. Underfoot were muddy and naked children. Curious neighbors hurried over to stare at the strangers. And a stone's throw away, a water buffalo lumbered by, guided by a tiny boy astride its broad back.

"This village," said the elderly Vietnamese, "is 5 kilometers (about 3 miles) from my rice paddies. So I must bicycle and walk many miles every day. The Government gave us a thousand plasters with which to rebuild this house. But it really is not good enough to make the chicken roosts and pig stys and things for the animals as good as they were in Ap Bac."

"When I go back to my old rice paddies, I pass the Vietcong every morning, and they are very polite to me and I am polite to them. They do not bother old men. But before, when my hut was at Ap Bac, the Vietcong taxed me 200 piastres (about two and a half dollars) and one bag of rice a year. Now that we are in the strategic hamlet, the Vietcong no longer collect taxes, and that is good. But it is hard for an old man to travel so far each day."

The old Vietnamese was asked whether, if he had it to do over again, he would have stayed in his old village at Ap Bac.

"No," he replied, "from the point of view of security it is better here. Security is especially important for the younger men. The Vietcong do not dare to come this far to kidnap them. The young people are very frightened \* \* \* for they know that the Vietcong will cut their throats if they not do what they say. In Ap Bac we all had to believe in the Vietcong because they were the strongest. Here we have a choice."

It was only in the fall of 1962 that the Vietnamese Army, its buildup completed, was ready to seize the initiative. During the preceding 9 months, the American advisory staff of 700 had been expanded to 12,000, the strategic hamlets had been launched, 375 civil guard companies totaling 100,000 men had been formed and armed, and a village self-defense corps numbering 60,000 had been created.

Additionally, General Harkins likes to cite these changes since the summer of 1962. A year ago, the Vietnamese Air Force was flying about 100 sorties a month and is now flying about 1,000 monthly. The Vietnamese Navy, which plays an important role patrolling the delta, was virtually nonexistent a year ago. Now it has a junk fleet, a river force and patrol ships at sea.

Although the exact figure is classified, the prevailing estimate of Vietnamese Army strength is about 230,000 men.

But most significant of all in the American view are the figures concerning Vietcong attacks. In the summer of 1962, these Communist-initiated actions (including ambushes, kidnappings, terrorism, and propaganda) totaled from 500 to 600 a week. They now are down to somewhere between 200 and 250 a week.

#### CASUALTIES

Vietnamese Army losses in dead and injured have been running at the rate of 14,000 a year, which, as a top American officer observed, "is testimony to the fact that this army is not holding back but fighting very hard indeed." The Vietcong losses in dead and wounded are estimated at about 30,000 a year. And in the week since martial law, the losses on both sides were running close to the weekly average.

More than 100 U.S. officers and men have lost their lives, about half of these in combat, the others in accidents of various sorts.

One of the most stunning—and frankly somewhat unexpected successes—was the clearance of most of the Quong Nai area in the northern part of the country. This area had always been revolutionary in spirit and until recently rather pro-Communist. The progress in the highlands near Pleicu, where the Montagnards prevail, has also come quicker than any one had dared hope.

It is in the Mekong Delta that both the war and the strategic hamlet programs are meeting the most difficulty. The reason for this, paradoxically, is that the delta is the richest area. Because of the delta, and despite all the war and turbulence, Vietnam, a deficit rice area in 1962, will export 300,000 tons this year. In the northern areas it is possible to cut off the Vietcong from food supplies from the peasants in the strategic hamlets. But in preventing them from foraging the delta, even if he can't always get rice, a guerrilla can pick coconuts or pineapples off the trees.

Still, as one officer put it, "the important thing is that village after village is being taken from the Vietcong and they are neither able to take them back nor take any geography from our side. Roads are unsafe but not as unsafe as last year."

This fact was confirmed by this reporter, who drove 100 miles through the delta on roads that last year were considered impassable because of Vietcong terrorists.

A Vietnamese corps commander in the delta said, "This is going to be the toughest and the slowest—but how can any one claim we are losing when we are taking geography away from them daily?"

General Harkins, who has become somewhat stoical about the skeptical press, is content to let history judge. But the general is inclined to think that history will make the judgment sooner rather than later. In fact, he would not be surprised if "in a year or so" it were possible to start phasing out and sending home some of the U.S. training missions.

#### LODGE SEES DIEM AND NHU

The Diem government tightened authoritarian rule in troubled South Vietnam yesterday, postponing indefinitely the National Assembly election scheduled for Saturday.

The action came as new U.S. Ambassador Henry Cabot Lodge continued conferences with top Government leaders. Mr. Lodge, who met twice with President Ngo Dinh Diem Monday, conferred at length with the President's brother and chief adviser, Ngo Dinh Nhu, yesterday, in what was described by diplomatic sources as a "very frank" session.

Mr. Nhu, who requested the meeting, is believed to have directed the savage crackdown on Buddhists, which brought mass arrests and martial law throughout the nation

last week. Some sources assert that the President's brother—who controls the police and several other paramilitary organizations—has taken over action command of the Government. Mr. Nhu denies this, but his meeting with Mr. Lodge hardly lacks in significance.

Mr. Lodge's task is crucial because of the high American stake (14,000 men, \$1 million a day) in South Vietnam's war against the Communist Vietcong guerrillas. This war was brought home grimly again yesterday with a report of the death of a U.S. Army pilot, the 106th American to die in Vietnam.

U.S. policymakers are faced with the problem of how to justify continued American presence here in the face of the Government's repressive tactics.

On Monday, the State Department indicated that it absolved the Vietnamese military of instigating the Buddhist raids, with the apparent implication that if the military ousted those responsible—Mr. Nhu and/or Mr. Diem—the United States would not be unhappy.

Yesterday the U.S. foreign aid chief, David Bell, in a Washington interview, said the United States desires to continue aiding "the free people of Vietnam" against the Communists, but added:

"We don't support repression in any country."

There is the further crucial problem of how the martial law will affect the Vietcong fight, although the Diem government has contended that the war effort remains unflagged, and in fact announced that 49 Vietcong have been killed in the past week.

Nonetheless, there were unconfirmed reports that Vietnamese Ranger units in three towns were fighting among themselves over the recent actions.

President Diem called off the legislative election yesterday in an official decree issued through the Government-controlled Vietnam Press Agency. The statement gave no details on the reason for the postponement or when the vote would be rescheduled. The 1-House, 123-Member National Assembly is nominally the legislative branch of the Republic but has little authority. The present assembly was elected in August 1959.

Despite certain outward signs of a relaxation of tension yesterday (easing of Saigon's curfew, removal of some barbed wire barricades, shifting of censorship from military to civilian authority), events made clear that the Government would brook no opposition.

Among the developments:

Brig. Gen. Ton That Dinh, Saigon's military governor, ordered security forces to shoot into "any group of troublemakers who violate the state of martial law." He also banned any labor strikes.

Vu Van Mau, Vietnam's longtime Foreign Minister until he resigned last week in protest against the Buddhist crackdown, apparently was under arrest. Mr. Diem had asked Mr. Mau to take a vacation instead of quitting, but the Foreign Minister vanished shortly before he was supposed to take a plane to India over the weekend.

More than 10,000 Government troops remained in Saigon alone. All school, pagodas, movie houses, and parks were closed. More than 2,000 students were arrested Sunday, and their whereabouts remained uncertain. There were some reports the students were being drafted into the army. Thousands of others have been detained by police.

It was reported that Mr. Lodge has unconditionally rejected a demand that the United States turn over two Buddhist monks who took refuge in the American aid mission next to the Xa Loi pagoda when it was raided last Wednesday.

The Ambassador discussed the turn of events with Mr. Diem in their second meeting Monday, after a brief ceremonial session

earlier in the day. The State Department in Washington said the two men, in a 2-hour meeting, "reviewed in some detail the situation currently prevailing in South Vietnam," but declined to spell out details of the conversation.

There was no indication of what was said between Mr. Lodge and Mr. Nhu yesterday.

Meanwhile, the Saigon government received a not-unexpected blow from its neighbor, Cambodia, which cut off diplomatic relations. There has been longstanding border friction between the two nations, and in addition, largely Buddhist Cambodia condemned the Diem crackdown.

[From the New York Herald Tribune, Aug. 29, 1963]

#### VIETNAM: THE WAR ON POVERTY

(War in South Vietnam brings quickly to mind the torturous campaigns against the elusive Vietcong Communist guerrillas. But the war being fought there also is against an older enemy: Poverty—and the ignorance that nourishes it. A new breed of Americans is helping the Vietnamese peasant to fight both battles, which go hand-in-hand. Marguerite Higgins, Pulitzer Prize winner, takes a long look at how the wars are going in this fourth article in her series.)

(By Marguerite Higgins)

QUANG NGAI, VIETNAM.—Here in the palm-dotted northern coastal plains you can tell where Americans are welcome—and the Viet Cong are absent—by the sight of the children who rush to the side of the road and shout over and over, "Hello! OK!" after the passing jeep. Wide smiles and Life Savers have been the GI's passport to popularity.

And so far in this northern Province, only once did the Life Saver gambit boomerang. This was when a local farmer took the translation of the trade name on the wrapper literally. So one day he stormed up to a group of American advisers, dangled a badly broken arm before their horrified eyes, and denounced the "American magic" as phony because he had swallowed a Life Saver and it had obviously not healed his wounds.

#### REWARDING

To Maj. Robert J. Kelly, 39, of Allegan, Mich., a veteran of 20 years in the U.S. Army, the job of adviser to the Province chief of Quang Ngai is "the most rewarding, exciting and eye-opening experience that I have ever had."

Major Kelly is one of the thousands of a brandnew breed of military that is getting on-the-job training in a new kind of struggle. In this war, winning the minds, hearts and trust of little people has equal priority with winning military battles.

In addition to such orthodox matters as flanking maneuvers, firepower and keeping your carbine clean, the new breed must think about pigsties, rat eradication and psychological warfare.

"The reason this job gets a hold on you" said Major Kelly, "is that you can see things getting better before your very eyes. You can feel the Vietnamese trusting you more each day. And you know you are really doing all right when they start begging you to extend. (The ordinary tour is 1 year.)"

"When I first came here 8 months ago, the rice was yellow and sickly," he said. "There was only one crop a year. The rats were so fierce that they ate up 80 percent of the rice before it could be harvested. The people here were scared and desperate and half-starving. We had to import rice from the delta."

But then the U.S. group went to work.

"We started a rat-eradication program and a fertilizer program. The U.S. operational mission came in and showed them how to use the fertilizer," Major Kelly said.

## FERTILIZER

"We built pigsties and brought in pigs and lent them out for breeding. We showed them how to make compost out of pig manure so they could make their own fertilizer. Pretty soon they will be close to self-sufficient in fertilizer and will be exporting pigs. And just take a look at those beautiful, green, thick, high stalks of rice."

The major's arm pointed toward the jade green fields where fragile Vietnamese girls in their straw bonnets were carrying buckets of precious water from the canal to the crops.

And looking at those shimmering green fields that were indeed beautiful, it was impossible not to share Major Kelly's sense of pride and accomplishment.

Major Kelly, a holder of combat ribbons for Korea and the New Guinea and Luzon campaigns of World War II, was not alone. There are more than 100 other advisers attached to this 25th Vietnamese Division area. In addition, American agricultural experts are doing a herculean job of helping to build the strategic hamlets that are increasingly giving the peasants protection from Vietcong harassment.

The lowest ranking advisers here are captains, who are at the battalion level. All these soldiers, including Major Kelly, go out on combat operations and are authorized to shoot if necessary to prevent their own death or capture.

They do not feel that they are exactly fighting a war, since they have no right of direct command over the Vietnamese troops. But these Americans are often in combat because they accompany their opposite numbers in the Vietnamese divisions into action so that their advice will be available.

Down in the delta, where the war is slower and more difficult, this reporter found Americans who were highly impatient with the infrequency with which their advice was asked. There were complaints that the Vietnamese regimental and division commanders had to refer too often to higher headquarters—complaints that have threaded through the early phases of the war for Vietnam.

But even in the delta, an American colonel remarked: "Part of the problem is that it simply takes time to establish a rapport between the Vietnamese and Americans. Judgments are proved or disproved in the test of operational decisions. Things used to be a bit sticky. But now, when we really get into a fight, I am not at all surprised to have the Vietnamese commander turn to me and ask: 'OK, what do we do now?'"

## CIVIC ACTION

In this connection, this reporter was mildly surprised to hear quite a few officers remark that 1 year's tour of duty was not really enough, because "it is time to go home just when things are getting organized."

Throughout South Vietnam, Americans of the new breed are taught to think in terms of "civic action"—a dry-sounding term which, however, means warm, human, easily understood acts of helpfulness by the soldiers to show the people that they are their friends and protectors.

In this spirit, several small groups of Sea-Bees and Army engineers are traveling from village to village, and on a tiny budget of \$20,000 are performing what the Vietnamese regard as small miracles.

There is a small village north of My Tho in the delta, that will forever remember the Americans for building a wooden bridge over the canal that, so long as anyone could remember, had separated half the inhabitants from the others.

It all began when the Americans asked the hamlet chief to list three priority needs of the village and then take a vote to see which one the majority wanted to have done. After the bridge was voted, three American engineers appeared, hired local labor to do the

work (at 40 piastres or about 65 cents a day—high for the area) under their direction.

## MONEY

This brought in extra money to the community and lots of extra excitement. Under the adoring eyes of hundreds of Life Saver-bloated ragamuffins, the engineers showed the Vietnamese how to pour concrete pilings and other such mysteries of bridge building. The whole project probably cost only a few hundred dollars, but it will surely be a high point in the history of that village.

The Americans are seeking, by example and prodding, to encourage the Vietnamese Army to join the civic action movement. The idea has now progressed to the point where every Vietnamese division "adopts" a strategic hamlet and devotes some labor and materials to completing its defenses.

Quang Ngai had the highest morale of any area I visited, and with good reason: the American advisers, the brand new Vietnamese 25th Division (commanded by a Buddhist) and the peasants defending the hamlets had shared a rousing and genuine victory over the Vietcong.

It happened on April 15 of this year, when an entire Vietcong battalion attacked 12 strategic hamlets. When the 4-day battle was over, the Vietcong had left 226 dead in the ricefields. The 2-week-old 25th Division had few casualties.

"It was after that victory," recalled Major Kelly, "that everybody's self-confidence seemed to return. The villagers, instead of being neutral, started coming to us with information about the Communists. People started flooding back into the Province capital and, before you knew it, we were in the middle of a building boom."

The Buddhist crisis in the cities seemed from Quang Ngai, with its sanity and sense of purpose, to be a terrible nightmare. Perhaps the Government crackdown can affect the morale of future Americans coming to Vietnam if they believe that they are making a sacrifice for a tarnished and worthless cause.

But you couldn't tell Major Kelly that the people who had fought so bravely on April 15 and who had made the rice so tall and green were part of a cause not worth fighting for. He would fight you first.

In point of fact, at the time of my visit, there had never been any trouble in Quang Ngai between Buddhists and the Government.

How did the Americans in the field react to the preoccupation at home with the Buddhists? There is a natural preference of American soldiers to have hometown attention focus on the accomplishments of which they are so proud rather than on an issue that is not yet real to them.

As Major Kelly said, "When you can see and feel every day how much has been done to make life better and the rice greener, it is a pretty good feeling in itself. But do you suppose anybody at home ever hears about this sort of thing?"

[From the New York Herald Tribune, Aug. 30, 1963]

## A VIETCONG DESERTER SPEAKS

(South Vietnam is a testing ground. The fate of southeast Asia is at stake, and that's why the United States is there in force. But in the Vietnamese countryside, great cold war issues come down to a bloody fight. Part of that fight is to win over the enemy. In this fifth article, Pulitzer Prize-Winner Marguerite Higgins interviews a Vietcong guerrilla who tells her why he rejected the Communists.)

(By Marguerite Higgins)

QUANG NGAI, VIETNAM.—"There they are—real, genuine bonafide, 18-carat Communist Vietcong."

The U.S. Army captain waved his hand in the direction of a schoolhouse where 60 de-

serters from Vietcong were sitting in prim rows, singing a patriotic Vietnamese song that required rhythmic clapping. They looked amazingly young, fresh faced—and bored.

These Vietcong were among 800 who had passed through this amnesty camp since April 1963 when President Ngo Dinh Diem proclaimed a policy of forgiveness and rehabilitation for those Communists who gave themselves up. Throughout the country, the Chu Hoi (amnesty program) has brought in more than 10,000 Vietcong, far exceeding expectations.

## MESSAGE

Here in Quang Ngai, the Vietnamese and American psychological warfare officers have worked out an ingenious program to take the amnesty message to the many Vietcong battalions known to be hiding both in the nearby foothills and in the forested highlands of Vietnam's northwest frontier.

Each morning light planes equipped with loudspeakers fly low to broadcast the Government's invitation. The broadcasts are in Vietnamese and in the different dialects of the Montagnards (mountain people of non-Vietnamese origin). Each day thousands and thousands of pamphlets are dropped into the foothills and mountains. These amount to safe-conduct passes for any Vietcong who retrieves one.

In the Quang Ngai area, where food is hard to come by, nearly every Vietcong has given hunger as a main cause for desertion. The Communists blame their troubles on the fortified village program, which has made it harder and harder to get into populated areas and extort rice from the peasant.

"Which one do you want to speak with first?" asked the Vietnamese camp director as 60 pairs of eyes looked up expectantly, their owners clearly desiring to be liberated from the usual routines and indoctrination of the amnesty camp.

A Vietcong master sergeant who was one of the most recent defectors was asked to join this reporter and her interpreter, an American who speaks Vietnamese, in a far corner of the school's grounds where we could talk without interruption.

The master sergeant, Vu Duy Liem, 28, was clad in the cotton pajamas that many Vietnamese traditionally wear as outer garments. They find it amusing to think that Americans use them to sleep in. The master sergeant was slim, wiry, with a mind razor-sharp.

## BIOGRAPHY

His home was a village in the Quang Ngai area, which has had a history of being very revolutionary. His family were peasants and ancestor worshipers, as were most of the people in the village. He joined the Communist Viet Minh armies in 1953 to fight the French. In 1954 the master sergeant was regrouped to Hanoi in North Vietnam under the terms of the Geneva agreement.

In July 1962 Sergeant Liem was among 450 men of the 80th Vietminh Battalion who completed an arduous journey south to the mountains near Pleiku with the assignment to join with other regular Viet Minh units that were infiltrating at the time in peak numbers to "liberate South Vietnam."

"We came through Laos over a mountain pass that was so steep that one misstep would cause you to tumble to death in the chasm below," said Sergeant Liem. "Fortunately, we had excellent guides. For the Communists, as you well know, prepare everything thoroughly in advance. We carried with us Chinese and Czech weapons that are modified in North Vietnamese factories so that they can fire ammunition manufactured in Hanoi."

Why did Sergeant Liem desert?

"I learned very gradually that the Hanoi government was one that denied freedom," said the sergeant, "but in any case, I had been unsure of my loyalty to the Commu-

nists for some time before I came South. In the North they told us that the Communist system would bring a better life to the people. They told us that the Russians and the Chinese were coming to our country to help raise the standard of living. But everybody could see with their own eyes that in the North that standard of living is going down and the people are suffering."

#### RUSSIANS

The sergeant was asked whether the people of North Vietnam preferred to get their "assistance" from the Russians or the Chinese.

"As a rule the Vietnamese don't like foreigners of any kind," said Sergeant Liem. "But if they have to have them, they prefer the Russians because they are more skillful and prosperous than the Chinese. Everybody knows that the Russians have succeeded and the Chinese have failed. Everybody in Hanoi follows very closely the situation in China and knows all about the terrible suffering of the Chinese peasants."

The sergeant was asked to describe the life and activities of his battalion in the mountains.

"The first few months were spent," he said, "in getting organized in the matter of food and water and establishing liaison with the other battalions. At first the Montagnards gave us a bottleful of rice a day willingly. Later we had to force them. We planted some crops of our own (corn). In the fall we had our first success. We attacked a Vietnamese Army convoy near Khontum, and we captured three cannons and lots of other ammunition. But we had difficulty fulfilling our assignment to capture and indoctrinate young men from the villages to fill our ranks and fight on our side. By winter the village defenses had been built up so that it was risky to go into them even at night to get food."

The sergeant continued: "Life in the mountains became very hard. Through attrition and battle losses, my battalion lost 100 men in 1 year. We did not have enough to eat. There was no medicine. I had been thinking for some time of trying to get away, though I could not speak of it, for the Vietcong would have killed me. Still I was afraid of how the Government would treat me. Then I heard the broadcast from the plane about the amnesty camps. And I decided I would run away the first chance I got."

The peak infiltration of regular Vietcong units such as Sergeant Liem's battalion occurred, according to American sources, during the summer and fall of 1961 and continued heavily through the spring and summer of 1962.

#### PRESIDENT

As the U.S. military fact sheet on Vietnam puts it: "By 1960 the Communists realized that they had lost any chance to take over South Vietnam by political and propaganda means alone." According to the fact sheet the reason the Communists knew there was no chance for political victory was that President Diem, who in 1954 had been given survival chances of 6 months, had defied the skeptics and in addition to establishing order out of chaos had achieved major social, economic and, above all, agricultural gains.

"The economic progress made by the Republic of Vietnam," the fact sheet adds, "was seriously embarrassing to the North. Accordingly . . . the Communists launched what they surely hoped would be an all-out drive to overturn the Diem government by armed force . . ."

The Vietcong organization in South Vietnam is on three levels. The political machinery consists of regional, provincial, and district committees that parallel the Government's own administrative units. These committees operate secretly in areas controlled by the Government and openly in those villages and districts still held by the

Vietcong, the majority of which are in the Delta.

The duties of the Communist political warriors are to disseminate Red propaganda, spread false rumors about the Government, act as intelligence agents and informers for the regular military units, earmark Government administrators for assassination and exploit trouble.

The regular military Vietcong units comprise 22,000 to 25,000 men at present. This figure would have risen far higher during the 1961-62 peak period of infiltration had it not been for Communist losses last year. These amounted to an estimated 30,000 last year in dead and wounded.

The Communist military units have concentrated in the past on squad and company-size attacks, although battalion and regimental-size actions (combining two battalions that ordinarily operate independently) are undertaken when the target seems lucrative enough. Thus Sergeant Liem's battalion joined with the Vietcong 60th Battalion to attack a South Vietnamese convoy in Khontum Pass.

In addition to the regular military there are estimated to be more than 60,000 guerrillas, who are farmers by day and soldiers by night. They engage in terroristic actions such as throwing grenades blindly into a division command post or a hospital or a movie theater, to confuse and frighten the population. They also stage ambushes, mine roads and the like.

According to Sergeant Liem, "Quite a few more of my battalion will try to come to the amnesty camp—if they hear the broadcasts and if the Vietcong don't catch them trying to escape."

What kind of life did the sergeant want after leaving the camp, which he will be allowed to do after a few months of observation and indoctrination?

"I would like to work for the Vietnamese Government and do something to get even with the Vietcong for fooling me," said Liem.

Then he added proudly: "I have already gone on two missions with the 25th Division. I led them to our old outpost and we captured three weapons, four Vietcong soldiers and 2½ pounds of documents, and we destroyed two supply dumps. And next week I will lead them to the cornfields and we will destroy them, and that will make the Vietcong even hungrier."

[From the New York Herald Tribune, Sept. 2, 1963]

#### VIETNAM: FACT AND FICTION—AMERICAN POLICY DEBATE—THE DIEM GOVERNMENT, PRO AND CON

(South Vietnam's present crisis has renewed cries for ouster of the ruling Diem family. But if President Ngo Dinh Diem, and his brother, Ngo Dinh Nhu, were to go, who would take over? The Herald Tribune's Pulitzer Prize-Winning Marguerite Higgins, who has just returned from Saigon, reports on the strength—and weaknesses—of the opposition to Mr. Diem in the final article of her six-part series. She also discusses the current policy battle—in Washington and Saigon—over what to do next.)

(By Marguerite Higgins)

WASHINGTON.—"A successful coup d'etat against Diem would probably set the war back 12 months."

The speaker was a top American diplomat on the scene in Saigon. His estimate was echoed by the British advisory mission and by most experienced foreign observers with whom this reporter spoke not only in Saigon, but also at military headquarters in the field.

And fears of a setback in the war, which after many painful false starts is finally going better, explains why the United States has so long endured President Ngo Dinh Diem, for all his authoritarian ways, his

stubbornness, and his failure to make his position clear to the world.

U.S. policy has now wavered to the point where the Government this week decided to issue what amounted to an open invitation to the Vietnamese military to take over the government in Saigon—if they could.

The change of policy has stirred an internal row in the U.S. Government, and the outcome is in doubt.

The proponents of getting rid of Diem argue that his political repression has reached the point where the United States must disassociate itself from the image he has created.

The opposite view is that the Vietnamese Army has quite enough on its hands fighting the Communist Viet Cong guerrillas, that one war at a time is enough. Finally, this group argues that the greatest threat to the soldier's morale is not Diem's authoritarian approach but the confusion and dismay created by Washington's unsubtle attempts to pit the army against his regime and the hints that U.S. aid may be curtailed.

In light of this clash of views inside the Kennedy administration on what to do next, anything can happen. Only two things are clear:

1. The State Department's apparent attempt to set the Vietnamese Army at the throat of the Diem regime in the middle of a war will be the subject of bitter controversy both inside this Government and around the world for an unpredictable period of time.

2. New U.S. Ambassador Henry Cabot Lodge has been put in a terribly difficult diplomatic position.

And Mr. Lodge, it can be stated on good authority, has protested at least some of the State Department's publicity tactics in the sharpest terms.

The most controversial train of events began last Sunday—before Mr. Lodge had even had a chance to present his credentials to Diem. (He did so at 11:30 a.m. Saigon time, Monday.)

Sunday night, the Voice of America broadcast a news roundup which among other things said that the United States might make sharp cuts in its aid program to South Vietnam unless Diem punished the special Vietnamese troops allegedly responsible for attacks on the pagodas and arrest of the Buddhists. The Voice broadcast also for the first time stated the American Government's view that the army was innocent of responsibility for the pagoda raids.

The Voice based its broadcast on a news agency story from Washington. Roger Hillsman, Assistant Secretary of State for Far Eastern Affairs, told a Voice employee that the story was good guidance and that the Voice could go ahead with the information.

And as Hillsman and the Department anticipated, the part of the Voice broadcast referring to the U.S. absolution of the Vietnamese military was instantly interpreted in Saigon as a sign that Washington was encouraging the military—with its cleaned-up image—to take charge.

As to aid, it is certain, as the State Department says, that no decision on future cuts has been taken. It is equally certain that Diem has been warned that such cuts are likely if he is not responsive to American wishes.

The Vietnamese military are in an agonizing dilemma. As a European diplomat in Saigon put it in a message to this correspondent: "The morale of the army at the fighting level has been astonishingly immune to outside pressure up to and through the imposition of martial law. But now the high officers are bewildered. You Americans have lectured them ad infinitum about civilian rule. Americans have lectured them ad infinitum about getting on with the war. And they want to get on with the war. These Vietnamese officers are truly dedicated."

"But now the U.S. Government comes out with what amounts to a suggestion that the Vietnamese military try and take charge of the country as well as the war. The military know that the jeeps they ride in, the planes they fly, the very bullets in their guns come from the United States. What are they to do? Forget about civilian rule, and go the way of the Korean juntas? Are they to risk chaos by trying to throw out Diem by force? So long as this uncertainty about American policy exists, Washington will be responsible for sowing more and more disunity and doubt in a country that desperately needs unity and resolve."

#### HE'LL FIGHT BACK

So far the Vietnamese Army has on the surface rallied to Diem to the extent of accepting full responsibility for martial law and events in the pagodas. It is possible that the Vietnamese generals were forced by the Diem family to accept this public responsibility. But one thing is certain: President Diem and his family are not about to go quietly. Diem's head is not for the taking. He is bound to fight back.

Washington's current reappraisal of policies toward South Vietnam are in part motivated by the anxiety to avoid the danger that Diem's anti-Buddhist image might rub off on America and endanger relations with Buddhist nations. The irony here is that Washington is perfectly well aware that Diem himself is not guilty of persecution of any religion, but rather pulled in the reins harshly on the leaders of the Buddhist Association because they were waging an increasingly loud and effective political campaign against his regime.

Opposition to the Diem regime includes the outs who want in, the censored intellectuals in the bureaucracy, the universities, the military, and—equally important—Confucianists, Caodalists, Taoists, ancestor worshippers, Hoa Hao, and Catholics as well as Buddhists.

President Diem does not tolerate real political opposition in the sense of forces that stand a chance of ushering his family-dominated regime out of power. South Vietnam has the trappings of a democracy, an elected National Assembly, a presidential race. The elections are to some degree fair. But the catch is that hardly anybody is ruled eligible for election unless he is acceptable to President Diem and family. Diem is, by Western standards, a dictator who holds the reins loosely when things are going well and can tighten them up cruelly when he feels threatened.

Today's secret political opposition to the Diems still appears splintered. It has no known national following.

Still the rumors this summer of possible coups d'etat have been more persistent than Saigon mosquitoes. There is not one of the 20 generals in South Vietnam's Army who has not been reported to be a potential strongman about to oust President Diem and his family.

Why are so many Vietnamese intellectuals disenchanted? One reason is that President Diem, although himself an intellectual, has nonetheless displayed an attitude of disinterest toward the literati, an attitude that has given them a sense of being left out.

The only real common denominator between the splintered opposition groups is a steady soaring hatred for the fiery Mme. Ngo Dinh Nhu, the President's sister-in-law, whose talk of "barbecued monks" revolted the world. In a personal interview, the beautiful Madame Nhu struck this reporter as a woman of bad judgment in the sense of insensitivity to the rest of the world, and enormous courage. And this quality of courage just makes matters worse so far as Madame Nhu's impact is concerned. If she had a bit less courage, she might speak her mind less openly, and less insistently.

A close second in unpopularity is her husband, Ngo Dinh Nhu, who is feared because of the power he wields as close adviser to the President. Counselor Nhu is also disliked in large part because it is widely assumed that Madame Nhu is merely stating what her husband really thinks.

There have been some suggestions in American circles that relations with South Vietnam would improve posthaste if Diem would only fire Nhu and silence Madame Nhu. In this reporter's judgment, it is unrealistic to seek to split off Counselor Nhu from the President. President Diem gave this reporter the impression of trusting and needing his brother, indeed of being extremely proud of him for the strategic hamlet program in which Counselor Nhu has been a driving force.

Opponents of Diem usually claim that his war and national reconstruction efforts would be carried on under any successor, but more democratically. In intellectual circles, there is the conviction that more civil liberties would and could be offered if Diem were toppled.

#### THE IRONY

The tragic irony of South Vietnam today is that its worldwide image is being tarnished at a period when the war is going better than ever. Its little people are more secure from Vietcong attack and better fed than at any time since the Communists unleashed their cruel military assault in 1961.

Is the United States going to jeopardize these real accomplishments in exchange for a coup d'etat and military dictatorship that may or may not supply the image that Washington desires? Is it already perhaps too late to put a halt to a train of unpredictable and chaotic events? These are the issues that are being battled out behind the scenes in Washington and Saigon as our top policy leaders try to decide where we go from here in Vietnam.

#### ORDER OF BUSINESS

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

#### 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. 82) to amend the Merchant Marine Act, 1936, in order to provide for the reimbursement of certain vessel construction expenses; asked a conference with the Senate on the disagreeing votes of the two Houses thereon, and that Mr. BONNER, Mr. ASHLEY, Mr. DOWNING, Mr. TOLLESON, and Mr. VAN PELT were appointed managers on the part of the House at the conference.

#### INCREASED PARTICIPATION BY THE UNITED STATES IN THE INTER-AMERICAN DEVELOPMENT BANK

The PRESIDING OFFICER. Under the order of December 16, 1963, the Chair lays before the Senate H.R. 7406, a bill to provide for increased participation by the United States in the Inter-American Development Bank, and for other purposes, upon which there is a limitation of debate and a control of time.

The Senate resumed the consideration of the bill (H.R. 7406) to provide for in-

creased participation by the United States in the Inter-American Development Bank, and for other purposes.

Mr. FULBRIGHT obtained the floor. Mr. MANSFIELD. Madam President, will the Senator yield, without his losing his right to the floor?

Mr. FULBRIGHT. I yield.

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

The PRESIDING OFFICER. How is the time to be charged?

Mr. MANSFIELD. The time is to be charged on the bill.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. MANSFIELD. Madam President, I ask unanimous consent that the order for the quorum call be rescinded.

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

Mr. FULBRIGHT. Madam President, at this time I wish to make a second introductory statement in support of H.R. 7406, a bill to provide for increased participation by the United States in the Inter-American Development Bank. While the proposed legislation was discussed in this Chamber in mid-December, I am sure my colleagues will appreciate having a brief summary of the issues at stake in the bill.

The Inter-American Bank, established toward the end of 1959, has been conducting its lending operations for a period of 3 years. These activities for the most part have been patterned after those of the highly successful World Bank. There has been wide agreement on the vital need for such operations—especially in connection with the Alliance for Progress—and little or no criticism of the manner in which they have been conducted. Because the Latin American countries together contribute over 50 percent of the resources available to the Bank, they have an equal interest with us in efficient management which carries out the developmental purposes set forth in the Bank's charter.

Now even a brief description of the Bank's activities to date first calls for differentiating between two distinct types of operations. The ordinary operations, virtually identical with those of the World Bank, are based upon roughly 85 percent of the Inter-American Bank's resources; these are so-called "hard loans" administered on customary banking terms. Only about 15 percent of the Bank's resources are devoted to the separate Fund for Special Operations, which was established to provide loans on more flexible terms for projects with less immediate economic returns than those financed with ordinary capital. In fact, however, these special fund loans have only partially taken the form of what we are accustomed to consider as "soft loans": the interest rate has not gone below 4 percent, the term of repayment has averaged around 20 years, and a number of the loans are repayable in hard currency. It should be noted, in addition, that the Bank in another separate account has administered the social progress trust fund re-

sources on behalf of the United States; these are not involved at all in H.R. 7406.

I think we need not belabor the obvious point that the Bank is a central factor in the provision of loans and guidance for desperately needed economic and social development in Latin America. Nor do we have to argue that such activities are the hemisphere's best defense against the dangerous tendencies summed up in the word "Castroism." There are, on the other hand, two aspects of the Bank's operations which may not have received adequate notice; namely, the Bank's role as a catalyst in mobilizing other financial resources, and its vital educational functions.

On the first count, it should be noted that the Bank, through August of 1963, had used its own resources—including the social progress trust fund—for only about 40 percent of the total cost of over \$1.9 billion for the projects in which it participated. Bank loans amounted to roughly \$775 million, while more than \$1.1 billion was mobilized from other sources—primarily domestic resources in Latin America. The record has been especially good with respect to the Bank's ordinary operations: about \$300 million of Bank funds have been accompanied by almost \$540 million of outside financing. In this connection, the Bank has been making special efforts to obtain greater participation of European capital in Latin America. It has been forming cooperative arrangements with the Development Assistance Committee of the OECD and with the agencies of the European Economic Community; in the private sector, an Atlantic Community Development Group for Latin America was established last April to form a multinational private corporation to engage in operations of venture capital investment in companies undertaking important activities in Latin America.

On the second count, the Bank has made available from its own resources close to \$16 million in technical assistance in less than a 3-year period, with the major aim of expanding the capacity of member countries to absorb foreign capital and to use investment funds more efficiently. Feasibility studies and projects in the field of general planning have accounted for the major portion of the funds made available. But the value of Bank training programs cannot be measured in terms of money. The same is true of Bank assistance in establishing local development institutions through which to channel resources to meet the needs of small private-enterprise concerns. The Bank has also played a very significant role in cooperation with the activities of United Nations and OAS agencies, designed to help the Latin American countries with their economic and social planning. Finally, it should be pointed out that the Bank has financed its grant technical assistance from its own net earnings.

I do not believe I need extend these remarks unduly by citing details of the Bank's record, which are amply documented elsewhere. There is plenty of evidence that the Bank has won the con-

fidence of the international financial community.

However, at the same time that the Bank has gained experience and high repute, enabling it to do an even better job in the future, it finds itself becoming handicapped by dwindling resources for new lending activities. The fund for special operations is virtually exhausted, and the regular operations of the Bank have only enough backing to continue for roughly 1 more year. Members of the Bank responded last April by proposing an increase of \$1 billion in the callable capital for ordinary operations, and a 50-percent increase over the original \$146 million subscription to the special fund.

The main provisions in the bill before us authorize the U.S. Governor of the Bank—that is, our Secretary of the Treasury—to accept such increases and to agree to U.S. shares amounting to \$411.8 million of the callable capital, and to \$50 million in the special fund. It must be emphasized once again that only the \$50 million would actually be a cash outlay by the U.S. Treasury except in a highly unlikely future contingency.

Now, rather reluctantly, I must recall some of the criticisms aimed at H.R. 7406 during the brief discussion of the bill on December 16. I say reluctantly because the discussion—I think the word "debate" would unduly dignify those proceedings—contained more irrelevanties and innuendos than points of concrete information. One may agree that the two subjects are not entirely unrelated, but the critics, surely inadvertently, seemed to be trying to leave the impression that the Inter-American Bank shared the alleged inefficient practices and purportedly erroneous policies of our own aid program. Though it is not a very rewarding task, let us briefly rehearse some of the main points made against the bill by its adversaries.

It has been said that H.R. 7406 contains new policies or changed practices on the part of the United States. There has been loose talk about "opening new spigots" and "entering wedges." Yet it is easy enough to read this short bill and see that it is almost entirely concerned with the provision of additional resources for a bank we helped establish over 4 years ago. There is precisely one policy and only one embodied in the bill: The United States would agree to continue its support for an existing institution which would function as it has done these several years.

It has been said or implied that H.R. 7406 somehow is an administration plot to circumvent the will of Congress in slashing and imposing restrictions on our foreign aid program—though the relevancy of this point escapes me. The fact is that the Board of Governors of the Bank as long ago as April 1962 approved a resolution calling for a proposal to increase the Bank's resources, as envisaged by its articles of agreement approved in 1959. Subject to ratification by their individual parliamentary procedures, member countries accepted the proposed increases last spring—before the foreign aid bill was even discussed in committee in the U.S. Congress. In any event, passage of H.R. 7406 by the

House under suspension of the rules last August should be a conclusive answer to this charge.

It has been suggested that the bill is faulty because the Bank management does not have available a device against expropriation of a project aided by the Bank, a device similar to the Hickenlooper amendment to our foreign aid bill. I think no one suggests we can impose our own practices on a multinational institution, but the general point is not without substance. However, it should be noted that no Bank-aided project has been expropriated as yet. Secondly, since all the countries in which the projects are situated contribute to the Bank and participate in its management, their governments have at least a strong inhibition against any such action. Finally, it should be stressed that the World Bank is currently engaged in trying to work out an international convention on arbitration which would meet this question, and could be invoked by all multinational institutions. I certainly hope that that result will be brought about in the near future.

Two more points and I shall bring these remarks to a close. In December I had occasion to cite Secretary Dillon's testimony concerning the related questions of the need for "tied loans" and the likely balance-of-payments impact of this bill. Obviously, these are matters of very legitimate concern to all of us. Secretary Dillon's answer to the suggestion that we should tie our loans to the Bank was that about 47 percent of total Bank resources have been used to finance procurement in the United States; this represents close to the percentage of the contributions which we have made to overall Bank resources. On the second issue, Secretary Dillon testified that the foreseeable adverse effect of the bill on our balance of payments probably would be no more than about \$15 to \$20 million. I suggest that this is not a great price to pay in order to maintain a vitally important institution of hemispheric cooperation.

Madam President, because of our inability to act on this bill last session, our representatives in the Bank were forced to ask for an extension of the deadline for acceptance of the proposed increase in the Bank's resources. This extension was quickly obtained at the cost of some embarrassment to the executive branch of our Government. The precise dimensions of the cost clearly are intangible and it is not really important that we try to measure them. What is important is another intangible question; namely, the degree to which Latin American countries have interpreted our foot dragging to mean a slackening of the U.S. commitment to the Alliance for Progress concept. Again, this is not subject to concrete measurement. Whatever the doubts in Latin America on this score, I believe we should remove them by approving H.R. 7406 with an overwhelming vote.

Mr. MORSE. Madam President, I yield myself as much time as I need within my time limitation. I shall not speak at great length, because, unfortunately, this issue was determined by

the Senate in a most novel procedure that was debated in connection with the conference report on the foreign aid bill. I am sorry that the Senate was a party to such a procedure, and said so at the time, for had the Senate tried to add this kind of legislation, it would have been subject to a point of order. But because we were confronted with the course of action followed by the House and by the conferees, a novel situation existed. The conference report on the foreign aid appropriation bill covering this amount was approved subject to the passage of an ex post facto authorization bill. I hope that never again will this unfortunate precedent be followed in the Senate; but it has been followed, and therefore I feel that today we are really speaking for the record. I shall do so by recapitulating the argument I previously made against the bill, and which I mentioned when I opposed the inclusion of the amount in the appropriation bill.

I say to the Senator from Arkansas [Mr. FULBRIGHT] that I expect to ask for a yea-and-nay vote on the bill, because when we entered into a unanimous-consent agreement to handle the bill in this way, it was with the understanding that there would be a yea-and-nay vote. I shall call for such a vote later, after a call for a quorum.

The proposed expansion of the Inter-American Development Bank, and of the International Development Agency, as well, raises serious questions in my mind about the trend of U.S. aid abroad.

A principal one is that there is little evidence that aid through international agencies is replacing bilateral U.S. aid. Instead, it is being used as an addition to our bilateral aid.

We know the history of foreign aid this year. Although this increase in international lending was "in the works," Congress still got one of the largest aid requests in the last decade. There is no way of satisfying the appetite of the State Department and the Agency for International Development. They will ask for everything they can get by with and devour it if we give it to them. They knew full well when they asked for the AID bill that they were going to ask for this \$50 million. We must realize that when we deal with the State Department, we must deal with it at arm's length. Time and time again, I have found that it will not deal in good faith, because concealing what it intends to do is not, in my judgment, an act of good faith.

So I am sorry to say that I have learned to distrust the State Department, and that I must perform my work on the Committee on Foreign Relations on the basis of that premise. I shall have to ferret and dig out the necessary facts to protect the taxpayers, because the State Department will never let me have the facts unless I dig them out. The way the State Department handled this matter is to its everlasting discredit—and I want Dean Rusk to know I said that on the floor of the Senate. This is not the only thing that Dean Rusk is doing in the State Department that, in my

judgment, is not to the credit of the State Department.

The legislative history is pretty clear that there was no shift contemplated from purely U.S. aid programs to international aid programs. The administration sought an increase in both.

A second reservation that these plans raise in my mind is that they are a means of circumventing the conditions required for bilateral aid. In the hearings, we discussed this problem with Secretary Dillon. The Senator from Iowa [Mr. HICKENLOOPER] pointed out that under American foreign aid, the law requires aid to be terminated to a country which seizes private American investments without due compensation. But when we put money into the Inter-American Development Bank or the International Development Agency, there are no such conditions.

Some additional conditions were attached to bilateral foreign aid by Congress this year. Primarily, they sought to deny American foreign aid to nations that divert their resources into aggressions against their neighbors, including neighbors that also receive American aid.

Neither the Hickenlooper amendments nor any of the other policy guidelines placed by Congress upon bilateral aid have any force or effect upon the Inter-American Development Bank or the IDA. They can go ahead and lend money to Chile or Argentina, or Ceylon in the case of IDA, irrespective of nationalization of U.S. investments by those Governments. Moreover, the United States will have put up the largest share of the funds lent, and in the case of the Inter-American Bank, American funds will be close to half.

It is not an argument that satisfies me to hear the chairman say that there has not yet been any expropriation. Nor is it any argument to hear him say that the fact that other Latin American countries contribute to the Inter-American Fund gives us assurance that there will not be expropriation. When a nationalistic political drive takes over a Latin American country, and the United States is the butt of a nationalistic attack, the contribution we make to the Inter-American Bank will not have any inhibitory effect on the seizing of American property.

Until we arrive at better relationships with Latin America, until we reach better understandings in connection with the Alliance for Progress—and I shall have something to say about that later in my speech—I am against making available to them, under what amounts to an intermingling of funds, an additional \$50 million of U.S. taxpayers' money over which we shall lose effective control.

It may be said, "We have our representatives on the Board of Directors." But the fact remains that when nationalism gets astride the political forces in Latin America, Uncle Sam had better watch out. Before we start contributing \$50 million more, we had better insist that our Latin American neighbors live up to their obligations under the

Alliance for Progress, which country after country has not done. Only eight countries have submitted plans under the Act of Punta del Este; and those eight plans are full of holes.

They come forward and say they have eight plans, the assumption being that they are good plans. Many of them are not. Every single one of them should be drastically revised, in keeping with the objectives of the Alliance for Progress.

As this issue is debated on the floor of the Senate, the chief responsibility for the Alliance for Progress not being more successful than it has been to date rests squarely on the Latin American governments, not on the Government of the United States.

I am rather "fed up" with the attempt to shift the responsibility to the United States for the failure of the Alliance for Progress program to move ahead as rapidly as it should. Let the Latin American governments look into their own mirrors. The reflecting images are not images of cooperation under the Alliance for Progress program.

Many Latin American countries such as Argentina, Brazil, Ecuador, and others have sought to dip into the contingency fund of the United States to help them out in balancing their budgets and their balance-of-payments problems. And they have succeeded. They have been getting the money. Those countries have not been submitting plans under the Act of Punta del Este. The American taxpayer has been given the "run-around" by his Government; and it should stop.

I serve notice on the State Department that I shall continue to fight their policies—and that goes for Secretary Dillon, too—so long as I find example after example—in which the interests of American taxpayers are not being given the consideration they should receive in connection with the administration of the foreign aid program. This is but another example.

This brings me to a third reservation. The Inter-American Bank, with its Fund for Special Operations, is paralleling much of the work of the Alliance for Progress program. We had better make up our minds in which vehicle we are going to carry out the program. There is somewhat of a duplication. Usually duplication is wasteful, and in this instance, in my judgment, it contributes to waste. In fact, the Inter-American Development Bank administers both the Fund for Special Operations and the Social Progress Trust Fund.

Supporters of the bill will argue that we can provide hard money loans in connection with this part of the program, but I point out that soft money loans are also available. As I have observed the administration of foreign aid, whenever soft money loans are available, they are much sought after.

What check do we have? How can we protect the American taxpayer from unsound soft money loans? A large percentage of soft money loans are uneconomic and cannot be justified.

We have reached the point where we should cut back drastically our soft money loans. We should stop deceiving the American taxpayer with the use of the word "loan" when in fact it is a matter of form and not of substance.

Many soft money loans are not loans at all. They add up to a grant. Whenever we provide a three-quarters of 1 percent interest rate, a 10-year grace period, and a 30- to 50-year loan period, we do not have a loan, either, except in quotation marks.

Mr. FULBRIGHT. Madam President, will the Senator from Oregon yield?

Mr. MORSE. I yield.

Mr. FULBRIGHT. What the Senator from Oregon is saying has no application to the Bank, but to the foreign aid program; is that not so?

Mr. MORSE. The Senator from Arkansas does not wish to face the fact that one cannot separate any segment of the general aid program from foreign aid, or foreign aid from this kind of program, because we are trying to get another \$50 million; and, in my judgment, that should not be granted at this time until the foreign aid program is first improved.

Mr. FULBRIGHT. To keep the record straight, neither the Bank in its regular operations, nor the Fund for Special Operations charges three-quarters of 1 percent. Four percent as a minimum is charged. Is that not so?

Mr. MORSE. That is true.

Mr. FULBRIGHT. I am only trying to keep the record straight. The way the Senator from Oregon states it, to anyone not careful it could sound as though he were talking about the operations of this Bank, when in fact the Senator from Oregon is talking about the foreign aid program; is that not so?

Mr. MORSE. I am talking about soft money loans. What kind of interest rate makes a soft money loan?

Mr. FULBRIGHT. Four percent is not a soft loan.

Mr. MORSE. And what is it paid in?

Mr. FULBRIGHT. It is repaid in soft currency in many cases.

Mr. MORSE. That is true. We might as well take a pair of scissors and a pile of papers and cut it into tiny pieces and hand it out to the American people as an interest rate. It is just as valuable.

Mr. FULBRIGHT. Will the Senator from Oregon yield further?

The PRESIDING OFFICER (Mr. McIntyre in the chair). Does the Senator from Oregon yield to the Senator from Arkansas?

Mr. MORSE. I yield.

Mr. FULBRIGHT. It is true that some of the currencies may not be sound over a long period of time, but let me recall that in the early days of the Marshall plan there were grants and no soft loans. There were no freely convertible lire, francs, or pounds then; yet in the course of time they all became hard currencies. Whether or not this program will succeed, no man can say, but looking back we all know that if we had made so-called soft loans in 1949, 1950, or 1951, we would now be infinitely better off than we are.

All I am trying to say is that I do not wish to confuse the public, assuming that it is interested, by mixing up our foreign aid and the operation of the Bank. They are two different things.

Mr. MORSE. I assure the Senator from Arkansas that I do not intend to let him confuse the public into believing that soft loans are an economic benefit to the taxpayer. In my judgment, by and large, soft loans are legerdemain, and will not be of any real value to the taxpayer. If a project is economically and engineeringly sound, it should pay out in hard loan payments or we should not grant the loan in the first place. A powerplant in Peru, for example, should not be based on a soft loan. If it is not economically and engineeringly feasible, we should not loan one dime for its construction.

Mr. FULBRIGHT. Perhaps 50 percent of the loans of the special funds are repayable in hard currency. All I am seeking to do is to disentangle this bill from the foreign aid bill which was discussed at some length and disposed of. We are now considering only this Bank. I believe, to keep the record straight, that it should be clear that what the Senator from Oregon is saying, in one instance, refers to the foreign aid program, which is not under consideration at this time. We are now talking about the Bank; and it should be clear that what is said has application to the Bank only.

Mr. MORSE. I know the Senator from Arkansas would like to build up a barrier between the Bank and the foreign aid program, but I do not intend to let him do so, because this program is a part of foreign aid. It is not a part of foreign aid by definition, but it is part of the total amount of money that the American taxpayer will have to pay out for foreign economic policy. Whether it is a part of a definitive foreign aid program administered by Mr. Bell and his group, or a foreign assistance program administered by Secretary Dillon and his group, does not make one whit of difference so far as losses to the taxpayer are concerned.

Mr. FULBRIGHT. Mr. President, will the Senator from Oregon yield further?

Mr. MORSE. I yield.

Mr. FULBRIGHT. The Senator from Oregon could say exactly the same thing about the International Bank, could he not, and our contribution to it?

Mr. MORSE. I shall have many comments to make, along with the Senator from Missouri [Mr. Symington], about some of our policies in regard to the International Bank.

Mr. FULBRIGHT. Very well.

Mr. MORSE. Let no one believe that the International Bank is a sacred bull or sacred cow or sacrosanct with me, either. We must take a look at the entire foreign aid program of the United States that is being paid for by the taxpayer who, in my judgment, has had done to him, and is still having done to him, great economic injustice. We must look at the totality of the picture. I do not intend to let the Senator from Arkansas "segmentize" this problem, any

more than I propose to let the State Department "segmentize" it, or sweep it under the rug in the Pentagon bill for military aid. When we come to consider military aid next year, it must be under definitive terms when it comes to the foreign aid program. I know what the Senator is up to, and I am protesting it. We must take a look at the proposal in connection with the total foreign assistance program.

We cannot separate consideration of foreign aid from consideration of this bill.

Mr. President, the Alliance itself is in trouble. In my opinion, the reason why it is in trouble is chiefly the failure of the governments of Latin America to carry out the economic reforms in their own countries, without which foreign capital will make no dent whatever in the low living standards that prevail in so much of the hemisphere.

We cannot separate the policy involved in consideration of the bill from economic practices of the oligarchs in Latin America. If they get another \$50 million through the Treasury of the United States in connection with the bill, they will welcome it, and continue to put their money in New York and Swiss banks. In my judgment, in instance after instance, the rich of Latin America are making themselves richer and richer and the poor poorer and poorer; and we are aiding and abetting them by various forms of American economic assistance. When we can have a record of action on the part of the oligarchs and the wealthy of Latin America by way of investing their own money in their own country's economy, I shall look with much greater favor on this kind of multilateral approach to the administration of American foreign assistance, to which my good friend does not like to have me refer as foreign aid. So it is; but not under the definitive terms, narrow in scope, which he uses when he discusses foreign aid.

What is true of the Alliance is also true of the other operations of the Inter-American Bank, in this respect. If the Alliance fails, and the money is wasted in that the portion of it in loans is not repaid and the 2.5-percent annual increase in economic growth is not achieved, then I do not believe the activities of the Inter-American Development Bank will succeed, either.

In the case of the Fund for Special Operations, the United States puts up more capital than all the other countries of the hemisphere combined. Of the \$73 million increase in its capital, \$50 million is to come from us and \$23 million from the other nations of Latin America. When first established, the United States contributed \$100 million and the others \$46 million. So this is a fund to which this country contributed about two-thirds of the money. For the other lending operations of the Inter-American Development Bank we contribute only somewhat less than half.

In my opinion, we are not following a sound policy in increasing the capital and the operations of these agencies involved in this bill at a time when our partners in the Alliance for Progress are

flagging in their obligations to the Alliance.

Why announce to them now that if they do not care to live up to the obligations of the Alliance and obtain funds directly from the United States, they can always go to the Fund for Special Operations of the Inter-American Development Bank, and get the money? A goodly part of it will still be U.S. money.

It is evident from the congressional action on foreign aid this last year and from the activities within the administration to review foreign aid that the whole program is in a state of flux. I think there will be more reviewing and tightening done next year.

I do not believe this is the time to expand the American involvement in international agencies. We do not know yet what changes will take place in the bilateral aid program. We do not know whether these international agencies will supplement or supplant equal amounts of bilateral aid. We do not know what further policy limitations will be placed on bilateral aid that could be circumvented by international lending.

For all these reasons, I am opposed to any immediate increase in the U.S. investment in the Inter-American Development Bank or the International Development Agency.

Mr. President, there is nothing in the report of the Foreign Relations Committee that proves a case in support of expansion of the IADB. The committee report is almost entirely descriptive. It tells us about the history of the Bank, and about the status of its current operations.

But the report does not indicate that the \$50 million we are called upon to add to the Fund for Special Operations will be deducted from our contribution to the Social Progress Trust Fund or any other Alliance for Progress program.

The report does not suggest that more capital is needed by the Bank because Latin Americans have moved so fast in their economic reforms that they have a climate for more sound capital investment than is now available.

The most it says on this point is a quotation from Secretary Dillon that the Bank has "helped significantly in promoting the acceptance of the administrative and social reforms so vital to the success of the Alliance. It is evident the Bank is a club to use to obtain compliance with what we think would be sound policies, rather than a place where an applicant country can go for capital when it can show that it has provided the climate essential to successful use of the capital.

This is what is wrong with our whole Latin American economic policy. We seek to change Latin America, when we should do no more than make capital available for the changes they want to make themselves. It is too often the United States that must undertake to "promote" and gain "acceptance" by changes that the Latins should be undertaking in their own self-interest.

By our overgenerosity with money, we put ourselves in the position where reforms are undertaken as a favor to us, not a favor to Latin America.

As I said during the recent foreign aid debate, I am not at all certain that Latin America is really ready for an Alliance for Progress. It is ready for American money, as is every country in the world. But I doubt that it is ready to take the drastic and far-reaching economic steps it must take to raise the living standards of its people, without which American money is useless.

I am not in favor of increasing any U.S. public investment in Latin America until the willingness of recipient governments to help themselves is much more evident than it is now.

It may be a year or 2 years from now before our Latin American neighbors take a long, hard look at the changing attitude on the part of the American public toward Uncle Sam paying so much of the bill, and as a result adopt some reforms long overdue. Perhaps we could then support a greater intermingling of our funds with other funds for a joint administration by an international group such as the Inter-American Bank. But we should not do so until they first meet their commitments in regard to the foreign aid program. That is why I say to my good friend from Arkansas that I refuse to go along with the proposed watertight separation of the bill from the whole foreign aid program problem. I look upon foreign assistance, including foreign aid and such international banking relations as we have here and a host of other programs, as all one, as far as the totality of our foreign policy is concerned, economically speaking.

So until there is first a drastic overhauling of our foreign aid program and other phases of our foreign assistance program, one of which the Senator from Missouri [Mr. SYMINGTON] intends to discuss at some length next Monday, I am against any bill that would seek to make available an additional \$50 million of American taxpayers' money.

I yield to the Senator from Missouri such time as he needs.

Mr. SYMINGTON. Mr. President, I congratulate the able senior Senator from Oregon on many of the points he has made with respect to the problems incident to this proposed legislation.

PROPOSED ADDITIONAL CAPITAL FOR INTER-AMERICAN DEVELOPMENT BANK

I wish to comment on this proposed legislation to give the Inter-American Development Bank additional capital resources.

In essence, the bill would authorize the appropriation of \$461 million to the Inter-American Bank, of which \$411 million will be in the form of subscriptions to capital.

That amount is in addition to \$135 million which has already been appropriated by the AID Act for the Social Progress Trust Fund, a fund also to be managed by the Inter-American Development Bank.

The questions I now raise relate, first, to the balance-of-payments impact of

this authorization; and secondly, to the nonapplicability of the conditions written into the AID Act to the funds entrusted to the Inter-American Development Bank.

With regard to the balance-of-payments impact, it is admitted by Mr. Tom Killefer, U.S. Executive Director of the Inter-American Development Bank, in his testimony before the House Banking Committee—House hearings, July 11, 1963, page 233—that about one-third of the loans made by this Bank result in direct procurement in the United States. The rest are spent in procurement in other countries, or result in free dollars in the possession of Latin American central banks which these banks can spend anywhere.

The Secretary of the Treasury took the position before the Senate Foreign Relations Committee that, actually, the proportion of dollars spent in the United States is greater than 33 percent, because the prevailing pattern of trade with Latin American countries favors procurement in the United States.

But I am not satisfied that the latter explanation is correct, because when we make free dollars available to the Latin American countries, even though the central banks may clear import licenses against dollars for purchases in the United States, such free dollars made available by the Bank are, in fact, additions to the foreign exchange earnings of those countries. When they license ordinary imports from the United States, in effect what they are doing is transferring their current U.S. procurement program from their own exchange earnings to the U.S. aid credit; and they are entirely free to spend the foreign exchange thus saved in other countries.

Let me make this clear. In the case of Brazil, large amounts of dollars are earned through exports of coffee to the United States. These dollars, of course, even without aid money, would in large part be spent in purchases in the United States. When we make free aid dollars available to Brazil, they may still purchase the same amount of U.S. goods, in effect transferring their purchases from their cash account to the U.S. aid credit account, and they can then spend in Europe or Japan the earnings on coffee which they thus save.

Thus, when we make free dollars available, we are helping those countries substitute their purchases in the United States from their cash account to the foreign aid credit account.

This operation is called the "principle of substitution," and is well recognized by students of the program.

An eminent dean of U.S. economists, former president of the American Economic Association, Prof. Jacob Viner, explains this principle clearly in his article on the foreign aid program in the Political Science Quarterly of September 1963—pages 330 to 331.

Mr. Graydon Upton, executive vice president of the Inter-American Bank, stated clearly, in a speech at the annual meeting of the Bank's Directors in

Buenos Aires in April 1962, that his Bank's loans are resulting in U.S. balance-of-payments deficits, because the Latin American central banks are using the free dollars resulting from Bank loans to pay their bills to European suppliers—Senate hearings, December 4, 1963, page 51.

Therefore, I cannot agree with assurances of the Treasury Department that the loans made under the Inter-American Bank's program have little unfavorable effect upon the U.S. balance of payments.

It is argued that the subscription to the capital of the Inter-American Bank hereby authorized in the amount of \$411 million will not have to be spent. It is admitted that the Congress, in addition to authorizing this amount of money, must also appropriate it, but asserted that the Bank does not intend to call for the money because it will only be used as guarantees of bonds the Bank intends to sell in the money market. Obviously, however, no bank would buy such bonds without appropriations by the U.S. Congress as backing for them.

The Bank would call upon the Treasury for this callable capital only in case of default on its loans, and to satisfy its own creditors; and the Treasury states that it does not anticipate this happening.

But the issuance of bonds by the Inter-American Bank, backed by this guarantee of U.S. appropriations, can only have deleterious effects upon our own balance of payments, because these bonds most likely will be issued in large part in the American money market.

Even as late as December 1962, the Bank, with the consent of the U.S. Treasury Department, was allowed to issue \$75 million in the New York market, despite the fact the United States was running a serious balance-of-payments deficit.

When this money is borrowed in the American market, and lent to Latin American countries, even though a third of the money may come back to the United States for procurement here, a third is estimated to go to other countries, and another third is added to the free dollar exchange resources of Latin American central banks. Therefore, these bonds, if issued in the American market, will, in effect, cause as much of a drain on the U.S. balance of payments as direct appropriations from the U.S. Treasury.

The same Treasury Department that recommends this bill is suggesting, in H.R. 8000—the interest equalization bill—that we discourage, through taxation, further borrowing on the U.S. money market.

How can we justify a proposal before Congress, as in H.R. 8000, to limit and discourage foreign borrowings, and portfolio investments by U.S. citizens in foreign securities, at the same time we put the Government's credit behind the issuance of guaranteed bonds by the Inter-American Bank, whose expenditure in Latin American countries ad-

mittedly will adversely affect our balance of payments.

My interest is, of course, the protection of the financial integrity of the United States, maintaining U.S. prestige, and safeguarding the integrity of U.S. financial obligations by maintaining the gold convertibility of the dollar. This objective President Johnson reaffirmed in resounding terms in his recent state of the Union message.

If the choice were presented between a sewage plant or a highway in some other country, at the cost of further disadvantage to the now very serious balance-of-payments deficits of the United States, as against the maintenance of the international financial integrity of the United States, I would choose the latter as an overwhelming priority.

On the other hand, there are ways in which we can render help to our friends without increasing the balance-of-payments deficits. My disagreement with the supporters of this program is not on the objectives. It is directed at the methods used in giving help which in turn result in further balance-of-payments deficits.

As example, many of the loans made by the Inter-American Bank are in part knowingly used to pay for the local labor costs on projects the Bank finances. The only way local labor can be paid for is by converting dollars into local currencies. These dollars then become free dollars, out of which the central banks can pay not only their bills owed to us, but also their bills owed to other countries. This was pointed out by Mr. Graydon Upton in his speech in Buenos Aires in April 1962.

Why is it necessary to use dollars to pay for local labor? This is a matter for the internal allocation of manpower within these countries.

Why should we pay for the wages of a road gang to build a highway at a time when featherbedding on the railroads in question—excess labor attached to the Government-owned railroad system—is costing an additional \$250 million a year deficit to the nation's budget? Why cannot this country undertake the internal disciplinary action necessary to reduce such a deficit? This action would release manpower for the highway in question.

This condition is true in many other countries. Their publicly owned enterprises are running a deficit to the government budget, one of the chief reasons being that excessive numbers of workers are hanging on the public payroll.

Under such circumstances, why should the U.S. taxpayer, at the expense of our own budgetary deficits and balance-of-payments deficits, finance the cost of local labor employed on public works projects?

We have drifted into a program of worldwide public works and reemployment before we have come near solving our own employment problem. It would seem we have drifted into an easy, perhaps lazy, way of spending aid dollars in such a worldwide program instead of

undertaking the more difficult educational job necessary to bring about more sensible programs, programs where we supply the equipment, and the local government in question supplies the local labor and materials for the projects in question.

I can understand why in certain cases the United States should be willing to contribute, both through AID and the Inter-American Development Bank, the roadbuilding machinery required, or pumps and pipes for water and sewage systems. But should not the local authorities supply the local labor themselves?

These are but a few examples, and there are many, which prove that our financial authorities have not yet thought through the necessity for more strict administrative discipline so as to start to protect our steadily declining balance-of-payments position.

The second set of circumstances which gives me trouble with respect to the growing international approach to the foreign aid program is the difficulty of applying standards that we have adopted in our own aid programs to loans and grants made by such organizations as the Inter-American Bank.

A few moments ago, the senior Senator from Oregon [Mr. MORSE] ably pointed out that this is becoming an increasing problem. We are familiar with increasing efforts designed to get around the wishes and the will of Congress, such matters as interest rates, the duration of loans, the repayment period, the application of the Hickenlooper amendments; and also procurement standards.

Where the regular capital of the Inter-American Bank is concerned, either management decisions, or amendments to the Bank's charter provisions, will be necessary to incorporate some of the policy decisions made by the Congress on these matters in the recent Foreign Aid Act. Should we not require, or at least direct, the U.S. Executive Director on the Board of the Bank to initiate and vote for policies to apply the same principles of the 1963 Agency for International Development Act to Inter-American Bank loans?

Where the Social Progress Trust Fund is concerned, reservations may be applied by the U.S. Government in the revision of the Trust Agreement of June 19, 1961, between the President of the United States and the President of the Bank. This Trust Agreement must either be rewritten or amended to encompass the new appropriation of \$135 million.

There is no reason why the State Department or the President cannot prescribe conditions on the management of this new addition to the trust fund. In this way we could prohibit dollar payments for local labor costs of projects, set conditions on interest and repayment, and apply the Hickenlooper amendment which, according to the action of the Congress and the aid legislation, should be enforced.

It is said this Bank is an international organization, that other countries make contributions of capital, and that therefore we should go easy in applying conditions.

Let us be practical as well as realistic. This is but one more way of making unilateral contributions by the United States. It is true that other countries subscribe capital, one-half in dollars, and one-half in their own local currency; but they generally borrow the equivalent of their own contributions, plus all of our contributions to the Inter-American Bank, every last cent of the latter being in dollars.

Let us not be confused in our thinking. The internationalization of the aid program is only another way of directing additional U.S. aid to other nations. Therefore, the principles we have adopted for dispensing such aid in the future should not be sacrificed to the dubious advantages of multilateral management, where we have even less control of our additional dollar contributions to all these countries.

#### REPUBLICAN POLICY COMMITTEE ACTIVITIES REPORT, 88TH CONGRESS, 1ST SESSION

Mr. SALTONSTALL. Mr. President, will the Senator yield to me briefly?

Mr. FULBRIGHT. I yield such time to the Senator from Massachusetts as he may require.

Mr. SALTONSTALL. Mr. President, as chairman of the Republican conference and in consonance with the wishes of the chairman of the Republican policy committee, the Senator from Iowa [Mr. HICKENLOOPER], I submit for the RECORD a report on the activities of the combined staffs of the Republican conference and the policy committee for the calendar year 1963.

While their work is essentially for the assistance of the Republican Members of the Senate, it is, I believe, a record and analysis of some of the many problems that the Senate faced in its 1st session of the 88th Congress and will be an instructive exposition of work that is worthy of inclusion in our RECORD, which I ask unanimous consent to do.

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

#### REPUBLICAN POLICY COMMITTEE ACTIVITIES REPORT, 88TH CONGRESS, 1ST SESSION, JANUARY 9, 1963, TO DECEMBER 30, 1963

This report indicates the workload and briefly summarizes the variety of activities and functions of the policy committee staff during the 88th Congress, 1st session.

#### SPECIAL STUDIES AND REPORTS PREPARED FOR USE BY THE REPUBLICAN CONFERENCE

1. "A Study and Analysis of the Rules of the Senate; Pros and Cons re Amending Senate Rules at the Convening of a New Congress," January 1963.

2. "Analysis of Three Different Accounting Measures Used in Preparation of the U.S. Government Budget for Fiscal Year 1964," January 1963.

3. "International Situations of Concern to the American People," February 1963.

4. "Republican Accomplishments Since the Days of Lincoln" (a Lincoln Day packet containing material for use of the Republican conference), January 1963.

5. "Domestic Peace Corps" (background material on the basic proposals, proponents' and opponents' views), February 1963.

6. "Wartime Benefits for Peacetime Veterans Under Certain Circumstances"—a study and proposal of legislation, February 1963.

7. "Youth Conservation Corps and Local Area Youth Employment Program" (background material and proponents' and opponents' views), February 1963.

8. "Democrat Criticism of Eisenhower Administration's Foreign Policy," February 1963.

9. "A Working Guide to the President's Tax Message," February 1963.

10. "The Forgotten Youth" (vocational education in the United States), March 1963.

11. "Facts on Federal Employment Trends," March 1963.

12. "Information on the Current Financial Status of the United Nations," April 1963.

13. "Managed News," April 1963.

14. "A Matter of Priority" (an examination of the budget and benefits of the moon shot in relation to other national problems), May 1963.

15. "Civil Rights" (a compilation of material, chronology, and documents on the subject of civil rights), June 3, 1963.

16. "U.S. Balance of Payments and the Outflow of Gold," June 1963.

17. "Civil Rights" (Legislative Reference Service, American Law Division, Library of Congress) (distributed to all Republican Senators on June 28, 1963).

18. "Presidential Requests of Congress for Part I—Money; Part II—Power" (first 6 months of current session), July 1963.

19. "Medical Care for the Aged: A History of Current and Past Proposals and Pro and Con Arguments"—the Library of Congress, Legislative Reference Service, Education and Public Welfare Division, March 15, 1963. Rerun June 14, 1963; high school debate kit—"Should Social Security Pay for Complete Medical Care?" (Chamber of Commerce of the United States) (mailed to all Republican Senators July 3, 1963).

20. "Section-by-Section Analysis of the Administration's Civil Rights Proposals" (distributed to all Republican Senators July 9, 1963).

21. "The Power of Congress To Prohibit Racial Discrimination in Privately Owned Places of Public Accommodation," the Library of Congress, American Law Division, July 3, 1963 (distributed to all Republican Senators July 11, 1963).

22. "Chronological Background At-a-Glance on Rall Dispute" (distributed to all Republican Senators July 23, 1963).

23. Statement of possible issue for consideration at the policy committee meeting (mailed to all Republican Senators September 24, 1963).

24. "Issues for 1964, National and Regional" (printed by Republican congressional committee September 24, 1963).

25. "Annual Report of the Secretary of the Treasury on the State of the Finances, for the Fiscal Year Ended June 30, 1962" (distributed to all Republican Senators October 4, 1963).

26. "Kennedy Administration Inflation in the 50 States" (distributed to all Republican Senators on November 12, 1963).

27. "The Republican Report of U.S. Senator EVERETT MCKINLEY DIRKSEN for the 1st session, 88th Congress, Together With Digests and Analyses of Major Legislation and Treaties."

Above reports and studies have been well received, widely distributed, and used by all members of the conference. "The Forgotten Youth" study on vocational education in the United States prompted requests for over 3,000 copies from education leaders throughout the United States.

#### REQUESTS FROM MEMBERS OF THE CONFERENCE

Records show that the committee staff received an average of 130 requests per

month for a total of 1,563 requests from all 33 members of the conference and their staffs. These requests required special research and assistance in the preparation of detailed studies, reports, analyses of pending legislation, preparation of speech material, etc.

Numerous requests for information and assistance were also received from local trade associations, the executive branch of the Government, Representatives of Congress, feature writers, members of the press, and other news media.

#### REGULAR ADMINISTRATIVE FUNCTIONS AND ROUTINE ASSIGNMENTS

1. Preparation and submission to the Republican conference of policy statements for its consideration.

2. Preparation and distribution of a synopsis, pros and cons, and party breakdown on all record votes with a cross-reference index.

3. Provision of professional staff for the Senate Republican calendar committee and its examination of all bills on the Senate Calendar.

4. Preparation and distribution of a handbook summarizing record votes for the individual use of Senators and their staffs.

5. Preparation and distribution of major voice votes and quorum calls.

6. Preparation of a weekly summary of major public laws.

7. Write, edit, collate, and distribute the annual minority leader's report.

8. Publication of a weekly memo containing items of interest to the Republican conference.

9. Preparation and distribution of the minutes of the Republican policy committee meetings.

10. Establishment and maintenance of special research files to be made available to members and staffs of Republican Senators.

11. Preparation and maintenance of up-to-date biographies for all members of the conference.

12. Preparation of (1) a monthly policy committee financial accountability report and (2) a monthly policy committee activities report.

#### INCREASE OF U.S. PARTICIPATION IN THE INTER-AMERICAN DEVELOPMENT BANK

The Senate resumed the consideration of the bill (H.R. 7406) to provide for increased participation by the United States in the Inter-American Development Bank, and for other purposes.

Mr. FULBRIGHT. Mr. President, may I inquire whether any Senator wishes time?

Mr. MORSE. Mr. President, I am ready to yield back my time, but first I suggest that there be a quorum call so the yeas and nays can be ordered.

Mr. FULBRIGHT. I suggest the absence of a quorum.

The PRESIDING OFFICER. To whose time shall it be charged?

Mr. FULBRIGHT. I am willing to have it come out of my time.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. FULBRIGHT. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

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

Mr. MORSE. Mr. President, I ask for the yeas and nays on passage of the bill. The yeas and nays were ordered.

Mr. MORSE. Mr. President, I yield back the remainder of my time.

Mr. FULBRIGHT. I wish to be recognized in order to answer some questions.

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

Mr. FULBRIGHT. I yield.

Mr. DOMINICK. Mr. President, I should like to ask a few questions based on policy, which I am quite sure the distinguished chairman can answer, and with respect to which the chairman can enlighten me.

It is my understanding that the additional subscription to the Bank's stock will not call for an appropriation of money at the present time. Under what circumstances would that money have to be appropriated? I refer to the \$411 million.

Mr. FULBRIGHT. Under the agreement with the Bank, the money would be available upon call to service the Bank's obligations. The main purpose is to enable the Bank to sell its bonds in the markets of various countries. Heretofore it has sold some in the U.S. market, and some in Italy. It is hoped that, with these additional resources, which would be in the nature of a contingent liability, new bond issues could be sold in various markets. We would not put up the money, except upon the call of the Bank. The only contingency that I can think of would be when the losses of the Bank would be so severe that its resources could not service the bonds.

The same contingency exists with respect to the International Bank. This is in the nature of a reserve against the highly unlikely contingency of the Bank, in effect, failing to operate, and becoming for all practical purposes bankrupt.

Mr. DOMINICK. Does the Senator know whether the contingent liability to which we would be subjecting ourselves would play a part in determining the amount of any deficit which might occur in a fiscal year?

Mr. FULBRIGHT. No; it would not, except on the arising of the contingency. Our balance of payments or our deficit would not be affected until such contingency actually arose.

Mr. DOMINICK. Could this proposal be interpreted by those of us who are opposed to back-door financing as a form of back-door spending?

Mr. FULBRIGHT. No; it could not be so interpreted, because there is an appropriation in this case. This particular fund is not borrowed. I do not agree with the term "back-door financing." I know where it originated. Nevertheless, in this case the money is appropriated.

Mr. DOMINICK. With respect to the \$50 million fund, we are, in fact, appropriating the \$50 million and putting it into the Bank, in the special operation fund.

Mr. FULBRIGHT. Yes; it involves actual expenditures. The money has already been appropriated, but it was agreed that it would not be delivered until the authorization was passed.

Mr. DOMINICK. Is there any provision in the bill or in the basic act

which would make our payment or delivery of the money contingent upon payment by other countries of the amounts which they are supposed to pay into the Bank?

Mr. FULBRIGHT. It is not included in the program, but it is required under the agreement that within 90 days all countries which approve the agreement must pay in their subscriptions.

Mr. DOMINICK. The chairman's feeling is that if they did not pay in their subscriptions within 90 days, they would be subject to expulsion. Is that correct?

Mr. FULBRIGHT. The Senator is correct. They would be subject to suspension by a vote of the Board of Governors requiring three-fourths of the voting strength. A weighted voting system operates in this organization. A vote of two-thirds of the members and three-fourths of the votes is necessary for suspension.

In my opinion the other countries would be subject to expulsion if they refused to pay. In that connection, none of them has refused to pay. All of them are current with their obligations.

Mr. DOMINICK. I notice in the report that the various countries required from 1959 to November 1962 to make good on their previous acceptances.

Mr. FULBRIGHT. That is correct. That was the beginning of the organization. It took time to get started. However, they did pay up.

Mr. DOMINICK. Can the Senator tell me whether or not any of the funds provided in the special operation fund would be used in countries which are under restrictions insofar as our direct foreign aid authorization bill is concerned? I cite Brazil as an example.

Mr. FULBRIGHT. It is quite possible that that would be true. I do not know of my own knowledge what is pending at the moment, but the two operations are separate. The aid program, under the direct control of our Government, may involve a restriction or suspension of a program with reference to Brazil, whereas, the other operation could proceed. There would be nothing illegal about it. We have 42 percent of the voting strength in the organization. Our representative is a member of the executive branch, and is subject to control of the President. If we wished to impose such a restriction, we would, in effect, have a veto upon the special operations of the Bank by the exercise of our voting strength in the Board of Directors.

Mr. DOMINICK. I thank the distinguished chairman. I wished to bring up these questions for the record.

Mr. FULBRIGHT. We have that power; but, of course, we do not have to exercise it. Countries which get too far away from reasonable policies in this connection ought to be denied loans funds.

Mr. DOMINICK. In short, the Senator feels that the \$50 million that we are putting up gives at least reasonable assurance, based on past history and on penalties, that the other countries will put up their share.

Mr. FULBRIGHT. I believe so.

Mr. DOMINICK. I thank the distinguished chairman.

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

Mr. FULBRIGHT. I yield.

Mr. MILLER. Referring to page 4 of the committee report, I note that the statement is made that the increased subscription of \$1 billion, which the bill envisions, of which the share of the United States would be \$411,760,000, is said to be required to assure regular hard lending operations beyond next year, "since only about \$100 million can be raised in future bond issues under existing conditions and restrictions."

I would appreciate it if the distinguished chairman would explain that statement, because I do not understand it. All I can see is that someone has said that we must do it, but I cannot quite understand why.

What would happen if this provision in the bill were not enacted?

Mr. FULBRIGHT. If we did not provide such assurance, the bank would not have support for the sale of bonds beyond the \$100 million on future bond issues. The way the Bank raises the money to lend, aside from paid-in capital, is by selling bonds, and then relending the money. The guarantee for such bonds is the \$411 million which is our part of the billion dollars involved.

That is callable capital. We do not put it up. We do not pay it in. The International Bank operates in exactly the same way. We subscribe to callable capital. We do not put up the money. If the Bank should go broke, we would have to put it up.

We do not intend to have the Bank go broke, any more than we intend to have the International Bank go broke. This enables the Bank to go into the market in London, for example. It has already sold \$25 million in bonds in Italy. This provision stands as a guarantee, and justifies borrowing on the part of the Bank.

Mr. MILLER. In other words, under the present limitation authorizing capital stock, there is an insufficient contingent liability, for example, on the part of the United States, to enable the Bank to go beyond \$100 million.

Mr. FULBRIGHT. It would then be used up, and the Bank could not go beyond that point.

Of the proposed \$1 billion, our part, of course, is \$411 million. The other countries account for the balance.

Mr. MILLER. If what the Senator says is so, namely, that this is in the nature of a contingent amount which might be necessary if there were some defaulting, why this sentence in the same paragraph:

The actual subscriptions, and the appropriations to meet the U.S. subscription, will not be required until a later stage.

From what the Senator has said, it seems to me that we were anticipating a later stage when we would have to meet a contingent liability because of some defaulting.

Mr. FULBRIGHT. Not at all. We would authorize an appropriation now, but it would not be needed until later.

Mr. MILLER. To subscribe to the \$411,760,000?

Mr. FULBRIGHT. That is correct. We would actually appropriate in a two-stage process. This agreement was negotiated among the Board of Directors, and they all agreed to it.

Mr. MILLER. Then there is more to it than merely authorizing an extra \$1 billion in capital stock and authorizing our representatives to vote for it and commit the United States to subscribe to \$411,760,000. Apparently, there is to be an appropriation of \$411,760,000.

Mr. FULBRIGHT. Oh, yes. It has to be appropriated, but not paid out. This point was discussed a moment ago. This is not a borrowing operation; it is an actual appropriation, but it will not be paid out by the Treasury.

Mr. MILLER. I am afraid I do not quite understand. I thought I understood what the Senator was saying; namely, that we would commit ourselves to subscribe to this amount and to pay it in. If there should be a defaulting situation—

Mr. FULBRIGHT. It will be appropriated but not paid in. It stands in the Treasury as a guarantee against a call. It is callable capital, but not paid in in cash. That is what I meant in answer to the question asked by the Senator from Colorado [Mr. DOMINICK].

Mr. MILLER. I understand. I thank the Senator for clearing up that point.

One further question. The hard-lending operations which the Bank can now undertake are limited to \$100 million. The purpose behind this part of the bill is to enable the hard-lending operations to increase to \$1 billion more?

Mr. FULBRIGHT. That is partially correct, except that the Bank would not float new bond issues to anything like that full amount.

Mr. MILLER. Why do we have to worry about going beyond \$100 million at this point? How hamstrung would the program be if we should do nothing about this provision and say, "Go ahead and take care of your \$100 million, which you can now do"?

Mr. FULBRIGHT. The program would come to an end. It would mean that the Bank's lending operations would come to an end if we did not accept this proposal. That \$100 million would last less than a year. That would be the end of it.

Mr. MILLER. I know that is what is said; but the question of the Senator from Iowa is: So what? Has a program been presented to the Bank, and in turn to the Senator's committee, so that we may have an idea of what is ahead? Or is this merely a sort of guess as to what is to happen, or what the real thinking is?

Mr. FULBRIGHT. If the Bank is to continue in business, it must have these funds. Judging from past experience, the \$100 million is what would be used this year.

The bill passed the House last August. A good amount of time has elapsed. If the Bank is to continue in business, it must have this money in order to sell any more than \$100 million in bonds. As a matter of policy, if we do not wish it to continue, we do not have to let it continue.

Mr. MILLER. That is my point. I do not know whether we have to do so or not. I have not seen anything to indicate one way or the other. If there is a persuasive reason for its continuance, the Senator from Iowa will support the program. But all I have been told by the report and from the debate is that the Bank will run out of the \$100 million it can borrow under the present guarantees, and it wants another \$1 billion over and above that. So we must commit ourselves, appropriate funds, and let them remain in the Treasury, so that the U.S. share, the \$411 million, may be available. But the taxpayers of my State will want to know why. They will say, "Let us have the reasons why this Bank must enter upon another \$1 billion of activity? How good is it, especially in light of the foreign aid problems that have been discussed in the past 60 or 90 days?"

I would appreciate having the Senator from Arkansas enlighten us on what is behind the \$1 billion future activity of the Bank.

Mr. FULBRIGHT. I did not know how extensively the Senator wanted me to talk about this program. It involves the overall foreign policy of the United States, a major part of which is the development of Latin America. Our policy heretofore has been that it is in our interest as a great nation, and especially as the greatest nation in the Western Hemisphere, to show a special feeling toward Latin America. It is believed to be in the best interests of our country and of the peace of the world that underdeveloped countries be assisted in their development, just as the United States was assisted by European countries a hundred years ago. That has been the reason. There are those who, perfectly legitimately and honestly, disagree with this basic policy of the Government.

Mr. MILLER. The Senator from Arkansas knows that I am not one of those.

Mr. FULBRIGHT. I do not know it at all. I am trying to answer the Senator's question.

Mr. MILLER. The votes of the Senator from Iowa will show—

Mr. FULBRIGHT. If the Senator from Iowa wishes me to answer his question, I shall try to do so. He asked me to say why the program is justified.

Mr. MILLER. The Senator from Iowa does not want the inference to be drawn that he is opposed to the program.

Mr. FULBRIGHT. I am not making any implications. I am trying to explain what the policy is.

Mr. MILLER. Very well.

Mr. FULBRIGHT. I cannot do that with such interruptions.

Mr. MILLER. The Senator from Iowa apologizes if he has injured the feelings of the Senator from Arkansas, but I did not want to have the inference drawn that I was opposed to this policy.

Mr. FULBRIGHT. I made no such implication. I stated what has been the policy of the country under the two previous administrations and the present one. There are perfectly honest reasons, I am sure, why persons oppose our Government's foreign policy. I do not know of any area in the foreign field which

does not draw some opposition from Senators. Sometimes they support the policy; sometimes they change their minds. That is perfectly legitimate. We all do that at times in connection with any particular policy. I am not arguing that point. I am not responsible for how the Senator from Iowa votes. I have not said anything about that. I am trying to say why this country has followed the policy of assisting other countries develop their resources. This is a program of enlightened self-interest. It is not charity. It is intended as a policy to assist other countries to develop along lines which we think are consistent with our security and safety, and with the development of what we are pleased to call democratic systems as opposed to authoritarian systems.

This policy has not always been successful. We help certain countries that are not democratic. The program is not absolute in its concept. But, generally speaking, we hope that self-governing countries will develop and be free from the domination of any other country, especially of Soviet Russia, as in the case of Cuba.

This is the objective. It is only partially achieved. Nobody claims it is perfect and that it has succeeded in every respect. At any time, this country is free to change the policy if we become disillusioned with this particular organization or with foreign aid. We can withdraw and follow the policy we followed after World War I. That is inherent in our capacity to control our own policies.

I am only describing the policy and purpose behind this organization. The Senator from Iowa may, of course, accept the policy or deny that the organization is appropriate to the achievement of the policy. That is a decision that everyone has to make.

I agree with the administration that so far this particular operation, in its 3 years, has been reasonably successful, and that it warrants our support. That is about as far as I can go. I cannot guarantee to the Senator that the program will be a panacea for all our allies. It may or it may not be. I believe it makes a contribution. It is not a large operation, as operations go these days, but I believe it makes a useful contribution to the stability of the Latin American world, which is where this particular operation is designed to do its work. I hope the Senator from Iowa will support it.

Mr. MILLER. May I ask the Senator a further question?

Mr. FULBRIGHT. Yes.

Mr. MILLER. I assure the Senator from Arkansas—although I trust he does not need any assurance—that with the objectives which he has stated, the Senator from Iowa agrees and has agreed. However, the Senator from Iowa was not trying to elicit the objectives or the policies behind the program. Rather, he was trying to elicit some sort of idea of what the program, under the additional spending, would entail.

Mr. FULBRIGHT. The program would involve loans for the future within the various countries. This agency would proceed in very much the same ways as does the International Bank. A

project is submitted to the Bank Directors and its experts, and finally the Board of Directors reviews it and decides whether it is good or bad.

It is like any other bank, except that it operates in the international field. These projects are likely to be power projects, or perhaps irrigation projects. Most of them involve hard loans of an industrial nature in that field which are self-liquidating, whereas the special fund is more likely to be carrying something not immediately, at least, designed to produce revenue. A railroad would be an example of a so-called hard loan which the \$411 million backing is designed to meet.

Mr. MILLER. Does the Senator from Arkansas know whether the Bank has a backlog of requests for loans which would use up the \$900 million?

Mr. FULBRIGHT. It does; but it is not \$900 million.

Mr. MILLER. \$1 billion.

Mr. FULBRIGHT. Bond issues floated against the increased subscriptions. The appropriation of the U.S. portion of \$411.8 million would come in two stages, half of it needed before December 31, 1964—this is the information given to the committee—and the second half in the following year. This is provided in the resolution of the executive directors and applications for loans are

being made all the time. As in the case of any bank, they come in and are being processed. A lending rate of about \$150 million from regular operations each year is what the Directors project.

Mr. MILLER. If the Senator has not already done so, does he have any listing of projects, for example, anticipated in the next 6 months, so that we might have an idea of what—

Mr. FULBRIGHT. We do not have any concrete anticipations. I believe past projects are illustrative of what they will do.

Mr. MILLER. Does the Treasury Department representative of the Bank report to the Senate Foreign Relations Committee or to the Appropriations Committee and give them a schedule of what these programs are expected to be, for example, in the next 6 months, or next year? What are the mechanics?

Mr. FULBRIGHT. We did not receive any. I do not believe we asked for any. We are given reports as to what they have done. I do not know that they could give us what they will do. I do not believe any bank could do that.

Mr. MILLER. The only way they could do that would be if they had a backlog of requests which they were screening, on the basis of which they might estimate how much money they would need. I was hoping that possibly

we could have something, so that I and other Senators, if we were asked about this item, could give people some idea of what this money was going to be used for.

Mr. FULBRIGHT. As I have stated, I do not believe any bank, whether it be a domestic bank or an international bank, could tell what it intended to do. I hold in my hand, if the Senator wishes to look at it, a record that is quite voluminous, as to what has already been done, both with respect to the special fund and the ordinary capital. I shall be glad to show the record to the Senator. I believe it is too voluminous to put in the RECORD, but it is available. It shows what has been done, which I would say on any reasonable basis is a fair pattern of what is likely to be done in the future.

Mr. MILLER. I do not wish to clutter up the RECORD unnecessarily.

Mr. FULBRIGHT. The Senator can see how voluminous the tables are.

Mr. MILLER. I was wondering whether a part of the material, such as the short part relating to the capital stock fund, for which the extra \$1 billion is being requested will be used, would be feasible for inclusion in the RECORD. That is the main point that I am concerned about.

Mr. FULBRIGHT. It runs, as the Senator can see, to a great number of

pages. Would it satisfy the Senator from Iowa if we put in one or two pages as an illustration? I hesitate to put so much in the RECORD. I do not know whether it would serve a better use to put a part of it in. Perhaps we could give a sample as stating a specific purpose.

Mr. MILLER. Yes; that is the specific purpose.

Mr. FULBRIGHT. My assistant tells me that each of these pages would cost \$94 to print in the CONGRESSIONAL RECORD, which is one reason why I hesitate to put in this kind of information unless it is absolutely necessary. Why not put in one page as an illustration of the type of loans that are made? Would that satisfy the Senator?

Mr. MILLER. These are small, fine print tables.

Mr. FULBRIGHT. Very fine print.

Mr. MILLER. I suggest that there be put in the RECORD the pages relating to Argentina and Brazil. I believe that would be illustrative of what we have been discussing.

Mr. FULBRIGHT. Mr. President, I ask unanimous consent to have printed in the RECORD the tables relating to the Inter-American Bank with reference to Argentina and Brazil.

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

INTER-AMERICAN DEVELOPMENT BANK—ORDINARY CAPITAL

Statement of approved loans, Nov. 30, 1963

Country and obligor (guarantor in parentheses)	Loan No.	Purpose	Date approved (contract signed)	Currencies	Amount approved	Undisbursed balance	Status of loans			Income collected	Interest (per cent)	Repayment terms, principal installments
							Disbursed	Repaid	Outstanding			
ARGENTINA												
Banco de la Provincia de Entre Ríos, Banco Provincial de Santa Fé, and Banco de la Provincia de Córdoba, mixed entity.	13	Development of agricultural, industrial, and mining projects of an estimated cost of \$30,000,000.	July 13, 1961 (Aug. 18, 1961)	Pesos.....	1,000,000	1,000,000				6,627	5.75	16 semiannual beginning Jan. 1, 1966.
				U.S. dollars (local costs, \$3,780,000).	14,000,000	9,346,366	4,653,634		4,653,634	248,208		
				Total expressed in U.S. dollars.	15,000,000	10,346,366	4,653,634		4,653,634	254,835		
				Less taken by participants.....	100,000		100,000		100,000	7,168		
		Net total expressed in U.S. dollars.		14,900,000	10,346,366	4,553,634		4,553,634	247,667			
Agua y Energía Eléctrica, Empresa del Estado de Argentina (Republic of Argentina), public entity.	16	Technical assistance report on Chocón-Cerros Colorados project of an estimated cost of \$637,000.	Aug. 3, 1961 (Aug. 28, 1961)	Pesos.....	252,000		252,000	36,000	216,000	14,841	5.75	7 semiannual beginning Aug. 28, 1963. \$7,000 of loan balance canceled.
				U.S. dollars.....	378,000		378,000	54,000	324,000	31,148		
				Total expressed in U.S. dollars.	630,000		630,000	90,000	540,000	45,989		

INTER-AMERICAN DEVELOPMENT BANK—ORDINARY CAPITAL—Continued

Statement of approved loans, Nov. 30, 1963—Continued

Country and obligor (guarantor in parentheses)	Loan No.	Purpose	Date approved (contract signed)	Currencies	Amount approved	Undisbursed balance	Status of loans			Income collected	Interest (per cent)	Repayment terms, principal installments
							Disbursed	Repaid	Outstanding			
ARGENTINA—continued												
Tool Research Argentina Sociedad Anónima Industrial y Comercial (Banco Provincial de Santa Fé), private entity.	28	Expand production on gears and axles of an estimated cost of \$2,206,000.	Oct. 5, 1961 (Dec. 13, 1961)	U.S. dollars.....	252,000		252,000		252,000	16,969	5.75	20 semiannual beginning June 1, 1964. \$448,000 of loan balance canceled.
				Less taken by participants.....	70,000		70,000		70,000	4,054		
				Net total expressed in U.S. dollars.....	182,000		182,000		182,000	12,915		
Vialsa, S.A., private entity.....	36	Financing of machinery and equipment to manufacture prefabricated housing of an estimated cost of \$4,550,000.	Dec. 14, 1961 (Dec. 15, 1961)	U.S. dollars (local costs, \$100,000).	2,200,000	1,106,138	1,093,862		1,093,862	40,859	5.75	20 semiannual beginning June 15, 1964.
Sociedad Anónima "La Merced" (Garovaglio y Zorraquin, S.A.), private entity.	38	To assist in the financing of irrigation canal and development of farm property of an estimated cost of \$1,600,000.	Dec. 21, 1961 (Mar. 5, 1962)	Pesos.....	13,280,000	6,058,500	7,221,500		7,221,500	529,075	5.75	18 semiannual beginning Sept. 5, 1965.
				U.S. dollars (local costs, \$160,000).	470,000	69,385	400,615		400,615	25,276		
				Total expressed in U.S. dollars.....	569,757	111,197	458,560		458,560	29,157		
				Less taken by participants.....	52,222		52,222		52,222	3,590		
Net total expressed in U.S. dollars.....	517,535	111,197	406,338		406,338	25,567						
Agua y Energía Eléctrica, Empresa del Estado de Argentina (Republic of Argentina) Public entity.	39	To assist in the financing of an electrical expansion program of an estimated cost of \$40,000,000.	Dec. 21, 1961 (Mar. 22, 1962)	Pesos.....	232,400,000	50,797,312	181,602,688		181,602,688	5,104,970	5.75	24 semiannual beginning Apr. 1, 1966.
				U.S. dollars (local costs, \$2,800,000).	8,000,000	7,750,255	249,745		249,745	80,226		
				Total expressed in U.S. dollars.....	9,642,728	8,101,875	1,540,853		1,540,853	115,396		
				Less taken by participants.....	150,000	150,000			1,442			
Net total expressed in U.S. dollars.....	9,492,728	7,951,875	1,540,853		1,540,853	113,954						
Corporación Entrerriana de Citrus Sociedad Anónima de Economía Mixta Industrial, Comercial y Financiera (Provincia de Entre Ríos) Mixed entity.	45	To assist in the financing of a citrus fruit processing plant of an estimated cost of \$3,413,000.	Feb. 21, 1962 (Apr. 6, 1962)	Pesos.....	28,000,000	7,834,420	20,165,580		20,165,580	766,892	5.75	24 semiannual beginning Oct. 15, 1964.
				U.S. dollars.....	1,300,000		1,300,000		1,300,000	63,758		
				Total expressed in U.S. dollars.....	1,501,188	53,800	1,447,388		1,447,388	69,126		
Armetal, Industria Argentina de Metales, S.A. (Banco Industrial de la República Argentina) Private entity	46	Purchase of equipment and machinery for automotive industry of an estimated cost of \$5,681,000.	Mar. 8, 1962 (May 31, 1962)	Pesos.....	170,000		170,000		170,000	2,944	5.75	12 semiannual beginning Nov. 15, 1964.
				Italian lire.....	465,000,000	373,285,567	91,714,433		91,714,433	9,234,379		
				U.S. dollars (local costs \$144,000).	1,080,000	241,047	838,953		838,953	49,036		
				Total expressed in U.S. dollars.....	2,000,000	843,121	1,156,879		1,156,879	66,874		
Less taken by participants.....	500,000		500,000		500,000	29,410						
Net total expressed in U.S. dollars.....	1,500,000	843,121	656,879		656,879	37,464						
Cominco, Sociedad Anónima, Comercial, Industrial, Inmobiliaria y Financiera (Banco Industrial de la República Argentina), private entity.	61	Financing the purchase of equipment and installation of a plant for the production of pressed chipboard of an estimated cost of \$1,217,000.	Feb. 21, 1963 (Aug. 13, 1963)	Pesos.....	29,000		29,000		29,000		5.75	11 semiannual beginning Feb. 12, 1965.
				U.S. dollars (local costs \$58,000).	203,000	1,294	201,706		201,706			
Net total expressed in U.S. dollars.....	232,000	1,294	230,706		230,706							
Banco de la Nación, Argentina, public entity.	66	To assist in the financing of a program for mechanization of agriculture of an estimated cost of \$83,333,000.	Apr. 16, 1963 (June 27, 1963)	Pesos.....	7,500,000	6,500,000	1,000,000		1,000,000		5.75	23 semiannual beginning July 3, 1967.
				Italian lire.....	3,100,000,000	2,480,000,000	620,000,000		620,000,000			
				U.S. dollars (local costs, \$12,500,000).	12,500,000	12,000,000	500,000		500,000			
				Total expressed in U.S. dollars.....	25,000,000	22,500,000	2,500,000		2,500,000			
				Less taken by participants.....	321,736	321,736						
Net total expressed in U.S. dollars.....	24,678,264	22,178,264	2,500,000		2,500,000							

Compañía Sud Americana de Cemento Portland Juan Minetti e Hijos, Ltda. S.A. (Banco Industrial de la República Argentina), private entity.	67	To finance the acquisition of equipment for a cement plant of an estimated cost of \$11,000,000.	Apr. 16, 1963	U.S. dollars	7,000,000	7,000,000				5.75	13 semiannual beginning 30 months after date of contract.	
CARBOCLOR, Industrias Químicas, SAIC (Banco Industrial de la República Argentina), private entity.	69	Finance a petrochemical products factory of an estimated cost of \$4,868,000.	June 20, 1963 (July 12, 1963)	do	2,500,000	2,500,000				5.75	13 semiannual beginning Jan. 12, 1967.	
Total loans to Argentina expressed in U.S. dollars					66,527,673	52,563,791	13,963,882	90,000	13,873,882	639,205		
Less taken by participants					1,193,958	471,736	722,222		722,222	45,664		
Net total of loans to Argentina expressed in U.S. dollars					65,333,715	52,092,055	13,241,660	90,000	13,151,660	593,541		
BRAZIL												
Lutcher S. A. Celulose e Papel, private entity.	2	Construction of cellulose pulp mill and related facilities of an estimated cost of \$13,000,000.	Mar. 31, 1961 (June 14, 1961)	Cruzeiros	2,200,000		2,200,000		2,200,000	107,267	5.75	16 semiannual beginning Dec. 15, 1963.
				U.S. dollars (local costs \$2,000,000)	2,500,000		2,500,000		2,500,000	226,503		
				Total expressed in U.S. dollars	4,700,000		4,700,000		4,700,000	333,770		
Sifco do Brasil, S.A., private entity.	11	Purchase of machinery to expand production of forgings for automotive industry of an estimated cost of \$1,480,000.	June 28, 1961 (Nov. 21, 1961)	Cruzeiros	180,000		180,000	25,704	154,296	5,667	5.75	14 semiannual beginning Apr. 1, 1963.
				U.S. dollars (local costs \$175,190)	570,000		570,000	81,396	488,604	49,779		
				Total expressed in U.S. dollars	750,000		750,000	107,100	642,900	55,446		
				Less taken by participants	122,094		122,094	81,396	40,698	11,502		
				Net total expressed in U.S. dollars	627,906		627,906	25,704	602,202	43,944		
Industria Brasileira de Equipamentos S.A. (a Brazilian commercial bank) private entity.	29	Financing of machinery for the production of bits and joints of an estimated cost of \$1,230,000.	Oct. 19, 1961 (Jan. 24, 1962)	Cruzeiros	87,000	87,000				853	5.75	16 semiannual beginning July 15, 1964.
				U.S. dollars (local costs \$88,000)	528,000	403,173	124,827		124,827	5,175		
				Total expressed in U.S. dollars	615,000	490,173	124,827		124,827	6,028		
Papel e Celulose Catarinense Ltda. (Klabin Irmãos & Cia.), private entity.	34	Construction of a kraft pulp and paper mill of an estimated cost of \$21,600,000.	Dec. 14, 1961 (Jan. 22, 1962)	U.S. dollars	5,000,000	3,054,160	1,945,840		1,945,840	133,055	5.75	9 semiannual beginning Jan. 15, 1965.
Centrais Elétricas de Minas Gerais, S.A. (Banco Minerador da Produção), public entity.	35	To finance the expansion of electrical transmission and distribution facilities of an estimated cost of \$35,000,000.	Dec. 14, 1961 (June 5, 1962)	Cruzeiros	1,500,000	106,149	1,393,851		1,393,851	22,102	5.75	20 semiannual beginning Dec. 5, 1966.
				U.S. dollars (local costs \$1,500,000)	3,500,000	2,310,586	1,189,414		1,189,414	35,268		
				Total expressed in U.S. dollars	5,000,000	2,416,735	2,583,265		2,583,265	57,370		
Fundação Tupy, S.A., private entity.	44	To expand production of iron castings of an estimated cost of \$1,530,100.	Feb. 15, 1962 (May 16, 1962)	U.S. dollars	560,000		560,000		560,000	44,726	5.75	12 semiannual beginning Nov. 15, 1964.
Companhia Agrícola, Imobiliária e Colonizadora (Banco do Estado do São Paulo), public entity.	48	Program of agricultural mechanization in the State of São Paulo of an estimated cost of \$10,647,000.	June 28, 1962 (Dec. 6, 1962)	Italian lire	620,000,000	140,600,899	479,396,101		479,396,101	3,108,493	5.75	12 semiannual beginning June 6, 1965.
				U.S. dollars	3,500,000	9,474	3,490,526		3,490,526	8,774		
				Total expressed in U.S. dollars	4,500,000	236,260	4,263,750		4,263,750	13,788		
Companhia Pernambucana de Borracha Sintética (Banco Nacional do Desenvolvimento Economico), public entity.	49	Synthetic rubber plant of an estimated cost of \$33,134,000.	July 5, 1962 (Nov. 9, 1962)	U.S. dollars	3,615,000	1,457,120	2,157,880		2,157,880	100,615	5.75	14 semiannual beginning May 15, 1966.
Companhia Hidro Elétrica do São Francisco (United States of Brazil), public entity.	52	Financing expansion of electrical generation and transmission facilities of an estimated cost of \$42,089,000.	Aug. 9, 1962 (Dec. 12, 1962)	Italian lire	1,860,000,000	1,860,000,000				9,172,603	5.75	28 semiannual beginning July 10, 1966.
				U.S. dollars (local costs \$1,500,000)	12,000,000	11,500,000	500,000		500,000	29,537		
				Total expressed in U.S. dollars	15,000,000	14,500,000	500,000		500,000	44,332		
Centrais Elétricas de Urubupungá, S.A. (CELULOSA) (United States of Brazil), public entity.	76	Financing hydroelectrical facilities on the Paraná River of an estimated cost of \$200,390,000.	Nov. 14, 1963 (Nov. 20, 1963)	U.S. dollars (local costs \$5,180,000)	13,250,000	13,250,000					5.75	20 semiannual beginning May 20, 1968.
Total loans to Brazil expressed in U.S. dollars					52,990,000	35,404,438	17,585,562	107,100	17,478,462	789,130		
Less taken by participants					122,094		122,094	81,396	40,698	11,502		
Net total of loans to Brazil expressed in U.S. dollars					52,867,906	35,404,438	17,463,468	25,704	17,437,764	777,628		

Mr. MILLER. I thank the Senator from Arkansas.

Mr. MORSE. Mr. President, the Senator from Louisiana [Mr. ELLENDER] would like 5 minutes, and I yield 5 minutes to the Senator from Louisiana.

The PRESIDING OFFICER. The Senator from Louisiana is recognized for 5 minutes.

Mr. ELLENDER. Mr. President, it will be recalled that when I returned from South and Central America in 1958, I suggested the creation of a bank that would be domiciled in South America and that would be operated exclusively for the benefit of the South American people. I suggested that we make contributions to the bank and that it be established in some part of South America with branch banks scattered throughout the other nations in South and Central America. This suggestion can be found in my report presented to the Senate early in 1959.

I believed that we should help create a middle class by providing capital at a reasonable rate of interest.

In other words, I felt we should make it possible for the people we had trained in our technical assistance programs to obtain capital at a lower interest rate than what was then available to them.

I ran across many areas in South and Central America in 1958 where the rate of interest was as high as 20 percent. I often wondered how a person, particularly if we had trained him to perform a trade, could ever acquire the necessary capital to make a start in business. The chances are he would not get very far by borrowing money at 20 percent. Such a bank as I suggested might inure to our benefit and create a middle class in South and Central America quite quickly.

Now the Inter-American Development Bank was established late in 1959—with operations beginning a year later—and even though it was created before the Alliance came into being, it has come to be known as the Bank of the Alliance.

The initial authorized capital of the bank amounted to \$850 million, and the United States subscribed to a total of \$350 million of this amount, or a little more than 40 percent. To date the United States has paid in \$150 million, leaving \$200 million callable at some future date.

The total paid-in capital aggregates \$382 million, and as previously pointed out, the U.S. portion of this amounts to \$150 million. The balance of \$232 million has been contributed as paid in capital by the countries of Latin America and includes contributions from all countries south of the border except Cuba.

Of the \$232 million of paid-in capital contributed by the countries of Latin America, exactly one-half, or \$116 million, consists of gold or dollars, and one-half comprises local currencies.

In addition to the capital derived from payments on subscriptions to capital stock, the Bank has raised \$100 million of capital from the sale of bonds. Of this amount, \$75 million has been raised in the United States and consists of 20-year, 4¼-percent bonds which were completely underwritten by a syndicate of 102 U.S. banking firms. A bond issue totaling \$24.2 million was floated in the Italian Market and all of these 20-year, 5-percent bonds were purchased by a syndicate of Italian banking institutions. Thus, in its regular operations, the Bank has capital totaling \$366 million available in convertible currencies, consisting of the following:

	Million
1. Paid-in capital—United States.....	\$150
2. Paid-in capital—Latin American countries.....	116
3. Proceeds from bonds (approx.).....	100
Total.....	366

The local currencies paid in on stock subscriptions by Latin American countries, as previously pointed out, total \$116 million, thus making a total of \$482 million of capital available to the Bank.

In addition to the regular operations of the Bank, the Bank has a fund for special operations. This fund was established to make loans on flexible terms to countries finding it difficult to service additional loans entirely repayable in hard currency. This fund is used primarily to provide financing for projects which are of basic development importance but are not directly productive in an economic sense.

The Bank has a third window which is in addition to its regular operations and the fund for special operations. This so-called window is known as the social progress trust fund.

The United States is the sole provider of capital of the Trust Fund and supplied initial funding in 1962 totaling \$394 million. In the foreign aid appropriations bill, recently passed by Congress, funds totaling \$135 million were provided for the social progress trust fund for fiscal year 1964, making a grand total of \$529 million furnished this fund by the taxpayers of the United States.

Through October 31, 1963, the Bank had made a total of 71 loans aggregating \$319,398,000 out of ordinary capital, 34 loans aggregating \$118,008,000 out of the fund for special operations, and 67 loans out of the social progress trust fund totaling \$360,340,000.

The terms normally governing loans from the three windows are as follows:

	Percent
1. From ordinary capital.....	5¼
2. From fund for special operations.....	4
3. From social progress trust fund (except for water loans which are normally 2¼ percent).....	1¼

A resumé of loan operations for the three windows of the Bank is shown in the table I shall submit.

I ask unanimous consent that there be printed at this point in the RECORD a table which appears on page 78 of the hearings on foreign aid held last year.

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

TABLE III.—Summary statement of approved loans less cancellations, by sources of funds, Oct. 31, 1963

(Expressed in thousands of U.S. dollars or U.S. dollar equivalent)

Country	Ordinary capital				Fund for special operations				Bank resources, grand total		Social progress trust fund		
	Number of loans	U.S. dollars	Local currency (US\$ equivalent)	Italian lire (US\$ equivalent)	Total amount	Number of loans	U.S. dollars	Local currency (US\$ equivalent)	Total amount	Number of loans	Total amount		
Argentina.....	12	49,883	10,921	5,750	66,554	2	3,183	3,025	6,208	14	72,762	2	35,000
Bolivia.....						5	22,660	400	23,060	5	23,060	3	10,930
Brazil.....	9	31,773	3,967	4,000	39,740	3	19,000	2,765	21,765	12	61,505	7	52,860
Chile.....	8	34,050	5,404	8,335	47,789	3	8,022	896	8,918	11	56,707	8	25,630
Colombia.....	8	20,703	6,517	5,700	32,920	2	1,880	1,328	3,208	10	36,128	4	31,330
Costa Rica.....	4	10,600	902		11,502	1	1,000		1,000	5	12,502	1	3,500
Dominican Republic.....	1	4,900	1,100		6,000					1	6,000	2	6,500
Ecuador.....	1	1,626	717		2,343	3	8,186	276	8,462	4	10,805	5	23,510
El Salvador.....	3	3,159	800		3,959	1	124	59	183	4	4,142	4	11,640
Guatemala.....	3	3,950	1,350		5,300					3	5,300	3	11,300
Haiti.....						1	3,500		3,500	1	3,500		
Honduras.....	2	510			510	3	9,210		9,720	5	9,720	3	5,650
Mexico.....	8	40,052	14,413		54,465	1	600	3,200	3,800	9	58,265	6	28,600
Nicaragua.....	1	2,000			2,000					1	2,000	3	7,880
Panama.....						1	2,714	186	2,900	1	2,900	2	10,360
Paraguay.....	2	2,580	220		2,780	5	16,450		16,450	7	19,200	1	2,900
Peru.....	3	5,200	2,712		7,912					3	7,912	4	26,300
Uruguay.....	3	11,693	2,750		14,443	1	450	190	640	4	15,083	2	10,500
Venezuela.....	3	18,530	2,681		21,211	1		2,700	2,700	4	23,911	6	53,000
Central American countries, Central American Bank for Economic Integration.....						1	5,000	1,004	6,004	1	6,004	1	2,920
Total.....	71	241,159	54,454	23,785	319,398	34	101,979	16,029	118,008	105	437,406	67	360,340

1 Includes \$232 equivalent of Swiss francs and \$50 equivalent of Belgian francs.

Mr. ELLENDER. H.R. 7406, presently being considered by the Senate, amends the act which created the Inter-American Development Bank by adding section 13 thereto, which would provide for the following:

First. Authorize the U.S. Governor of the Bank to vote for (a) an increase in authorized capital stock of Bank's regular operations, and (b) an increase in the resources of the Fund for Special Operations.

Second. Further, it would authorize the Governor to agree to commit the United States to its proportionate share of increase in the ordinary capital of the Bank of \$1 billion, and also to vote for an amendment to the articles of the agreement to provide that the Board of Governors may, upon certain conditions, increase by one the number who serve as Executive Directors.

In addition to the authority granted the Governor, H.R. 7406 authorizes the appropriation of the following:

First, \$411,760,000 to cover U.S. subscription to 41,176 shares of stock at \$10,000 per share; and

Second, \$50 million for payment of the increased U.S. subscription to the Fund for Special Operations of the IDB.

The power granted to the Governor to vote for the addition of one Executive Director is being granted in contemplation that other countries may desire to contribute capital to the Bank. Countries not presently members of the Bank will be given permission to subscribe to up to \$300 million, and if in fact they subscribe to at least \$220 million, they will be given power to elect one additional Director to be added to the present seven-man Board.

The \$50 million to be authorized for the Fund for Special Operations has already been appropriated in the foreign aid appropriations bill for fiscal year 1964. When this appropriation was made last year a proviso was placed in the appropriations bill which provided, that this paragraph—making appropriations—shall be effective only upon the enactment into law of authorizing legislation.

In keeping with what my good friend the Senator from Oregon [Mr. MORSE] and my good friend the Senator from Missouri [Mr. SYMINGTON] has been saying, it would seem to me that before we increase the authorized capital stock of this Bank, we should take a good look at our entire foreign aid program. As I have already pointed out, we are already obliged to pay \$200 million on callable capital for which we have already subscribed. Since our Alliance program has not brought about the social, tax laws, and other necessary reforms in Latin America, why should we increase the amount of our subscription to the capital stock of this Bank by an additional \$411,760,000? Is this the way to get the reforms we seek to bring about in Latin America? Certainly not.

The PRESIDING OFFICER. The 5 minutes yielded to the Senator from Louisiana have expired.

Mr. MORSE. I yield another minute.

Mr. ELLENDER. The IDB actually has three windows from which it dis-

burses funds. At window No. 1, the regular operations window, hard loans are made at the rate of 5½ percent; at the window for special operations, soft loans are made at 4 percent. But in the Trust Fund, window No. 3, to which I have referred, and to which we are the sole contributors, the interest rate is only 1½ percent.

I believe that the whole subject should be gone over in the light of the debate which took place in the Senate last year when the foreign aid authorization bill was considered.

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

Mr. MORSE. I yield the Senator 1 additional minute.

Mr. ELLENDER. In the light of the current review of the entire foreign aid program, we should await a report on the results of this review before authorizing further financing of any segment of foreign assistance. I urge Senators to vote against this bill.

Mr. DIRKSEN. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. DIRKSEN. What is the pending business?

The PRESIDING OFFICER. The pending business before the Senate is the bill (H.R. 7406) to provide for increased participation by the United States in the Inter-American Development Bank, and for other purposes.

Mr. DIRKSEN. Mr. President, a further parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. DIRKSEN. Is an amendment to the bill in order at the present time?

The PRESIDING OFFICER. An amendment is in order.

Mr. DIRKSEN. Mr. President, I offer an amendment, which is at the desk.

The PRESIDING OFFICER. The amendment of the Senator from Illinois will be stated.

The LEGISLATIVE CLERK. On page 2, line 11, after the word "appropriated," it is proposed to insert the words "from funds supplied by the taxpayers."

On page 2, line 14, after the word "appropriated," it is proposed to insert the words "from funds supplied by the taxpayers."

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Illinois.

How much time does the Senator yield himself?

Mr. DIRKSEN. Under the rule and under the unanimous-consent agreement, how much time have I available?

The PRESIDING OFFICER. Thirty minutes.

Mr. DIRKSEN. I yield myself all of it, so that no Senator can poach on it. But I will probably yield back most of the time.

I thought that the distinguished chairman of the committee, who is the Senator in charge of the bill, might see fit to accept the rather innocuous language which I have offered only as a reminder as to the source of the funds that are to be used in this enterprise, for all the amendment provides is that money

would be authorized to be appropriated out of funds supplied by the taxpayers.

This is not a subject of humor with me. It is perfectly serious. During the some 17 or 18 years that I served on the Appropriations Committees of the House and the Senate I used to chortle a little at the euphemistic language we employed, because it is always the same:

There is appropriated out of funds in the Treasury not otherwise appropriated—

And so forth, and so forth. The singular point is that many times there probably are no funds in the Treasury because we have been operating on a deficit basis for so long. I am not sure that I recall when there have been funds in the Treasury not otherwise appropriated. How could there actually be when they were obligated to the point where we knew very well we were going to have to borrow? I have wondered a thousand times what we do to alert the people to the fact that when we deal with measures of the kind proposed, it is their "dough."

I suppose if I were a dilettante given to very precise and unvulgar language, I would say that it is the people's money. But somehow that word "dough" has come into such common usage that I believe people fully understand it. So I reiterate that it is the people's "dough" that we authorize for what is now rapidly being known as the Bank of the Alliance. Frankly, I do not share the confidence and the high hopes of a great many people with respect to the Bank of the Alliance or with respect to our relations with some of our Latin American neighbors.

I presume out of long experience in the Nation's Capital I ought to be very cautious about the kind of language I use when dealing with our relations with other countries, and particularly our neighbors.

I have been a little nettled about the recent flareup in Panama when I stop to consider what we have done. Panama used to belong to Colombia until it rebelled in 1898. I suspect that if it had not been for Teddy Roosevelt, who grabbed the opportunity and quickly recognized Panama, she might still be only a section of the Republic of Colombia.

She was willing to accept \$250 million a year for the rights that we received to build the canal.

Mr. FULBRIGHT. How much?

Mr. RUSSELL. Two hundred and fifty thousand dollars.

Mr. DIRKSEN. Two hundred and fifty thousand dollars.

Mr. FULBRIGHT. There is some little difference.

Mr. DIRKSEN. We are becoming so accustomed to millions and billions of dollars that "thousands" has almost passed out of the dictionary.

Mr. ELLENDER. Two hundred and fifty thousand dollars in gold.

Mr. DIRKSEN. Yes; in gold—not 49-cent dollars, but in gold. We then dumped in \$250 million to build the canal. We are paying on the canal bonds today. That has been a long venture, because it was finished in 1914.

Then we had to vanquish yellow fever by eradicating the mosquito that bore

the fever. Then we had to lick malaria. The people could not exist down there if it had not been for the great work of Walter Reed, in whose honor a great hospital in Washington is named, and for William Gorgas, one of the greatest men who ever graced this footstool. There were those who wanted him fired, and the President and the Secretary of War were ready to sign his discharge. But it was William Gorgas, not the contractors, who made the canal possible.

We put in many millions of dollars every year to make it successful. We raised the ante, so that today Panama receives \$1,390,000 a year. I think we have been pretty generous.

Then came the flag incident created by high school students at Balboa High School. We are in the amazing position of having a country with one-third the population of Chicago kick us around. Thank goodness, the President has stood up to it. I hope he will not retreat from his position, because this is one time when we are going to have to fish or cut bait.

That is preliminary. We went through the same agony with Cuba. Where are we today? We went through the same agony with Guatemala. Where are we today? We went through the same agony with Honduras. Our reward and appreciation was to have the Legislature of Honduras expropriate the properties of our people without any provision for compensation.

I am growing a little tired of it. I do not know what we can do about it except to tell our people that this is the "taxpayers' dough." Perhaps, at long last, they will start scolding a little on that score and say, "Don't be so free and easy with our money."

What is involved is an additional director, additional capital stock, and more loans to certain countries. I am not very happy about such loans. Why do not the people themselves put their money into such projects instead of sequestering their money in Geneva banks and in the Chase and other New York banks? Why do they not do a little for their country?

I do not believe that in this day and age we can redress all the ills of the world. I do not believe we have the capacity to do so without jeopardizing the solvency of our own country. I want to say, "There is authorized to be appropriated out of funds to be supplied by the taxpayers." Those last words are put in only as a reminder that it is their money, and if they catch the significance of it, I think they will be able to watch their own exchequer and so what is done with it.

Mr. President, I have been very diligent in attending meetings of the Finance Committee day after day. We are wrestling with a tax bill to provide a reduction in taxes for individuals and corporations, and some structural reforms. When we are through, we shall come in with a pretty big "goose egg," which can be filled in only with a pen from a red-ink bottle. We are informed that the goose egg for 1965 and 1966 will be \$9

billion, and there will be "goose eggs" for other fiscal years for some time.

Let no one deceive himself. What is involved is the solvency of our country. By providing this language I hope to energize the taxpayers to help us in our endeavors to keep our fiscal house in order.

I hope my distinguished friend from Arkansas, for whom I have a high regard, will accept the amendment and take it with him to conference, or incorporate it in the bill, so that when it finally goes to the House for action, that frugal body will see fit to concur in this little suggestion that will somehow energize interest in fiscal affairs and emphasize that it is the people's money.

Mr. FULBRIGHT. Will the Senator yield?

Mr. DIRKSEN. In just a moment. I ask the Senator to remain on his feet, because it always inspires me when he is on his feet.

Mr. President, there is such a word as "euphemism." I do not think I have looked it up for years, but I suppose a "euphemism" is "something that seems like what it ain't." Perhaps that is as good a definition as I can give. I am reminded of the man who filled in an application for an insurance policy. One of the questions he had to answer was, "How old was your father when he died and of what did he die?" Well, his father had been hanged, but he did not like to put that in his application. He puzzled over it for quite a while. He finally wrote, "My father was 65 when he died. He came to his end while participating in a public function, when the platform gave way." [Laughter.] It is a wonderful way to say it.

As I have said, these authorizations seem to be what "they ain't." But there is one thing about it—the money will come out of the taxpayer's pocket. I like to see language in the bill that the taxpayer can understand.

Now I yield to the Senator from Arkansas.

Mr. FULBRIGHT. Mr. President, of course, I am always greatly persuaded by the Senator's argument, and I think what he has had to say has been very well said and has already served the purpose of notifying the people of the country that this money comes from the taxpayers, with interest.

Now to ask a question, Is it the purpose of the Senator that the funds would actually come from payments by the taxpayers, and that therefore no borrowed money would be involved?

Mr. DIRKSEN. I thought of that. I did not want to encumber the language. When I made the first draft it stated, "From funds supplied by the taxpayers or the pledging of the taxpayers' credit," which means borrowing. I would be delighted if the Senator from Arkansas would add that language. That would make it complete.

Mr. FULBRIGHT. A technical question is raised. There has been one extension of time. The time was extended from December 31 to January 31 for the enactment of this bill and the authoriza-

tion of the acceptance of the agreement which was negotiated last spring. This proposal would entail going back to the House and would entail considering the matter in conference, I assume, unless the House accepted it out of hand. It could cause considerable trouble.

The Senator's speech has served the purpose of reminding the country that these funds come from the taxpayers. I do not know that there is much misapprehension on their part now. They are not as likely to read the bill as the Senator's statement. I would agree with him, if he wishes to make legislative history, that these moneys come from the taxpayers. I hope it is not assumed that the committee or the administration was seeking to disguise that fact. Money in the Treasury comes from the taxpayers, even though it may be temporarily borrowed.

Mr. DIRKSEN. It is forgotten even in these sacred precincts. Whenever it comes out of the taxpayers' pockets, we are elusive and timid about saying it. I am reminded of the man who took an examination to become a mail carrier. One of the questions was, "How far is the sun from the earth?" He did not have any idea. He finally wrote, "Far enough so it won't interfere with my duties of carrying the mail."

That is a great answer; but it all becomes so remote and illusive that we really do not come "down to tacks" with it. There must be a constant reminder, Mr. President. I fairly importune my friend from Arkansas to accept the language, knowing the influence he has in this body, particularly when I have such a modest influence.

Mr. FULBRIGHT. The Senator is very persuasive. If another amendment had been added to the bill, an amendment of substance, making it necessary to go to conference on the bill, I would have no hesitancy in accepting the amendment. It is obvious that the money does come from the taxpayers. I am extremely reluctant to accept this one amendment, because it would entail considerable difficulty and trouble in having to go back to the House with the bill before the 31st of January. If a substantive amendment or amendments had been added to the bill, that would be another matter. In that case I would have no hesitancy in accepting the Senator's amendment, because certainly it does not violate any principle or any of the substantive provisions of the bill. I am glad the Senator made the clarification that he did not intend to restrict the matter to actual tax money because the Treasury does not segregate the funds. He does not refer only to tax money, but also to borrowed money.

I hope the Senator will not press his amendment. His purpose of reminding the Senate and the public with respect to the source of the money has been served. I plead with the Senator not to make it necessary to go back to the House with this provision.

If he were to offer it on some other bill or other bills which necessarily would have to go back to the House, it would

serve some purpose. I would also recommend, if he is going to offer it on other bills, that he offer it on the appropriation bill for the Defense Department, which is substantially larger than the bill now under consideration.

Mr. DIRKSEN. I intend to do so, and to make it as popular as the Morse formula.

Mr. FULBRIGHT. That would be perfectly proper. Although the bill does involve a substantial sum of money, it is small compared with the money that we make available in appropriation bills. If the amendment were accepted it would be the only amendment to the bill. It merely states a proposition that most Senators well understand. I hope the Senator will not press it. It is not that I object to it, as such, but I hope that he will not press it as an amendment to the pending bill, particularly since no amendment of substance has been added to it.

Mr. DIRKSEN. We have a great deal of time.

Mr. FULBRIGHT. We do not have a great deal of time. The Senator and I are occupied in the Finance Committee. I have been unable to attend the meeting of the Finance Committee this afternoon because of the pending bill.

Mr. DIRKSEN. That is my trouble. The Senator from Arkansas has kept me here because he has brought up the pending bill.

Mr. FULBRIGHT. I had to bring it up under the agreement of last month, because it was delayed at that time in connection with some discussion of other legislation.

Mr. DIRKSEN. I understand.

Mr. FULBRIGHT. I was obliged to bring it up today under the agreement entered into by the Senate. It is unfortunate, because both of us ought to be at the hearing of the Committee on Finance.

Mr. DIRKSEN. The Senator is correct.

Mr. FULBRIGHT. Taking the bill back to the House would entail another day's effort and another day of our time. I have a great many other things to do. I hope the Senator will not press his amendment, even though I believe it is entirely correct and there is certainly no doubt about the source of the funds involved here.

Mr. DIRKSEN. It would not require more than 30 minutes in conference. I am sure the Senator from Virginia [Mr. BYRD], the distinguished chairman of the Committee on Finance, would permit the Senator from Arkansas to play hooky for 30 minutes, so that he could sit down with his conferees. I will take care of his votes in the Committee on Finance. I give him assurance that I would record his vote exactly as he would like to have it recorded.

The House is not too busy at this time. Therefore a great deal of time is available. The amendment involves a very important issue, as my distinguished friend knows.

Mr. FULBRIGHT. I do not feel that the amendment should be accepted. I

hope the Senator will not press it. Why does he not reserve it for a bill that will necessarily have to go back to the House? If he does so, I will support his amendment.

Mr. DIRKSEN. There may not be such a bill.

Mr. FULBRIGHT. There is bound to be such a bill. The Senator has already said that, with the profligacy of the Government, such bills are bound to come up all the time. There will be such a bill soon, I am sure.

Mr. DIRKSEN. Then I will be castigated for having essayed a great crusade without starting at the outset, when the opportunity was offered to do it.

Mr. FULBRIGHT. We can agree now that we will call it the Dirksen formula and that it must be added to every bill which appropriates any money or authorizes the expenditure of any money. I am perfectly willing to agree to that.

Mr. DIRKSEN. I believe I was very forbearing in not asking for a live quorum. I have not asked for a yea-and-nay vote. Can a Senator exhibit greater forbearance than that?

Mr. President, I have made my case as best I can. I am glad it has been persuasive on my distinguished friend from Arkansas. I shall leave it where it is at the moment. If he agrees now that this provision will become the Dirksen formula for other authorization bills and for appropriation bills, and that I can count on his support—although his pledge of assistance "in futuro" is a very uncertain thing, as lawyers use that expression—I will let it go at that.

I yield back the remainder of my time.

Mr. FULBRIGHT. The Senator has performed a great service in his speech, which I am sure will alert the entire country, as well as the Senate, as to the source of these funds. I have no objection to his doing this. I applaud him for it.

I hope the Senate will not add his amendment to the pending bill and make it necessary to go to conference on his laudable suggestion, which henceforth shall be known as the Dirksen formula and will be incorporated in all bills emanating from the Appropriations Committee, of which the Senator is a member. Although I am not a member, I shall use my influence with the members of the committee, particularly the senior Senator from Arkansas, to protect the Dirksen formula in the future. I hope that the Senate will not add it to the pending bill, because we are operating on a time limitation until the 31st of this month. The time has been extended by special action of the Board of the Bank. It would be unconscionable for us to request another extension. It would defeat, to some extent, the purpose of the program, by evidencing a lack of interest in Latin American affairs.

I yield back the remainder of my time.

The PRESIDING OFFICER. All time has been yielded back on the amendment. The question is on agreeing to the amendment offered by the Senator from Illinois [Mr. DIRKSEN]. [Putting the question.]

Mr. FULBRIGHT. Mr. President, I ask for a division.

The PRESIDING OFFICER. A division is requested.

Mr. FULBRIGHT. 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. DIRKSEN. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

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

Mr. DIRKSEN. I have just had a long, earnest, intense conference with the distinguished Senator from Arkansas [Mr. FULBRIGHT]. He points that there is no substantive amendment to the bill, and that the adoption of my amendment would require the bill to go back to the House. But he points out, further, that there is on the calendar S. 2214, a bill to amend the International Development Association Act to authorize the United States to participate in an increase in the resources of the International Development Association.

The distinguished Senator from Arkansas assures me that he will accept this and, in fact, amplified language to that bill, so that it would read, "out of funds or credit supplied by the taxpayer," meaning, of course, borrowed funds. He assures me that he will accept that language and take it to conference, if that becomes necessary.

Not to be in the position of taking advantage of the clock or the calendar, I shall relent in my crusade for the Dirksen formula today, with the full understanding that this language will be accepted as an amendment to Senate bill 2214.

Mr. FULBRIGHT. Mr. President, will the Senator from Illinois yield?

Mr. DIRKSEN. I yield.

Mr. FULBRIGHT. I wish to make it clear that it should be in the language, and not merely the legislative history; that this provision would mean borrowed funds as well as tax funds, because I am quite sure that the Treasury, under its procedures, does not segregate funds. I would not want the Senator from Illinois to understand otherwise.

Mr. DIRKSEN. Oh, no; I want the language to be all-inclusive. If the Senator knows of any other kinds of funds, or can think of any, I hope he will include them, too.

Mr. FULBRIGHT. I have no objection to including such expanded language as the Senator from Illinois has mentioned, so long as it will not entail any change in the bookkeeping procedures of the Treasury. That is a question that would have to be studied at length. I think it ought to be clarified. I am sure the Senator would agree that if the Treasury experts find that it would be a danger or an inhibition on the way the Treasury operates, the Senator would adjust the language accordingly.

Mr. DIRKSEN. Obviously, I would not wish to impede the regular, legal processes of the Treasury; but I wish the

Senator from Arkansas would be a little more affirmative, instead of saying that he will have no objection.

Mr. FULBRIGHT. I will agree to accept the language proposed by the Senator as an amendment to the bill relating to the International Development Administration. From there on, the Senator from Illinois is on his own.

Mr. DIRKSEN. He will want to be on his own.

Mr. FULBRIGHT. I will accept the language.

Mr. DIRKSEN. Mr. President, under those circumstances, I will withdraw the amendment.

The PRESIDING OFFICER. The amendment is withdrawn.

Mr. MORSE. Mr. President, I yield 3 minutes to the distinguished Senator from Iowa.

Mr. MILLER. Mr. President, under the bill, the United States would be committed to the sum of \$400 million, callable in the event of a default, to the In-

ter-American Development Bank. The distinguished Senator from Arkansas [Mr. FULBRIGHT] stated that this money would be appropriated, one-half of it before the end of this year and one-half before the end of 1965, but that it would not be transferred.

Before the Senate votes, we should take into account the fact that many other nations will be subject to call in the event of default. I have prepared a table setting forth the names of those other countries and the amount of their proposed subscriptions, which range all the way from \$4,870,000 in the case of some of the smaller Latin American nations, to \$120,340,000 in the case of Argentina and Brazil.

It is interesting to observe that of these other nations, only four are not delinquent in their United Nations assessments and contributions. I have set forth the amount of the U.N. arrearages as of September 30, 1963, and also the amounts of grants and loans that these

countries received from the United States during fiscal year 1963. It is deplorable that the amount of grants and loans, which do not include Public Law 480 assistance or other types of foreign aid, are generally greatly in excess of the amount of U.N. arrearages.

For example, Argentina received \$109,700,000 in grants and loans from the United States in 1 fiscal year—1963. Still Argentina could not pay the total of \$2,182,925 to the United Nations to become current in its assessments and payments.

There is a corresponding lag in the case of all the other nations except Colombia, Ecuador, Haiti, and Venezuela, which are current in their assessments.

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

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

*A comparison of proposed subscriptions to the proposed \$1,000,000,000 increase in callable capital of the Inter-American Development Bank and the arrearages in United Nations assessments, along with certain foreign aid from the United States of America*

Country	Proposed subscription	Total United Nations arrearages (as of Sept. 30, 1963)	Grants and loans from United States for fiscal 1963 <sup>1</sup>	Country	Proposed subscription	Total United Nations arrearages (as of Sept. 30, 1963)	Grants and loans from United States for fiscal 1963 <sup>1</sup>
Argentina.....	\$121,340,000	\$2,182,925	\$109,700,000	Honduras.....	\$4,870,000	\$32,385	\$10,400,000
Bolivia.....	9,740,000	80,000	36,300,000	Mexico.....	78,000,000	1,129,359	8,400,000
Brazil.....	121,340,000	410,942	67,200,000	Nicaragua.....	4,870,000	42,699	3,700,000
Chile.....	33,320,000	412,289	46,200,000	Panama.....	4,870,000	52,218	8,200,000
Costa Rica.....	4,870,000	40,847	13,000,000	Paraguay.....	4,879,000	85,567	5,900,000
Dominican Republic.....	6,500,000	52,354	12,000,000	Peru.....	16,260,000	158,745	4,500,000
El Salvador.....	4,870,000	11,735	19,600,000	Uruguay.....	13,010,000	220,970	15,900,000
Guatemala.....	6,500,000	89,828	11,200,000				

<sup>1</sup> Does not include Public Law 480 assistance or any other form of foreign aid. No arrearages shown for Colombia, Ecuador, Haiti, and Venezuela. Proposed subscriptions set forth at page 34 of special report of May 1963 by National

Advisory Council on International Monetary and Financial Problems, entitled "On Increase in the Resources of the Inter-American Development Bank."

Mr. MORSE. Mr. President, I yield back the rest of my time.

Mr. FULBRIGHT. I yield back the remainder of my time.

The PRESIDING OFFICER. All time has been yielded back. The bill is open to amendment. If there be no amendment to be proposed, the question is on the third reading of the bill.

The bill was ordered to a third reading and was read the third time.

The PRESIDING OFFICER. The bill having been read the third time, the question is, Shall it pass? On this question, the yeas and nays have been ordered, and the clerk will call the roll.

The legislative clerk called the roll.

Mr. HUMPHREY. I announce that the Senator from Indiana [Mr. BAYH], the Senator from North Dakota [Mr. BURDICK], the Senator from Nevada [Mr. CANNON], the Senator from Oklahoma [Mr. EDMONDSON], the Senator from Alaska [Mr. GRUENING], the Senator from Michigan [Mr. HART], the Senator from Hawaii [Mr. INOUE], the Senator from Washington [Mr. JACKSON], the Senator from Washington [Mr. MAGNUSON], the Senator from Wyoming [Mr. MCGEE], the Senator from South Dakota [Mr. MCGOVERN], the Senator from Montana [Mr. METCALF], the Senator from Utah [Mr. MOSS], the Senator from Wisconsin [Mr. NELSON], the Senator from Rhode Island [Mr. PASTORE], the Senator from Virginia [Mr. ROBERTSON], the Senator from Tennessee [Mr. WALTERS], the

Senator from New Jersey [Mr. WILLIAMS], the Senator from Ohio [Mr. YOUNG], and the Senator from Idaho [Mr. CHURCH] are absent on official business.

I also announce that the Senator from California [Mr. ENGLE] is absent because of illness.

I further announce that, if present and voting the Senator from Indiana [Mr. BAYH], the Senator from North Dakota [Mr. BURDICK], the Senator from Michigan [Mr. HART], the Senator from Hawaii [Mr. INOUE], the Senator from Washington [Mr. MAGNUSON], the Senator from Wyoming [Mr. MCGEE], the Senator from South Dakota [Mr. MCGOVERN], the Senator from Montana [Mr. METCALF], the Senator from Wisconsin [Mr. NELSON], the Senator from Rhode Island [Mr. PASTORE], the Senator from New Jersey [Mr. WILLIAMS], the Senator from Idaho [Mr. CHURCH], and the Senator from Washington [Mr. JACKSON] would each vote "yea."

Mr. DIRKSEN. I announce that the Senator from Colorado [Mr. ALLOTT], the Senator from Delaware [Mr. BOGGS], the Senator from New Hampshire [Mr. COTTON], the Senator from Nebraska [Mr. HRUSKA], the Senator from California [Mr. KUCHEL], the Senator from Vermont [Mr. PROUTY], the Senator from Wyoming [Mr. SIMPSON], and the Senator from Texas [Mr. TOWER] are necessarily absent.

The Senator from New York [Mr. JAVITS] is absent on official business attending a meeting of NATO parliamentarians.

The Senator from New Mexico [Mr. MECHEM] is necessarily absent attending the funeral of a friend.

If present and voting, the Senator from Delaware [Mr. BOGGS] and the Senator from California [Mr. KUCHEL] would each vote "yea."

On this vote, the Senator from Colorado [Mr. ALLOTT] is paired with the Senator from Texas [Mr. TOWER]. If present and voting, the Senator from Colorado would vote "yea," and the Senator from Texas would vote "nay."

On this vote, the Senator from New York [Mr. JAVITS] is paired with the Senator from Nebraska [Mr. HRUSKA]. If present and voting, the Senator from New York would vote "yea," and the Senator from Nebraska would vote "nay."

The result was announced—yeas 45, nays 24, as follows:

[No. 2 Leg.]

YEAS—45

Aiken	Dominick	Kennedy
Anderson	Douglas	Long, Mo.
Bartlett	Fong	Long, La.
Beall	Fulbright	Mansfield
Brewster	Hartke	McCarthy
Byrd, W. Va.	Hayden	McClellan
Carlson	Hickenlooper	McNamara
Case	Hill	Monroney
Clark	Holland	Morton
Cooper	Humphrey	Muskie
Dodd	Keating	Neuberger

Pearson  
Pell  
Proxmire  
Randolph

Ribicoff  
Saltonstall  
Scott  
Smathers

Smith  
Sparkman  
Yarborough  
Young, N. Dak.

NAYS—24

Bennett  
Bible  
Byrd, Va.  
Curtis  
Dirksen  
Eastland  
Ellender  
Ervin

Goldwater  
Gore  
Johnston  
Jordan, N.C.  
Jordan, Idaho  
Lausche  
McIntyre  
Miller

Morse  
Mundt  
Russell  
Stennis  
Symington  
Talmadge  
Thurmond  
Williams, Del.

NOT VOTING—31

Allott  
Bayh  
Boggs  
Burdick  
Cannon  
Church  
Cotton  
Edmondson  
Engle  
Gruening  
Hart

Hruska  
Inouye  
Jackson  
Javits  
Kuchel  
Magnuson  
McGee  
McGovern  
Mechem  
Metcalfe  
Moss

Nelson  
Pastore  
Prouty  
Robertson  
Simpson  
Tower  
Walters  
Williams, N.J.  
Young, Ohio

So the bill (H.R. 7406) was passed.  
Mr. FULBRIGHT. Mr. President, I move that the vote by which the bill was passed be reconsidered.

Mr. HUMPHREY. Mr. President, I move that the motion to reconsider be laid on the table.

The motion to lay on the table was agreed to.

GERMANENESS OF DEBATE UNDER CERTAIN CIRCUMSTANCES

The PRESIDING OFFICER. The Chair lays before the Senate the unfinished business which will be stated by title for the information of the Senate.

The LEGISLATIVE CLERK. Senate Resolution 89, providing for germaneness of debate under certain circumstances.

Mr. PROXMIRE obtained the floor.  
Mr. MANSFIELD. Mr. President, will the Senator from Wisconsin yield, without losing his right to the floor?

Mr. PROXMIRE. I yield.  
Mr. MANSFIELD. Mr. President, for the information of the Senate there will be no debate on the unfinished business which is now pending.

Mr. DIRKSEN. Mr. President, will the Senator from Wisconsin yield, without losing his right to the floor?

Mr. PROXMIRE. I yield.  
Mr. DIRKSEN. I understand the only business will be the special order of the distinguished Senator from Wisconsin, and other speeches, but no business or record vote.

The PRESIDING OFFICER. That is correct.

ADDITIONAL COSPONSOR TO AMENDMENT NO. 329, PROVIDING INCOME TAX CREDIT FOR COLLEGE EXPENSES

Mr. PROXMIRE. Mr. President, I ask unanimous consent that I may yield to the Senator from Connecticut [Mr. RIBICOFF] without losing my right to the floor.

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

Mr. RIBICOFF. Mr. President, I ask unanimous consent that at the next printing, the name of the Senator from Oklahoma [Mr. EDMONDSON] may be added as a cosponsor to amendment No.

329, providing income tax credit for college expenses.

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

ORDER FOR ADJOURNMENT

Mr. MANSFIELD. Mr. President, will the Senator from Wisconsin yield, without losing his right to the floor?

Mr. PROXMIRE. I am glad to yield.  
Mr. MANSFIELD. Mr. President, I ask unanimous consent that when the Senate concludes its business today, it adjourn until 12 o'clock noon tomorrow.

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

JOINT SESSION OF THE TWO HOUSES TOMORROW—TO HEAR AN ADDRESS BY THE PRESIDENT OF ITALY, ANTONIO SEGNI

Mr. MANSFIELD. Mr. President, I invite the attention of the Senate to the fact that the President of Italy, Antonio Segni, will address a joint session tomorrow. The Senate will leave the Chamber in a body at approximately 12 o'clock and 13 minutes p.m. for the Hall of the House of Representatives.

PROXMIRE REPORT FROM WISCONSIN FARMERS

Mr. PROXMIRE. Mr. President, I have just returned from a 7-day, 38-speech tour of Wisconsin farm areas. My tour began on December 31, 1963, the day we adjourned. It ended January 6, 1964, the day before the Senate came back into session.

I spoke exclusively on the farm problem and I spoke with hundreds of Wisconsin farmers. When I say I spoke with Wisconsin farmers, I mean just that. I spoke briefly in each case. There were discussions with farmers about serious problems and what could be done about them. I listened as well as spoke. Wisconsin farmers told me what they feel and think. These are the men and women who have to live with those serious, tough, and difficult problems.

My speech is a report from those Wisconsin farmers on their needs and their aspirations.

LOW FARM INCOME

First, I shall spell out briefly the economic difficulty in which the American farmer finds himself. It is a sad fact that farm income is not merely low—it is shamefully low. It is a shocking one-half of the income of the people who live off the farm. I think I can demonstrate that that single fact represents the No. 1 economic injustice in America, when we recognize what the American farmer has to do today to earn that income.

Last month the farm parity index hit its lowest level in 25 years, at 76. The ratio of what farmers receive to what they have to pay is now lower than it has been since August 1939, in the great depression—lower than it has been for an entire generation of Americans and farmers.

By 1954, which was only 10 years ago, farm income, and especially dairy in-

come, had sunk to depression lows. Since 1954 this country has enjoyed one of its greatest booms for people off the farm. But farm income has remained nailed down to the same shamefully low level it reached in 1954. It has not increased at all. The economic indicators show that the level of the gross national product, has climbed from \$363 billion in 1954 to approximately \$600 billion today. So the gross national product has increased about two-thirds. But farm income is at the same low level where it was 10 years ago.

During the same period in which farm income has failed to rise from its depression low, our country has enjoyed what has been really its greatest and most widely shared prosperity. The stock market is at an all-time high. The stock market today, in fact, is about twice as high as it was at its peak in 1929. Corporate profits are breaking all records. Personal income is better than ever in our history by far.

Farmers now earn a pitiful one-half of what people off the farm earn.

Some say, "If farmers are not doing any better, that is their tough luck." They charge that it is the farmer's fault.

STANDARDS OF JUSTICE FOR FARM INCOME

Is it? Does he work hard enough? Does he invest enough? Is he willing to take the free enterprise risks? Is he applying his work and his investment with skill and intelligence?

Let us consider whether the farmer is entitled to earn more. What are the criteria in this free enterprise, capitalistic society by which we can judge whether a man is entitled to an opportunity to earn an adequate income? I do not mean humanitarian standards that might be proposed to buttress a man's right to earn enough to live. I mean hardheaded, tough-minded, conservative standards of whether or not a man has really earned the right to a good income. I suggest the following four criteria:

First, the number of hours worked; second, size of investment by the earner in his job; third, risk undergone by the investor in doing the job; fourth, and finally, the skill, the intelligence, and astuteness with which the work, the investment, and the risk are applied in the job.

If a man has worked longer hours, if he has made a larger investment, if he has taken a bigger risk with the investment and improved his productivity more than others in the society, if the system is working properly, that man should have an opportunity to earn a larger income.

LONG HOURS OF FARMWORK

In this country we now have a 5-day week and an 8-hour day for a vast majority of Americans who work off the farm. Many work less. A few work more. How many hours does the American farmer work? Last year the Department of Agriculture disclosed that their surveys showed the typical Wisconsin farmer worked in June 1963, about 84 hours a week. He works a little less, but not much less, in the winter. That is pretty close to his average week's work.

He works at it 52 weeks a year, because the cows must be milked every day.

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

Mr. PROXMIRE. I yield.

Mr. DOUGLAS. The Senator has made a very important statement. Would the number of hours worked by a farmer in a nondairy region in the winter be as many as the number which the Senator has stated?

Mr. PROXMIRE. I believe that the Senator from Illinois has made a proper observation. In the nondairy areas, farmers do not work as much in winter as they do in summer, but they do work long hours, even in the winter. Winter is the time when they must do their repairs and all kinds of things around the farm which they do not have time to do in the summer. In our State there are areas in which primarily corn, hogs, and similar products are produced. I find on those farms that the farmers work hard in the winter.

But the Senator has made a good point. The farmers do not work 84 hours on many of the farms in the winter as they do in the summer. Of course, in the South, where they have a longer growing season, probably they work about the same length of time the year around.

In my judgment, the farmer works about twice the number of hours worked by people off the farm, but the farmer receives half the income.

Think of that. The American farmer works twice as long but his income is one half of the income of people who put in only half the number of hours he does. Is that justice?

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

Mr. PROXMIRE. I yield.

Mr. SYMINGTON. First, I congratulate the able Senator from Wisconsin for his address, which I have read. In previous addresses he has put at least before the Senate as many facts with respect to the problems of the American farmer as has any other Member of this body. I know that the farmers in my State, as well as the farmers of Wisconsin and the farmers nationally, will be grateful to him for his splendid and thought-provoking address.

The Senator has made the statement—which I am sure he would not have made if he did not know his facts—that farmers work about twice the number of hours worked by people off the farm and receive only half the income. In making this statement, the Senator is pointing out the problem of the farmer and of agriculture in general as well as I have ever heard it presented in the Senate. I hope the Senator will continue to bring the facts to the American people in additional addresses of the character he is presenting.

Mr. PROXMIRE. I think the distinguished Senator from Missouri very much.

#### INVESTMENT

The great majority of Americans make no investment in their jobs except themselves. Few of them own their own tools. Almost none of them owns any part of the building they work in, the desk they work at, the machine they tend.

Lawyers earn a substantial income in this country, and they make some investment: perhaps \$3,000 or \$4,000 or more in a law library, office space, office equipment.

Doctors do very well. They, too, make an investment: possibly \$8,000, \$10,000, or \$12,000, occasionally more, in their equipment.

How about farmers? Mr. President, the typical farmer in my State does not invest \$3,000 or \$4,000 or \$8,000 or \$10,000. He invests \$40,000 or \$50,000 in his farm.

Does he get a return anything like that of a lawyer or a doctor? As I have said, he has a return which is pitifully inadequate. It is one-half the income of those working off the farm.

Recently a study was reported in U.S. News & World Report of the income of people in all kinds of enterprises—proprietors, factory workers, employees of department stores, and so forth. At the bottom of the list—and I mean at the bottom—was the farmer.

But whether he owns or rents the farm he pays for, he is responsible for every acre of land, for his herd, his buildings, his equipment. And the cost of this investment is going up every day.

The cost of equipment is rising very sharply; and it has been rising for years. For the past 15 years interest rates have been steadily rising, and the farmer has to pay more and more in his financing.

The farmer is above all a debtor. He is more of a debtor now than he has ever been. He has to pay more and more for his financing.

Equipment costs, construction costs, land costs, herd costs, vet costs, fertilizer costs, all costs have been rising and fast.

So here we have the farmer making a far, far bigger investment than any other significant group in our society and earning only half the income.

Mr. President, this is capitalism. The man who invests the capital is supposed to earn the income—unless he is a farmer. Then he is left out. Is this justice? Is this capitalistic justice?

#### RISK

Some say that the return a man makes on his investment must be related to the risk he takes. This is a fundamental principle of economics.

Generally, it works that way. Government bonds have no risk. They provide a low return, now about 4 percent. Mortgages have a little more risk. The return is about 6 percent. Manufacturing industry involves a larger risk. The return is 8 to 12 percent roughly in this country.

How about the farmer? Does he take a risk?

Mr. President, he takes a risk that would frighten the whiskers off most people. He takes a weather risk, and a big one. Last year there was a drought in Illinois, Wisconsin, and throughout the Middle West. It cost the farmers millions of dollars.

But the farmer can also suffer from excessive rainfall, illness to his herd, and punishing price drops.

The proof of the terrible risk farmers take is the fact that 200,000 farmers a

year are leaving farming, every year, year after year.

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

Mr. PROXMIRE. I am happy to yield.

Mr. SYMINGTON. It was some 11 years ago that I first came to the Senate. At that time some 12 percent of the population was working in the production of food, down from over 90 percent at the time our country started. It is now my understanding that 7 percent of the people of the United States are working in the production of food.

When these people leave the farm, because they cannot live there, and go into the cities, and when one correlates that fact with such problems as automation, is it not true that the remainder of the taxpayers end up by contributing a great deal to their support because many of them have to go on aid in the various communities into which they have moved?

Mr. PROXMIRE. The Senator makes an excellent point. It is true that most farmers, when they sell their farms and move into the city, have a little bit of net worth. They usually have very little when they sell out, because they do not like to sell out. They do not like to move off the farm. After paying off their debts they have left very little. Furthermore, when they leave the farm, they are not men of 21, 22, or 23 years of age. They are often older men, men of 45, 55, or 65.

These men who try to get jobs have no seniority or specialized skills. Every statistic I know of shows that those who are out of work are unskilled or have very little skill. The farmer has high farming skills but not the specialized skills which make him easily employable. He leaves the farm after years of work on it. He leaves at age 45, or older, to find a job. As the Senator from Missouri has indicated, in many cases, he becomes a bigger burden on the American people through relief or some kind of assistance or care for the farmer and his family.

Mr. SYMINGTON. Mr. President, will the Senator yield further?

Mr. PROXMIRE. Let me make one further point. Some people say farmers ought to leave the farm in even greater numbers. The recommendation has been made that we ought to let blind economic forces work their will, and then we would have an appropriate adjustment.

The fact is that more farmers left the farm during the Korean war, when farm prices were high, than at any other period. Why? Because it was a period when there was an opportunity off the farm, when the jobs were there, when they could get jobs.

When farmers are forced, as they are now, to leave the farm, the future of these good, hard working men and women in the city is bleak for them; and I think it is a tragedy for our Nation.

I yield now to the Senator from Missouri.

Mr. SYMINGTON. I remember that in the fall of 1953 I carried around for some weeks a check for \$1.70, which was

the amount received by a farmer who sold a cow. He had run out of feed grain and was therefore forced to take whatever he could for that cow. After giving me the check, he went down the road with his family. I never forgot that particular case.

It is true that, even though farmers have a relatively heavy investment in their farms, when a farmer must sell his property he is often forced to sell at bankrupt prices, because he cannot remain, and takes what somebody in the neighborhood or someone looking for a bargain will offer him for the farm and the tractors or other units of equipment he has.

Mr. PROXMIRE. The Senator is correct. The number of foreclosures is increasing, but the farmer more frequently sells, not because he is absolutely bankrupt, but because he is close to it, and because he knows he cannot keep his head above water very long. The net he gets out of the sale is apt to be pitifully inadequate.

Mr. President, these are good farmers. The inefficient, marginal farmer was shoved off 5, 10, or 15 years ago. These are the people who are left after the fierce competition and after the farmers who had drifted into farming or were casual farmers or lazy or wasteful farmers had already left. These are people who have devoted their lives to farming, whose fathers and grandfathers, in many cases, farmed the same land.

They love the wholeness and fine family life of working together, and the communion with God in His great natural out of doors.

Mr. President, I do not say that lightly. These people feel their communion with God. They do not often talk about it, but they feel it. I know, on the basis of seeing them and talking with them, how deep their dedication to morality and religion goes.

But reluctantly, painfully, they leave because the prices they receive are cruelly low, and the prices they pay are steadily going up.

The fact is that American farming is the big risk business in America. If farmers were rewarded on the basis of risk, they would be leading the prosperity parade instead of being left out of it as they have been.

#### FARM PRODUCTIVITY

People say, "Yes, you can work long hours of work, make a big investment, take a risk, but if you are not shrewd and intelligent in how you apply these resources, you cannot expect a return." The real payoff, it is said, is efficiency and productivity. Regardless of the hours of work a man works, or the size of his investment, or the risk he takes, or the skill and intelligence he uses, that is the real payoff.

How does the American farmer compare on this score?

The most comprehensive statistics I can obtain as chairman of the Statistics Subcommittee of the Joint Economic Committee show that the typical American off the farm increased his productivity during the past 15 years by about 35 percent—about one-third.

How about the farmer? Did he do a more or less efficient job? He increased his efficiency not by 35 percent, 50 percent, or 75 percent, but by a sensational 100 percent. Think of it. Today one farmer can produce what it required two farmers to produce 15 short years ago, in 1949.

This is the most remarkable improvement in efficiency, not only in this country but literally in the world.

How very much this has meant to the free world. The big economic advantage this country has over the U.S.S.R. is not in our factory or commercial production. It is in agriculture, in the amazing productivity of our family farm.

It is no accident that the first thing Khrushchev wanted to see when he came to this country was not an American factory or a commercial enterprise, but an American farm.

Our family farm has run rings around the Soviet collectivized production; and for a good reason.

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

Mr. PROXMIRE. I yield.

Mr. MONRONEY. I appreciate the important statistics and comments given by my colleague and seatmate about the part the American farmer has played in producing the very substance of American life, of which he has had so little. The fact that the farmer has had a productivity increase of 100 percent in 15 years is a most important figure, because, as I go around my own State, the people in the cities and smaller towns direct their criticism of the farm program at the surpluses.

To me, we are peculiarly blessed, we are the only people in the world who actually have surpluses to worry us. We condemn the farmers for them when we should give recognition to the blessing we have in our country; to the ability of our farmers to grow on fewer acres and fewer farms more food than has ever been produced in the history of mankind.

The problem is to adjust farm production to our needs and to have intelligent farm programs that will support rather than destroy farm prices. For that reason I know the distinguished Senator, who has worked so hard in this field, will help us in efforts to channel this abundance into uses for peace, for starving nations, and for people at home, and also to provide programs that will, through diversification, build up a market for these farm surpluses, or transfer them into other items of greatly needed production.

We should be appreciative of the blessings of our production, instead of cursing it and fearing it. It is our good fortune to be so blessed.

I compliment the Senator for his understanding of this acute problem.

Mr. PROXMIRE. The Senator makes a very important point, one that I had not given sufficient emphasis to, but which is extremely basic. This great food production is indeed a blessing. How many times in human history have people had too much food? As the Senator from Oklahoma has indicated, we do not really have too much food even now.

There are hungry people in the world. As the President of the United States has indicated in his great state of the Union message, there are hungry people in the United States. We need to extend the food stamp plan, a plan which the senior Senator from Illinois has advocated. We can feed Americans better than we have in the past.

We can use our great food surplus with even more ingenuity and generosity than we have exhibited in the past.

I believe that America's record in foreign aid may be subject to some criticism, but certainly not the food for peace program. It has won almost universal approbation. I have found that not only many farmers, but many nonfarmers also, look upon this program with understanding and appreciation. They know what it is all about, and what it is accomplishing. In country after country it has been a success. Three or four years ago there were only about two countries that had a food for peace program. Now there are 11 such countries, and we are moving rapidly toward 15 or 16.

In those countries we are paying wages in food, so that, instead of spending their whole time scratching a living out of the soil, people can have enough to eat and enough with which to feed their families, and in that way make it possible for them to build roads, factories, hospitals, and schools. In that way they can begin the long climb up from poverty.

The Senator from Oklahoma has indicated that we need to place more emphasis on diversification of markets so that we can use this wonderful productivity effectively.

On my tour in Wisconsin, a number of farmers pointed out that the Federal Government seems bound somehow or other to bury farmers under a huge surplus. We have spent huge sums of money to increase productivity, to make our farms more productive. That is important; and in the long run that has made a great contribution, and will continue to do so. However, as these farmers have pointed out to me, they do not get any help from the standpoint of the ingenuity of our Federal Government in connection with the promotional and marketing aspect.

On New Year's Day, on my tour, I sat with farmers who were impressed with what they saw on television, the Tournament of Roses program, on which there was a vast amount of promotion for substitutes for dairy products, and on behalf of all kinds of synthetic goods, but nothing in connection with the promotion of dairy products.

The American family farm, more than any other economic unit, gives full play to the strongest free enterprise incentives. The farmer owns his land, his tools, his herd, his buildings. His future depends on how skilled and efficient he and his family become.

That is in complete contrast with the situation of the Russian farmer, who does not own his land, his tools, his buildings, or his herd, and has none of the proprietary interest or the incentive or the drive that our farmers have.

What a job the American farm family has done.

The American farmer and his wife not only work endless hours. He and his wife not only pour every penny they can earn and borrow into better equipment and fertilizer and concentrate, but, in many cases, they sacrifice the good things of life that nonfarmers take for granted.

I have visited literally thousands of Wisconsin farms, on which the farmers have obviously spent money for fine equipment. I have examined the herds and the land. In many cases the house the family lives in, while it is spotlessly clean, is lacking many accessories that almost anyone would take for granted.

The farmer and his wife have made sacrifices in order to keep going and establish the kind of great efficiency that is required for a farmer to make progress in these days.

Now, the American farmer has studied and worked to improve the job he is doing. For example, the complex business of farming includes animal husbandry. Animal husbandry is highly complicated and requires more and more study all the time. It involves the production per cow, for example, in dairying; the production per beef animal; the production per hog, and so forth. It is becoming more and more specialized and complex and requires careful study.

There is also the business of soil chemistry, insecticides, bargaining for the right equipment, and keeping accurate and complete books.

Now, vigorously, astutely, and carefully, farmers have learned to bargain, because money is short, and they must use every bit of shrewdness and care in order to survive.

These days every farmer—especially dairy farmers—must keep an accurate, careful set of books. He must be almost an accountant as well as a skilled farmer in order to keep moving. What a contribution this efficiency has made to the American consumer.

In Russia, the typical family spends one-half its income on food. That means it has one-half left over for everything else it buys. In Western Europe, the typical family spends about one-third of its income on food, thanks to a remarkably rising standard of living. What about this country? In the United States 10 years ago, the typical family spent one-quarter of its income on food. This year it will spend a mere one-sixth of income on this prime necessity of life and enjoy a greater variety of wholesome and tasteful food than any people in the history of the world.

This is the most advantageous position that any people have ever been in, in any country of any size. It is the advantage this country enjoys today. Only \$1 out of \$6 do the people of the United States have to spend on food; and they get the best food anybody has ever eaten. But our American nonfarm family has five-sixths of their income left over to buy all the other things they wish to buy.

If anyone wonders why in this country we can afford more automobiles, more refrigerators, more television sets, more homes, more recreation, more education, the answer is right there. The

American farmer has made it possible for Americans alone in the world to have five-sixths of their income left over after they buy the prime necessity of life—their food.

Why is this? It is largely because the American farmer has kept his big major contribution to the cost of food so low.

Fifteen years ago the farmer received one-half of the housewife's dollar. Today he gets, not one-half, but only 36 cents—only a little more than one-third. The cost of food includes the entire income of the farmer, the processor, the wholesaler, the retailer.

Furthermore, this cost of one-sixth of the average family income also includes the full cost of the Federal farm program. So when people complain about the cost of the Federal farm program, they should realize that this is a part of the bargain. It is the best bargain any people ever had in the world.

What a bargain.

What a pitifully insulting reward. For all this great contribution the farmer, who works twice as long as people off the farm, who invests far, far more, who risks more than anyone else and who has increased his efficiency a whopping three times as much, earns half the income.

This is injustice at its worst.

#### FARMER'S REACTION

Mr. President, what is the reaction of Wisconsin farmers to this prime injustice of our economic system?

The overwhelming majority recognize that their income is too low.

They have poured far more work, investment, and brainpower into their jobs than anyone else, and they resent the fact that they are earning such a miserably inadequate income. They do not dwell on this resentment. But they do want to do something about it.

I am talking about the reactions I received from literally hundreds of farmers when I traveled through Wisconsin and delivered speeches in 38 different parts of the State.

The action the farmers want to take varies from joining the National Farmers Organization to bargain collectively for higher prices, to developing a far better and bigger promotional and selling campaign for farm products.

#### FARMERS DISLIKE PRESENT PROGRAM

The farmers with whom I talked are almost universally positive that the present farm program is, with few exceptions, working very badly.

The present voluntary feed grain law is popular. The tobacco program—we have two big tobacco-growing counties in Wisconsin—is working fairly well.

#### RESENT GIVEAWAY CHARGE

But the overall effect of our farm legislation is considered by the farmers I talked with as about as bad as it could be. They are deeply concerned with the charge that they are living on Federal handouts because of the cost of the Federal farm program. They resent the charge that they are the beneficiaries of subsidies.

They favor almost any change in the farm program which would enable them to earn their price in the marketplace

with Government action kept to a minimum.

The farmers at the meetings I addressed deeply resented the failure of the press to report the subsidies paid to other American groups—especially business interests—while the press dwells on farm subsidies.

The press fails to dwell on subsidies paid to other American groups; yet in editorial after editorial and article after article it dwells on subsidies paid to the farmers. Again and again farmers would point to the huge subsidies paid water carriers, airlines, mining interests as well as defense industries. These giveaways get little or no notice in the press, while farm subsidies are grossly exaggerated. They deeply resent the inclusion of welfare programs such as school milk and school lunch—and overseas assistance programs like food for peace—as handouts to the farmers.

Farmers are also becoming increasingly aware of the fact that even if we include the full cost of the Federal farm program on top of the price farmers receive, American consumers still enjoy by far the best bargain in the world.

At the same time they know that businesses in many cases establish their prices based upon their costs and a profit.

At the Harvard Graduate School of Business Administration, one of the factors that is constantly emphasized is that if one expects to operate a profitable enterprise, he had better have a strong cost-accounting system. The reason for it is not merely so that he can keep his costs down, but fundamentally so that he can keep his prices based on his costs. If one expects to stay in business very long, he has to cover his out-of-pocket cost and overhead cost to allow a return on his invested capital. That is fundamental in American business. It is not done only by big business. It is not only United States Steel that establishes prices.

I operated a small printing firm near Madison, Wis., in Waterloo, Wis. We had something like 38 competitors. That was just before I came to the Senate. They were larger than we were, or about the same size. A few were a little smaller. So we were in as strenuous competition as almost any American business is likely to be. How did we establish our prices? We did not establish them by asking our customers what they would pay. We established our prices by telling our customers what they would have to pay if they wanted to buy our product, which is what almost every business has to do.

We had a cost-accounting system in which we determined what our full costs were, what our overhead was, and what our profit had to be if we were to remain in business. We stood by our cost-accounting system.

Farmers cannot do that. No farmer can do it. Farmers have no control whatever over the prices they charge.

Furthermore, farmers see that labor unions ask and get increased wages. They know that profits are at an alltime high, that dividends have increased 50 percent in the last 10 years, and that

wages have risen 40 percent since 1954, while farm income has remained at the same level. While farmers concede that labor and management have done efficient work, they wonder why rules of the game cannot be established to permit farmers to do better than to lose income when their efficiency is increasing a remarkable three times as fast as those off the farm.

#### FARM POLITICAL INFLUENCE FADES

As I indicated a little earlier in a colloquy with the Senator from Illinois, farmers are becoming more aware than ever that their always feeble political influence is dwindling even more rapidly because greater farm productivity, with 1 farmer now producing what 2 farmers could produce 15 short years ago, is resulting in the exodus of 200,000 farmers from the farms every year. So there are fewer farmers.

The Senator from Missouri [Mr. SYMINGTON] said that when he first came to the Senate 11 years ago, 12 percent of the American population was engaged in farming. Now the number is down to about 7 or 8 percent. As these farmers leave farming, the nonfarm population is growing by leaps and bounds. So the farm vote grows smaller and weaker.

In the recent tour which I just completed, many farmers pointed out that political influence has always been enfeebled by the tragic division and contention among farm organizations. The two largest, for example, the Farm Bureau and the Farmers Union, can agree on almost nothing. More than anything else, this constant disagreement has stymied farm political influence. The Wisconsin farmers know this.

Several farmers said, "We can't expect Congress to vote for anything that will help the farmer when the consumer has so many more votes." The taxpayer who is not a farmer also obviously has more than 10 times as many votes. Because of this weak and diminishing political influence, and especially because of the patent injustice of low farm income, the National Farmers Organization has growing appeal.

#### NFO GROWING

Throughout my meetings, the one organization most likely to provoke spontaneous applause and approval was the NFO. Farmers are shrewd and realistic. They know there are serious technological difficulties in the way of farm organization for collective bargaining to secure higher prices. For example, milk—our great Wisconsin product—is perishable. Cows dry up promptly if they are not milked regularly. The ultimate weapon of the NFO, if called for—withholding of milk—has serious public-interest and health implications.

And would farmers surrender their prized individuality, submerge their independence enough to organize into a militantly effective group? Many farmers seriously question this. Our farmers are noted for their individuality and their self-reliance—and for their pride in their individuality and self-reliance.

But in spite of these serious handicaps, the NFO is making progress. Farmers are paying that tough-to-part-with \$25

to join, sometimes with small hope, but in real desperation.

To a Wisconsin farmer these days \$25 is a great deal of money. That is what it costs to join this militant collective bargaining organization. In my State, the organization has doubled in size in the past year. The farmer is really becoming desperate.

There is some feeling, as expressed by a farmer in one townhall, like this:

I hope any farm legislation increasing farm income fails. I want to see this situation get so bad and farmers get such a bellyful of low prices and high costs, that they will join the NFO because it's the only possible hope. Then we'll be able to make some progress and only then.

This is no rare or eccentric view. Many farmers share it. In different ways the same determination to organize and bargain for better prices if the situation got bad enough was expressed again and again.

The farm parity index is the lowest it has been in a generation; less than since August of 1939; since the depression. No wonder farmers are becoming desperate.

#### PRESIDENT JOHNSON CONSIDERED BIG HOPE

Without being partisan, I could not accurately report without saying that there were a number of farmers who said that the new President, Lyndon Johnson, is considered by some farmers to be their best hope. They know that President Johnson not only has an interest in the farm problem, but an unusual competence and knowledge of it. Surprisingly, several farmers recall the television reply by then Majority Leader Lyndon Johnson to Secretary Benson back in the mid-fifties, when the then majority leader made an effective appearance on television, displaying a loaf of bread which he told his audience cost the housewife 25 cents, but for which the farmer received less than 2 cents. He also displayed a shirt, and he pointed out that the cost of the shirt was about \$3 to the housewife but the farmer received only a pitifully few cents from it. Lyndon Johnson emphasized that low farm income is a plague on most farmers. The farmer is a vital and important consumer. There is involved not only a matter of injustice, but a matter of economic loss and economic stupidity.

As was demonstrated on television by Mr. Johnson some feel that President Johnson's understanding both of how low farm income is and how high efficiency and productivity are on the farm will mean a strong helping hand for legislation that will permit farmers to earn more. They also think that the new President will appreciate how important the farmer is as a customer for steel, oil, electricity, rubber, and that to move the economy ahead will require an improvement in farm income.

#### FARM INCOME VITAL FOR ECONOMY

In every single year—every year with the exception of 1955—the No. 1 customer in this country for steel has not been the automobile industry, but the American farmer. If you wonder why there is such heavy unemployment in

steel, here is a major reason. The income of the farmer is so low that he cannot afford to buy tractors and other implements which he needs. The farmer is the No. 1 customer for steel. Every year the farmer buys more oil than any one of the Armed Forces, in spite of the fact that the Army, Navy, and Air Force are all large customers for oil and buy a vast amount.

The farmer buys a huge amount of electricity. The farmer buys an immense amount of rubber. In Eau Claire, Wis., where there is one of the large rubber plants of America, there has been trouble with unemployment, and automation is becoming a serious problem. One way in which we can assist is to provide for a farm program, the kind I am sure that President Johnson will ask for and support, which can give the farmers the kind of income to permit them to buy the rubber that is produced in our factories, and which is needed and needed very much on our farms.

We can really move our economy ahead to assist in overcoming what has been an unfortunate tendency throughout American history, namely, a farmed and a farm-fed depression. It may be that we are not quite so susceptible to this situation now as we have been in the past. In view of the fact that farmers constitute only 7 or 8 percent of the population, and receive between 2 to 3 percent of the net income, nevertheless he is an important and vital factor in our economy, as I have pointed out, in many very important areas.

#### PROXMIRE BILL SUPPORTED

Finally, Mr. President, I did discuss with these Wisconsin farmers my dairy bill, S. 1915, which passed this body last fall and is now pending in the House Agriculture Committee. This bill would simply permit farmers who sell milk under marketing orders to change from the present blend price system—which is a single price—to a two-price, base-excess system.

I have found, in talking with farmers about farm legislation, that they are shrewd in their understanding. They follow it with great attention. Anyone who listens to the radio in a farm area in the morning around 6 o'clock, or around noon, will hear a large number of farm reports. The reason these farm reports are broadcast is that farmers listen to them, and they learn from them. They understand a great deal about farm economy. They read extensively about farming.

After the bill had been explained, support was general. There was agreement that the bill would help significantly to reduce the colossal dumping of excess milk by marketing orders—now about 20 billion pounds a year on the grade B market.

Wisconsin is grade B milk territory, Mr. President. Wisconsin produces milk which is also processed into cheese, ice cream, and butter. Perhaps 80 to 85 percent of the dairy farmers in our dairy-land State produce grade B milk. But they do recognize that this Proxmire bill can be of massive help in eliminating the

surplus. The bill will give grade B prices a chance to rise in the marketplace.

Here is why this bill is necessary: Marketing orders now produce 50 percent of the Nation's milk. In doing so, these orders dump 20 billion pounds of excess milk. This shows the blend price down. And it rivets grade B prices at rock bottom.

#### M'CARTHY AMENDMENT FAVORED

These farmers generally want the McCarthy amendment, which would have permitted direct payments to farmers who hold their production down or reduce it. They recognize that whereas my bill would help in the long run and would keep the excess production down and the market price higher, they recognize the McCarthy amendment would give immediate assistance now. And that, furthermore, it would supplement my bill and make it that much more effective.

Mr. President, earlier today I had a conversation with the distinguished Senator from Missouri, who is an outstanding expert on agriculture and who served for a long time with the Senate Agriculture Committee and has repeatedly demonstrated his ability and his grasp in this field. I had a discussion with him about meat imports and the devastation which they are wreaking on our farm economy.

I also discussed it with the Senator from Montana, the distinguished majority leader [Mr. MANSFIELD], who is introducing legislation along this line.

#### MEAT IMPORTS VIGOROUSLY PROTESTED

Wisconsin is, of course, primarily dairy country; and yet I heard constant protests about the impact of meat imports on the dairy as well as the beef farmer.

At virtually every one of the 38 meetings which I addressed, farmers would bring up the fact that meat imports were hammering down the price the farmer gets for his meat animals. Every dairy farmer is in the beef business. When his cows no longer produce milk efficiently, he culls them and sells them for beef.

Unfortunately, most of the meat imports compete directly with cow beef. The imports, like the cow beef, go into hamburgers and wieners. So these imports contribute directly to the surplus production of milk by driving the price of cow beef so low that instead of culling, the farmer continues to milk cows and produce the extra milk long after he would have brought the cow to market if the price had been adequate.

This is the way imports of beef from abroad have contributed, and contributed unfortunately, to our dairy surplus.

Section 22 of the Agricultural Adjustment Act of 1933 provides for a limitation on any import program that interferes with a farm price-support program.

There is no question that imports of beef are interfering with the feed grain program, because obviously if we import 10 percent of beef from abroad, which costs hundreds of millions of dollars, we are not going to consume that much American beef and, therefore, are not going to eat the animals that consume the feed grain. The cost of the feed

grain program increases accordingly at the taxpayers' expense.

So it interferes with the feed grain program.

Second, it interferes with the dairy price-support program because, as I pointed out, the dairy farmers are not culling their cows because they cannot get a sufficient price for them. Why? Because of the great interference and impact of the import of cow beef from abroad.

So in those two direct ways there is competition with our price-support program flowing from the very heavy imports from abroad.

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

Mr. PROXMIRE. I am delighted to yield to the distinguished Senator from Minnesota.

Mr. HUMPHREY. First, I wish to apologize to my good friend from Wisconsin for not being able to be present during all of his excellent speech on the very important subject of our agriculture policy and developments in our agricultural economy. The Senator knows that I have had a copy of his speech for 2 days.

I am happy to tell him that I have read it over not once, but twice. I made several notes about his speech in the margin of the copy that he made available to me. It is an excellent speech, one that is truly needed in this body, because so little is being said these days by Senators and Representatives in the Congress about the situation in agriculture. I wish to compliment the Senator. On my own time I hope to say something about the speech and the subjects that he has discussed so ably and completely.

The Senator from Wisconsin has mentioned the beef price situation. When I was home in Minnesota for the very short Christmas vacation that we had, 1 day of that period of time was taken by consultations with members of the agriculture organizations—our Farmers' Union group, our Farm Bureau, our Grange representatives, and those of the Minnesota Livestock Feeders Association. I had a very good discussion with the officers of the Minnesota Livestock Feeders Association about the subject of beef imports and the impact upon beef prices. I am happy to say that our farmers—and what I am about to say is true of the National Association of Livestock Feeders—do not attribute to beef imports the total drop in beef prices. They point out, correctly, that beef imports have been an important factor in the drop in beef prices. As the Senator from Wisconsin has so succinctly reminded us in relation to cow beef, as it is called—the cheaper grade of beef which is coming in ever-increasing quantities, primarily from Australia—that had a slight depressing effect upon the beef price schedule, along with some increase in beef production, which in turn compelled the beef producer, that is, the livestock feeder, to hold onto his beef cattle a little longer in the hope that somehow or other the market would improve. But when he held onto his cattle a little longer and fed them, they added from 20 to 25 to 30, to 50 pounds

per head of additional weight on each of the beef cattle. That in turn increased the aggregate poundage of available supply of beef, and that in turn continued to depress prices.

Then we must add to that an ever-increasing flow of imports, which in turn tended to depress beef prices even further, and the farmer had only one recourse. He borrowed more money to hang onto his beef cattle, and then he held onto the cattle in the hope that the price would improve. But each week that he held onto his cattle and did not take them to market, the cattle grew fatter. There was more poundage, and the price continued to go down. That is the vicious circle of price depression which has taken place in the beef market.

When I listened to our economists discuss what we are going to do for our economy with the tax bill and with other things, I remind them that one of the most important segments of the total American economy is the livestock area. I do not have the exact figures, but I know, for example, that recently in Minnesota beef prices were at \$20 or \$21 a hundred, and hogs were at \$13.50, when they ought to be above \$16 at least. It takes \$15 to break even. When there is a drop in farm income due to a sudden drop in the prices of beef, pork, and with low prices on poultry, we have really taken out of the stream of commerce in America hundreds of million of dollars of capital.

I happen to believe that many of our industrial economists forget that the American agricultural community generates billions of dollars of capital.

Mr. PROXMIRE. Mr. President, if the Senator will permit me to comment at that point, I should like to say that I could not agree with him more. As I have indicated, the number one customer of steel in America is not the automobile industry but the farmer. He is a great customer for oil, electricity, rubber, and any number of industrial products. One of the big causes for unemployment in many factories that employ people to produce not only tractors but steel is that farmers do not have the income that they should have in order to meet their needs. Give the farmer a chance to earn that income, and we know that the farmer is the best spender in the world if he has the money.

Mr. HUMPHREY. The Senator is correct.

Will the Senator yield further?

Mr. PROXMIRE. I yield.

Mr. HUMPHREY. We are attempting to develop markets. We have heard many speeches about the importance of developing markets, and particularly world markets. The best market development opportunity in the world is with the farm families of our Nation. A study was made in seven or eight States in the Midwest. It was found that there was an immediate available market in the Midwest, if farm prices could be increased as much as 15 percent in terms of the parity ratio, of more than \$6 billion per year for an unlimited period of time.

Mr. PROXMIRE. And that parity ratio today is the lowest it has been in 25 years—since August 1939.

Mr. HUMPHREY. It is the lowest parity ratio in 25 years. If the stock market should break as much as farm prices have broken, every Senator would be in the Chamber tonight. Every Senator would be here saying that the market is in serious trouble. The stock market has dropped.

There is another kind of stock market that has dropped—the livestock market, the milk market, the whole dairy price structure. Livestock production and dairy production are two of the most expensive operations in the agriculture economy. It requires the highest type of farmer to operate them. They require the biggest investment for purposes of operation. Livestock production and dairy production actually pour back more into the economy than any other kind of agriculture production. Those are the two areas that are suffering the most right now, as the Senator from Wisconsin has so ably pointed out in his address.

Mr. PROXMIRE. I am glad that the Senator has emphasized the fact that beef imports are only one element, although a very important element, in the price of beef. But I would like to stress, as I understand the Senator from Montana suggested the figures a little while ago, that beef imports are now approaching something like 10 or 11 percent.

When imports are that heavy, and we have the kind of inelasticity of demand that we have—people neither eat a great deal more when the price of beef is dropped nor a great deal less when the price increases. If we did not have such a large and important amount—hundreds of millions of dollars of imported beef—the price would be a great deal better than it is now. The American farmer cannot sell his poultry abroad in Europe. It is being kept out.

We are having a very tough time with the Common Market in relation to all of our agricultural products. Yet we are importing a great amount of meat from abroad. Of course, it is hammering our farmers into the ground. It is not a question of the farmer wanting more subsidies. The farmer wants a better break and a more sensible opportunity to earn an income in our country.

Mr. HUMPHREY. Mr. President, will the Senator yield further?

Mr. PROXMIRE. I am happy to yield.

Mr. HUMPHREY. As I recall, the average amount of imports of beef for the years from 1958 to 1963 was somewhere around 6½ to 7 percent, or perhaps a little less, of our total production. It was about 6½ percent. When the figure reaches 10 or 12 percent, it has an important impact upon the price structure, because we are increasing the supply. When we add to that some of the marketing practices of some of the large outlets for beef products, we can understand the problem further. Huge retail chainstores buy up vast segments of cattle. They buy up hundreds of head of cattle—whole trainloads of cattle—and frequently the farmer or the livestock feeder who makes the sale does so under duress. He is in trouble. The

banknote is due. Interest rates are high. He must get more money. So he makes a quick deal with one of the big supermarkets, and that depresses the price even further.

So the Senator's emphasis upon doing something about this area is absolutely right. We do not want to have to go into forced quotas. We do not want to have to go into embargoes, even though we have the authority. What we would like to have our friends do is accept a voluntary reduction in those exports, as we once had worked out with our Canadian friends on rye and barley. The Senator recalls that.

Mr. PROXMIRE. I hope agricultural vendors in those countries exporting meat to this country, if they have a chance to read parts of this debate, will consider the compilation of statutes relating to soil conservation, marketing quotas, and so forth. At page 271 of the Agricultural Adjustment Act, it is specified that whenever the Secretary of Agriculture has reason to believe that any article being imported into the United States in his judgment could interfere with a price support program, he can call it to the attention of the President and, through the Tariff Commission, can act, in effect, not only to impose quotas, but virtually prevent importations. This is not theory. It is being done all the time. It will have to be done with beef imports if there is a situation in which we cannot arrive at voluntary quotas, recognizing the necessities of other countries as well as ourselves.

Mr. HUMPHREY. Mr. President, will the Senator yield further?

Mr. PROXMIRE. I am happy to yield to the Senator from Minnesota.

Mr. HUMPHREY. I hope in the weeks ahead we may be able to enlist the enthusiastic participation of our colleagues in further discussion of the agricultural situation. I say this because if the administration's program of getting this economy moving ahead at a faster pace and a faster rate is to be achieved, we cannot allow the agricultural segment of the economy to be the victim of price depression and many unfair trade practices that deny the farm producer his fair share of the American income.

The American economy is very much like a three-legged stool, made up of industry or manufacturing, labor, and agriculture.

Through collective bargaining, our friends in labor have done fairly well—at least the organized workers—in keeping wage earners' income moving along with the price index.

The manufacturer today is doing very well. If anyone does not believe it, let him take a look, in the financial pages, at the profits or earnings on sales or earnings on investment.

I do not want to be misunderstood. I believe in profits. I am glad they are good. I am glad the rates of dividends are high. I am delighted that the amount of savings is at an alltime high. But we cannot have a very balanced economy if industry and labor is at one level and the agricultural leg of the

three-legged platform is cut short. It is going to tip over.

I do not care how many tax bills are passed by Congress or how many programs are designed in this body to stimulate the economy. If the farm producer in America, who is one of the great purchasers of manufactured and processed products, is denied an opportunity to earn a living and to make a profit, there will be a "holdback" on the economy.

Mr. PROXMIRE. Will the Senator yield at that point?

Mr. HUMPHREY. Yes.

Mr. PROXMIRE. I merely wish to say to Senators who favor a tax cut—and most Senators do, although I do not—that if we are to do anything constructive for the third leg of this three-legged stool, it cannot be done with a tax cut, because, as the distinguished Secretary of Agriculture pointed out before the Joint Economic Committee last year, he agreed that the overwhelming majority of American farmers do not have enough net income to pay any Federal taxes. We cannot give them increased income through a tax cut. They will get nothing from it. Therefore, there will be a bonanza for some segments of the economy. There has been, since 1954, an increase in factory wages of 40 percent, in dividends of 50 percent, of personal interest income of 140 percent, when farm income has stayed at a depression low. The farmers will be left out of the tax cut, and they will get nothing from it. We need a farm program if we are to have a sound, balanced economy. We cannot leave the farmer out and expect to have economic stability or prosperity.

Mr. HUMPHREY. Mr. President, will the Senator yield further?

Mr. PROXMIRE. I yield.

Mr. HUMPHREY. I do not want to take up too much of the Senator's time. The hour is late. After all, the Senator from Wisconsin has prepared a masterly address on the subject of agriculture. Frankly, the Senator has inspired me with it. I am very grateful to him. I intend to say something on this subject in my own right in the weeks ahead.

The need for agricultural programs is so evident that it amazes me that we have any difficulty in passing them. Not long ago the Senator from Wisconsin pointed out in this body the false economy we practiced on the school milk program. By not appropriating the amount of money which was authorized, we slowed down the whole school milk program at the very time the Government of the United States was buying for the Commodity Credit Corporation millions of dollars worth of powdered milk.

Mr. PROXMIRE. To store it.

Mr. HUMPHREY. To store it and later give it away, and to ship it and pay the shipping cost. We sometimes wonder who is sick in this country.

The President wants all the young people to have physical examinations. There are some very revealing statistics as to the degree of physical unfitness of our young people. The school lunch program, and particularly the milk program, will do more, in terms of nutrition, to promote physical fitness than

anything we can do. We are not spending much on those programs. Yet by those programs we could help improve farm income and we would look more like responsible people.

I further believe that the feed grain program has worked very well. It has been of benefit.

We need a new cotton program, and not the "gimmick" program that came from the House of Representatives, the one that has more gimmicks and gadgets in it than anything we have seen since the first primitive mousetrap. What we need is a basic cotton program, if there are to be any price supports, that will benefit our own producers and provision for meeting the world cotton prices so there can be exports.

We need a new wheat program. We know we cannot have a program that has mandatory provisions in it. The Senator from Wisconsin had a little more foresight in that respect than some of the rest of us. I commend him for it. We need a new program. Several proposals have been made. Pride of authorship should be second to substance. A bill which would increase exports, increase farm income, reduce Commodity Credit holdings and storage costs, and promote world trade for cash, would help the economy.

These programs require the attention of Congress. Only this morning these matters were discussed in considerable detail with the President of the United States. I had the privilege of informing the President of the United States of the message of the Senator from Wisconsin and of his concern with every subject we are now discussing.

The administration will be making its recommendations in the budget message and other messages on the farm programs. If the President of the United States is going to attack poverty, we must start in rural America. For every slum area in New York City, there are 10 in rural areas. The worst housing is to be found in the rural areas. The worst lack of sanitary facilities, the lowest income in America, are to be found in the rural areas.

When we attack poverty here, or in Latin America, or in Asia, we should attack it in rural America. So the "attack poverty" program should concentrate a good deal of its attention not merely in large cities, where there are indeed many problems—and I do not minimize them—where there are serious housing problems, job problems, unemployment. But the poverty problem, as the Senator from Wisconsin knows, is to be found in vast areas of rural America; in the Southeast United States, where there are too many people living on small acreages with low incomes; in Southwest America, where many Americans of Mexican descent, Mexican-Americans, have far too low income; in the central part of the United States, up and down the Mississippi, where, we must bow our heads with shame, there is rural poverty.

There is a need for rural development programs, farm programs, industrial development in those areas. It is no longer a matter of a commodities program; it

is a matter of an integrated economic program.

I thank the Senator for yielding to me. I wanted to express this thought by way of supporting his hand and statement.

He has taken the lead in the dairy field with my colleague from Minnesota [Mr. McCARTHY]. I hope I can be a worthy supporter of that program. He has been an active proponent in many agricultural areas. We need to build up the cooperatives, the rural electrification systems, expand our farming activities, protect our farmers from unfair practices.

These are ways in which we can help the farm families who produce this fantastic amount of food and fiber at prices that are the lowest of any in the world. There is no living human being, now or in the past or in the foreseeable future, who can compare in productive efficiency with the American farmer and his family farm.

This is the miracle of our time. Someday someone will write an article in a leading magazine about this miracle. Instead we always read articles about some tycoon of industry who operates a big corporation. Why do we not have printed an article or two about plain old Joe Smith from rural America, about how long he works and how hard he works and how intelligent he is and what a good manager he is, how he borrows money and pays it back, how he raises his family, how he supports his community, and also about how he pays his taxes, and all the other wonderful things that these farm people do?

Instead of that, we hear about a great urbanized and industrial society and what some great corporation has done, what some great philanthropy has done, or what some big Government agency has done.

The people who are doing the best job in America are the ones who are getting paid the least. They are the producers of food and fiber.

Mr. PROXMIRE. I thank the distinguished Senator from Minnesota, the majority whip, from the bottom of my heart. He is eloquent. But when he said that he was following the leadership of any other Senator on the dairy situation, he was being much too modest.

The statement he has made about the American farmer is true. It is sad that it cannot be said more often or more frequently called to the attention of the American people, as it should be called to their attention.

#### SUMMARY

Mr. President, to sum up, I have just talked to hundreds of Wisconsin dairy and beef farmers. Their income, like that of all farmers in this country, is shamefully low, although their hours of work, their investment, the risk they take and especially the efficiency with which they do their work are greater—and I mean far greater—than people off the farm.

Wisconsin farmers know this. They want to do something about it. They feel the present farm program is doing a wretched job for farmers and taxpay-

ers. They have hope that President Johnson, as a man who has demonstrated his interest and knowledge of the farm problem, will be helpful. They favor the Proxmire dairy bill and the McCarthy amendment.

But they are not optimistic about political action. They have been to that well many times in the past and found it dry.

There is growing enthusiasm for the direct organization and collective bargaining approach of the National Farmers Organization. The problems and obstacles in the way of this organization are massive, but if the farm situation continues to deteriorate they may give the NFO a big try.

Finally, these farmers should be saluted for the marvelous job they have done in giving this country—and they are responsible for it—its decisive economic edge in fighting for peace and freedom.

Our advantage over the U.S.S.R. is not primarily in factory production or commercial enterprise, but in agriculture. Here is where we are beating the Soviet Union. The American farmer is responsible for our success; yet he is being left out of our great prosperity. He is the No. 1 victim of economic injustice in America. It is time we acted to pass at least the limited farm legislation that is now before us to give the American farmer the justice he has so richly earned.

Mr. DOUGLAS. Mr. President, I commend the Senator from Wisconsin for his very able statement, which is economically sound, and which is graphic and vivid. I believe that a large part of the farm difficulty arises from the fact that the demand for most farm products is what economists call inelastic. An increase of 5 percent in the total quantity may depreciate the price figure by appreciably more than 5 percent. In connection with wheat, it will cause a reduction of from 15 to 20 percent in the price per bushel. As the total expands, other things being equal, the gross income diminishes.

This is a difficulty which is almost inherent in the price system. It does not justify it. It does not furnish an excuse for our doing nothing. It does call for a very careful program. I wondered whether the Senator from Wisconsin has in mind certain plans which in his judgment would increase the total farm income.

Mr. PROXMIRE. I feel that the bill which I introduced and which was approved by the Committee on Agriculture and Forestry, and passed by the Senate, and of which the Senator from Illinois was a supporter, the Proxmire dairy bill, will help to some extent. I had hoped that the McCarthy amendment would be added to it, because that certainly would be helpful. The proposal of the distinguished Senator from Minnesota [Mr. HUMPHREY] and the distinguished Senator from Georgia [Mr. TALMADGE] on the wheat program would also help.

Mr. DOUGLAS. That is really a production payment plan; is it not? I do not say that in derogation.

Mr. PROXMIRE. I beg the Senator's pardon. Let me correct my statement. The one I was thinking of was the wheat bill introduced by the Senator from South Dakota [Mr. McGOVERN] and the Senator from Minnesota. The Senator from Minnesota is so versatile, he is a sponsor of both bills. The wheat bill is modeled after the Voluntary Feed Grain Act, which has increased the income of the feed grain farmers. It has worked very well, and they like it. It is a practical approach.

Unfortunately, I have not had time to study in great detail the cotton bill, introduced by the Senator from Georgia [Mr. TALMADGE] and the Senator from Minnesota [Mr. HUMPHREY].

Mr. DOUGLAS. There is the question of how large an income we should protect.

Mr. PROXMIRE. That is correct. The point the Senator has made is absolutely fundamental; that is, in connection with the inelasticity of demand for food.

Mr. DOUGLAS. What the Senator is doing is not so much suggesting a remedy, as he is ringing a fire alarm to alert us to the fact that agriculture is in a bad way. Is that correct?

Mr. PROXMIRE. Yes. I am also trying to suggest some remedies. I am making these remarks as a background for my bill, which is still pending in the House of Representatives. I believe that the wheat proposal can be a good proposal, and a helpful proposal. I believe that more and more farmers are relying on a sense of justice of Congress. The average farmer recognizes that he is no longer a vigorous political force.

Mr. DOUGLAS. I thank the Senator. I wish to praise the energy which he has put into his address.

Mr. PROXMIRE. I thank the Senator. On this subject as well as on many others the Senator from Illinois has demonstrated his wisdom and competence.

#### THE GROWING SERIOUSNESS OF FARM INCOME—OR LACK OF IT

Mr. SYMINGTON. Mr. President, I again congratulate the able senior Senator of Wisconsin reporting on his recent tour of Wisconsin farm areas for this magnificent address.

Based on my own conversations with Missouri farm people and my mail from them, particularly in recent weeks, problems of farm owners and operators in Missouri are much the same as those found in Wisconsin.

As illustration of this fact I ask unanimous consent to have inserted at this point in the RECORD a telegram and three letters received in just the last few days, representative of a great many more in my files.

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

KANSAS CITY, Mo., January 7, 1964.

Senator STUART SYMINGTON,  
Senate Office Building,  
Washington, D.C.:

Whereas the cattle industry in this country has been very adversely affected by the uncontrolled dumping of foreign beef; and

Whereas such dumping gives American consumers lower grade products when many of them think they are buying first grade American beef: Therefore be it

Resolved, That the American Polled Hereford Association composing 25,000 members commends the efforts of the American National Cattlemen's Association to seek the imposition of quotas and higher duties on imports. We strongly endorse the efforts of the Senators and Congressmen who are trying to enact legislation to this effect and we urge each of our members to make known his views on this question to his own Senators and Representatives.

ORVILLE K. SWEET,

Executive Secretary, American Polled Hereford Association.

TROY, Mo.,  
January 6, 1964.

Hon. STUART SYMINGTON,  
U.S. Senate,  
Washington, D.C.

DEAR MR. SYMINGTON: Cattle and hog prices have fallen to a point where it is costing the farmer or livestock feeder large sums of cash money to cover the loss on their feeding operations. The sale of fat cattle and hogs represent a large portion of cash income for many farm families in Lincoln County. If the current livestock prices continue to prevail it will bring financial hardship to many farm families. Fat cattle are going to market bringing \$4 to \$6 less than they cost. We recently sold fat steer cattle that weighed 1,120 pounds at 20 cents per pound. These cattle during the finishing period didn't pay for the feed they ate, plus they sold for \$12 per hundredweight less than they cost.

Import meats have shown a large increase in the past year. It is my opinion that this is going to have to be stopped or at least be adjusted to bring our livestock prices in line with our cost of production.

It leaves a mighty bad taste in your mouth when you sell fat cattle at 20 cents per pound, which is below the cost of production, and when you go to the supermarket you see beef selling for prices no lower than when cattle sold for 24 to 26 cents per pound and still worse is that the supermarket is merchandising large amounts of imported meats.

The production of beef and pork in this Midwest region of the United States represents a large percentage of the total tonnage of dressed meat produced in this country. Good cattle and hog prices are the key to a high economy for the Midwest.

Yours very truly,

JAMES L. WITTE.

SILEX, Mo.,  
January 9, 1964.

Senator STUART SYMINGTON,  
Washington, D.C.

DEAR MR. SYMINGTON: We feel certain that you are as familiar and sympathetic with our problems as we are, but want to express to you our views. It seems to us that it is a downright injustice to farmers and feeders to have to sell their products at prices that not only don't show a profit, but often show a loss. And this at a time when all the rest of the economy is enjoying prosperity that has never been equalled.

We feel that the alarming rise in imports of meat and meat products has a great deal to do with the lowering of our livestock prices. While some of our USDA economists have maintained this has had little or no effects on livestock prices, they have also said before that a 5-percent increase in supplies of cattle or hogs would mean a 10- to 15-percent decrease in values of livestock. Seems to us they talk from both sides of their mouths.

Will you please use all of your influence to get these imports slowed down if not stopped?

Thank you very much for your help in this matter.

Yours very truly,

DENNIS SULLIVAN.

IBERIA, Mo.,  
January 9, 1964.

Hon. SYMINGTON,  
Washington, D.C.

DEAR SIR: Am writing in regards to the condition of the south half of Missouri. As you are well aware, this part of Missouri depends on dairy and stock cows for their livelihood. With 2-year drouth, no water, high price of food and feed have put the farmers in the starvation class. They have had to sell off their cows as they cannot feed them, at the price of feed and the low price of milk. If something isn't done soon, the farms will be abandoned and grow up in brush. Surely there are people in Washington smart enough to understand the small farmers' condition, and do something about it. We don't get anything for our eggs and chickens and the price of grain is too high to feed them. Buying repairs and equipment is out of the question, as we've borrowed to the limit. Creeks are dry the first time since 1935.

I like to see something done for the poor farmer instead of the big operator.

I hope you will get something through soon to help us before it is too late. I feel like President Johnson will make us a good President.

Yours respectfully,

ERNEST RENNAKER.

Mr. SYMINGTON. Mr. President, as stated in these communications, many Missouri farmers are losing money on their cattle, their hogs, and on their dairy operations. Very few are getting any return on their investment, let alone fair wages for their labor.

Unless there is some remedial action by the administration and the Congress, the situation will get worse before it gets better.

This situation, particularly on beef and milk prices, has been a matter of concern to me for many months.

I would hope that the administration will continue, as vigorously as possible, with its negotiations to get agreement for reduction in the imports of meat and meat products to this country. In beef, these imports now exceed 10 percent of the American domestic market.

#### SENATOR HUMPHREY'S ADDRESS AT THE CONVENTION OF THE AMERICAN FARM BUREAU FEDERATION

Mr. HUMPHREY. Mr. President, on December 10, 1963, I had the privilege of addressing the membership of the American Farm Bureau Federation at its convention in Chicago. The Farm Bureau and I have not always agreed on matters of agricultural policy, so I considered it a privilege to be asked to speak at this important gathering.

I discussed a number of items in this address, including our agricultural exports; Soviet farming; Public Law 480, or food for peace; the need for new wheat legislation; the European Economic Community; Government's role in agriculture; cooperation among farm organizations and among political parties in formulating agricultural policy; the activities of the Commodity Credit Corporation; the need for adequate food

reserves; and why there should be established a National Commission on Agricultural Policy and Rural Life. I pointed out that a new spirit of cooperation is needed in the light of a steadily reducing farm population and rural representation in the Congress.

Mr. President, there has been considerable comment about this speech and many who were not present at the Chicago meeting have asked that I make it available to them. For this reason I ask unanimous consent that it be printed in the RECORD.

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

ADDRESS OF THE HONORABLE HUBERT H. HUMPHREY, SENATOR FROM MINNESOTA, BEFORE THE AMERICAN FARM BUREAU FEDERATION, CHICAGO, ILL., DECEMBER 10, 1963

Thank you very much, Mr. Shuman. Before I go much further, I hope that those who are managing the houselights will turn them up to give me an opportunity to see this wonderful audience. I'm not a performer; I guess you'd call me a politician, so I gain my sustenance from contact with people.

Mr. Shuman, and members of the American Farm Bureau Federation, you've honored me by inviting me to your convention. I feel very honored and privileged to pay my respects to all of you, and to speak to you, Mr. Shuman, as a fellow American, and to thank you for your good citizenship, your leadership and your dedication to this great country of ours.

I was pleased to have been greeted this morning by the president of the Minnesota Farm Bureau Federation, Mr. Clarence Meyers, who met me at the airport with Mr. Jack Lynn. This was an unexpected honor, and I want Mr. Meyers to know that I am ever grateful. And then, just a few moments ago, I had the opportunity of saying hello to Mrs. Ballum, who is from Goodhue County in Minnesota, and who is the chairman of our State Women's Committee of the Federation. So, to my fellow Minnesotans who are here, a warm greeting.

I am pleased to see an old compatriot, Mr. Roger Fleming, in the audience. I probably shouldn't say old, because he's really a young man and a compatriot in the governmental circles. Mr. Fleming greeted me with a warm welcome, and he handed me a copy of a speech and he said, "Now, Senator, there may be a paragraph or two in here that isn't just like yours," and I indicated to Mr. Fleming that it could be that in mine there might be a paragraph or two that was slightly different as well. But Roger and I have learned how to disagree on occasion without being disagreeable. And we don't happen to think that in a great United States such as ours, where we seek to have unity, that we have to have unanimity. We can have different points of view and still have common objectives. I would imagine that when we shake this all down, we're not as far apart as the printed world might indicate.

#### A TRIBUTE TO THE LATE PRESIDENT KENNEDY

Let me just say here at the beginning, that these days are rather sad for all of us—a time that we have lost a leader, a great leader, a time when many of us who have been close to that man find ourselves still operating under great sorrow and difficulty. Out of this sorrow, out of this tragedy, I believe has come a greater sense of understanding and tolerance in our country; some soul searching as to our objectives and our manners; and a greater appreciation of the role of the United States of America in the affairs of this entire world. Free people everywhere,

and indeed, people who are not privileged to live under institutions of freedom, have sorrowed with us. Their tears have been as ours, and their worries and their fears as ours.

But thank God, and I say this in all reverence, our Founding Fathers created a system of government where power can be transferred without violence and disorder and where succession to authority is guaranteed and is provided.

I'm happy to say to this great assembly today, that the Government is in good hands; that a strong man is at the helm; that the institutions of free government and representative government still operate; and that, despite our great loss, we are yet strong. We are committed to the objectives of world peace under law, and we are committed to private, personal, and individual freedom and liberty.

#### GREETINGS FROM PRESIDENT JOHNSON

Now I want to bring you greetings from a very distinguished citizen, one who moved only a week ago into a new home. This letter is dated December 6, at the White House, in Washington, and I shall present this letter to Mr. Shuman after having read its contents.

It reads as follows:

"DEAR MR. SHUMAN: Please express my greetings to the officers and members of the American Farm Bureau Federation on the 45th annual convention of your organization, our Nation's largest national association of farmers and ranchers. If our democratic society is to thrive, it has a basic underlying need for free expression by its people. Those citizens whose roots are in the soil have a special responsibility to participate in policy discussions and to make recommendations to their Government. They are the source of the finest agriculture in all the world. We need to search for better ways, ever responsive to changing conditions, to enable our farmers and ranchers to share more fully in the bounty which they helped create. In this endeavor, how can we use the pricing mechanism of the free market with more vitality than presently? In this endeavor, how can we better coordinate the role of government with the area of the private sector, including farmers' own institutions in the marketing of farm products? In this endeavor, how can our efficiency in producing and marketing be reflected in fair and open competition in the world markets? In this endeavor, what should we do to assure ourselves of adequate reserves? These are the questions that must be answered as you meet to study the issues and facts underlying them. I will look forward with interest to your recommendations.

"Sincerely,

"LYNDON B. JOHNSON."

Ladies and gentlemen, I consider it an honor to be able to read that message and present it to your president because it indicates a new spirit of understanding. I think it indicates to you, and I am sure it will to your officers, that there is a desire and a willingness to work together and to cooperate. I call to your attention one phrase in particular which I am paraphrasing; to search, to find ways to do a better job; to find ways to make our market system work better; to find ways, if you please, to be able to more effectively compete in world markets. We're going to work together for that.

#### RESPECT FOR AMERICAN FARM BUREAU FEDERATION

Now I've had many disagreements during my days in public life with individuals and officers of your organization. But I have never held this organization in any other attitude except one of respect because it represents some of the finest people of the world. But I want to say that I believe that it is

our duty, when we have opposing points of view, to honestly express them and not try to cover them up. Only from the competition of ideas do we find the better idea, the best way, at least, that we can devise to improve our situation.

I don't have to sell the idea to you, that broad participation by farm organizations in national policy not only is satisfying to the democratic impulse but absolutely essential. If we are to do what history commands us to do, we must build free institutions and then work to build a workable system of world peace. Our objectives, my fellow Americans, go far beyond agriculture or far beyond business or labor—to build free institutions that can enrich the lives of humankind, and above all, to find a way to pursue the path of peace.

No group in this country has understood these objectives more clearly than farm people or farm organizations, and no segment of our society has done more to translate that understanding into action. And this isn't flattery; it's a fact that ought to be understood. Now after discussion and after presentation of all the views—the biased and the unbiased, the objective and nonobjective, the selfish and the unselfish—there is a point at which we in Congress must act constructively to meet the real needs of our farm people—all of them.

#### WE DON'T KNOW ALL THE ANSWERS

Confession is good for the soul. I believe that those of us in public life ought to honestly state to you that we don't know all the answers; that we should search for those answers. I have had to learn a great deal and unlearn a great deal, and whenever I get to the point where I quit learning, then I think I shouldn't serve the people any longer. What a man needs today more than anything else is to recognize the great flow of information which is available, the new challenges which we face every day, and he must be big enough, at least in heart and mind, to acknowledge his own limitations, and be wise enough to seek the counsel of others who may have something to offer. I shall try to do that in my years of public responsibility.

Now, all too often, we've seen the situation wherein a member of one party introduces a piece of legislation, perhaps one affecting agriculture, and finds there is an automatic negative reaction by the opposite political party. All too often there has been an automatic adverse reaction when one farm organization took one position and another farm organization would take an opposite position on those recommendations. All too often, the net result of this automatically conditioned reflex action is that the farmers are hurt and the Nation is hurt by failure to get the action that is required to meet a particular situation. Divide and conquer is an old and sometimes useful technique used by the negatives, those who want to do nothing. But cooperation—not coercion—and by cooperation I mean working together, is the essence of affirmative action, and this requires a degree of tolerance, my fellow Americans. It requires that you don't feel that you're omnipotent, that you have all wisdom and a monopoly on virtue. Few people have it.

#### AGRICULTURE NEEDS RECOGNITION

I think it is time that all the American people, particularly in these great metropolitan centers, take note of the contribution that American agriculture has made to this Nation and not only to this Nation, but to the rest of the world as well. We have taken this American miracle of agriculture for granted, and we often consider it commonplace. We need to study, and we need to know better the contributions of agriculture to the growth of our economy. We need to study and to know better the extent of the dependence of the rest of this

economy on the gallant 8 percent of our population who take the risks of drought and flood, hail and early frost, insects and markets and all the uncertainties of the marketplace.

We need to study and we need to know how we can improve the lot of this numerically and proportionately shrinking group, in a constructive bipartisan spirit. We need to do these things if for no other reason than the matter of simple justice, and we need to do these things because there are many others in our society who are primarily dependent upon the production of this great basic source of food and fiber.

#### TECHNOLOGICAL REVOLUTION

Right now we are in the midst of a great technological revolution in agriculture, in fact, in every aspect of society, that not only is irreversible but is accelerating at jet age speed. The American consumer is now enjoying food at the lowest cost of any people in the world in terms of human effort expended. Yes, the American consumer not only has the world's richest diet, but also has the world's most nutritious and varied diet.

And let me say for the record, for the people of this great city of Chicago, and for any other part of America, the American consumer of food receives his food or receives the family food basket at a smaller percentage of earned income than any other consumer in the world. The best bargain in the world today is the food basket for the American family, and the American farmer has made that possible.

#### PRaise FOR PROCESSORS, DISTRIBUTORS

I wouldn't want to forget to pay my respects to our great system of processing and distribution. The quality of our food and the manner in which it is distributed and marketed and handled is a tribute to this entire industry, to this entire area of our economy. No finer products, none more wholesome and none more well guarded in terms of public health, are to be found anywhere.

Now, at the same time as agriculture production has been increasing, which is a well-known fact, employment in the agriculture labor force has declined sharply. We now are at a point where it takes less than 7 million farm operators and workers to produce food and fiber for 190 million Americans, and to satisfy our commercial exports, our food-for-peace program, our reserves, and still have some left over.

Ladies and gentlemen, let the record be clear: If the go-ahead sign ever were given to American agriculture to produce to its utmost, the volume of production would almost be beyond human calculation. We know how to do the job, and in this world, where most of the people live close to the soil and work day and night to eke out an existence from the soil, the miracle of American agricultural efficiency is something that staggers the imagination and leaves the imprint of American leadership without question in every area of this globe.

#### EXPORTS ARE INCREASING

While the quantity and quality of U.S. food consumption have been upgraded, we've also seen a sharp increase in the exports of food and fiber. We are very conscious of exports these days to the world markets. And we need to be, because America can overproduce for its own domestic needs. We now are exporting at the rate of about \$6 billion a year of food and fiber. Over \$4 billion of this is for cash commercial sales, hard currency. Thus our agricultural abundance is greatly aiding our balance-of-payments problem and greatly aiding our position as a great commercial nation in this new world.

The rapidly advancing agricultural technology affords a primary opportunity to help

the developing nations to help themselves, and I want rural people in particular, such as you members of this great organization, to know that our agricultural economy is doing an amazing job in terms of building a better world and helping to build a political, economic, and social structure suited to the aspirations of many nations oriented toward freedom. This will provide strength to the free world and aid in the struggle with the forces of totalitarianism.

What I am trying to do this morning is to show the affirmative aspects of our agricultural economy. We have had so many negative voices. We've had so many people who have preached only negativism. I want to point out here this morning that a new day is upon us, and new approaches must be found to solve some of these problems. In a real sense what we need to understand is that agriculture is in the forefront of the struggle for a better world. It's not a lag-gard; it's not a burden; it is not what's holding America back. It is what's putting America ahead.

#### CONTRAST TO SOVIET COUNTRIES

I've seen some of the factories behind the Iron Curtain, and some of my colleagues have seen there the achievements in the field of atomic science. We know of sputnik and we know of the astronauts and the cosmonauts, but I want to say that despite all the genius of Soviet technology and industry, they've never been able to operate a family farm.

Collectivism negates human aspiration. Collectivism is anathema to individual liberty, and this Nation of ours must never follow any kind of course that leads to collectivism. We must follow only one course—the one that leads to individualism. Therefore, in our responsibilities as a world leader and to meet the needs of people, we need programs that recognize the breakthrough in agricultural technology and that are designed to meet these worldwide opportunities that I have mentioned.

#### TRADE ADJUSTMENT ACT

Such a program is outlined in part, and I remind you only in part, in the Agricultural Trade Adjustment Act, known all over the world as Public Law 480. In 1954, the American Farm Bureau Federation took the lead in developing this legislation. I was a member of the Committee on Agriculture when that happened. I had something to do with bringing about passage of the legislation, along with other members of the committee, including the late and beloved Senator Andrew F. Schoepel, of Kansas, who really did a tremendous job in this particular area on Public Law 480. He ought to be remembered for it. I get kind of discouraged at times because as people come and go—some who have given their lives to their country—all too often they are forgotten after they're gone. I don't want to forget them. I don't care what their party politics may be. When a man has done a good job, he deserves to be remembered. I want the American Farm Bureau Federation as well as other organizations to remember Andy Schoepel, of Kansas. He did a good job for you.

#### NOW CALLED FOOD FOR PEACE

This program more recently has become known as the food-for-peace program. Food has become a very significant form of foreign economic assistance. I am tremendously impressed by the single overriding fact that without the farmers' productive capabilities, the entire U.S. foreign assistance program would be much less effective than it is today. In fact, food for peace in many areas of the world is the most effective, and the most popular and worthwhile food program. I should think you people would be very happy today as we approach the Christmas season to know that the food and the fiber from

American farms has saved the lives of millions of people. And you should be happy to know that there are a hundred million boys and girls this morning, throughout the world, outside of the United States, who are regularly receiving school lunches—food for their bodies which are created in the image of their Maker. There happens to be a bit of the spiritual involved in all of this, at a time when so many people are talking about the destruction of mankind. So I would think that rural families would be reverently grateful as well as genuinely happy that they have been able to save lives.

#### SOME ARE OVERCAUTIOUS

Now many good people have an overcautious attitude or even a critical attitude toward programs designed to move increased amounts of American food products overseas. I can understand some of their apprehension. This has been reflected in skeptical attitudes toward Public Law 480, which is the chief legislative means of moving our agricultural abundance to consumers who might otherwise have to do without it. But the experience of recent years certainly should remove much of this apprehension. The insurance that these special export programs move additional quantities of farm products, in addition to what is being absorbed by the normal commercial channels today, distinguishes Public Law 480 from other export programs. The food-for-peace program which has been considered by some to be the province of idealists might better be considered as the subject matter for hardheaded realists.

#### PROUD TO BE AN IDEALIST

I don't mind being called an idealist. I've had many people condemn me in public life as a do-gooder. Well, I would rather be a do-gooder than a do-badder, and I would rather be known for trying to do good than trying to do nothing. You have to be an idealist in order to ever come close to being a realist, because the realists, those who start out as being the hard, practical realists, end up doing nothing. The people who look ahead to the kind of a world they want, the kind of a family they want, the kind of a farm they want, the kind of a State and community they want are the idealists, and they are the genuine realists too.

George Washington, Thomas Jefferson, Alexander Hamilton, and James Madison did not know there would be an America like we have today, but they were dreamers and they were idealists. They did not know or at least were not sure that power could be passed from one President to another without violence. But they dreamed—they had ideals—and they turned out to be the realists. So, I'm happy to be considered an idealist.

Doesn't it make economic sense, as well as moral sense, for the United States and other exporting countries to share abundance—God-given abundance—with the millions who are in need of food, rather than to store it in bins or be forced to accept stern controls to reduce production?

It seems to me that we should use every possible tool for the preservation of peace. I know of no more noble ambition or pursuit than to sacrifice for peace, and I don't think that makes you a pacifist or coward. The bravest man who ever walked this earth was the Son of God and the Apostle of Peace, and He sought peace constantly. This food and fiber tool that we speak of—a unique tool for peace—is made in America. As an American I'm proud of the fact that not only have we the science and technology to unleash the power of the atom, which can be used for good or for evil, but also we have the science, the technology, the know-how and the ability to release the power of the earth to produce food to feed the hungry; fiber to clothe the naked; and food to heal the sick.

## A BIPARTISAN PROGRAM

The program I've spoken of, which has come to be called food for peace, is bipartisan. It has the support of the responsible leadership of both parties and of all segments in the Congress. It ought to have this support, and I hope that you'll insist that it be maintained on that basis.

I believe that when the history of the 20th century is written, the development of the food for peace program will be looked upon as one of the most constructive steps ever taken by any nation. We ought to be thinking not of how to stop it, but how to improve it; and we ought to rid ourselves of this idea of surplus disposal—as if human beings can ever be considered built-in disposal units.

## SOME IDEAS ABOUT WHEAT

Now let me say a word or two about wheat. Many people think we raise a lot of wheat in Minnesota. The truth is, we don't. We raise a little, but we have a much more varied and diversified farm economy than just the wheat economy. But wheat is bread, and I think it's fair to say that we've arrived at the time in history when literally we can banish hunger from the face of the earth. I don't mind telling this audience that I'd rather have America known as the Nation that healed the sick, fed the hungry, taught the illiterate, and helped the weak, than to have it known as having the most powerful military establishment the world has ever created. I'm not so foolish as not to know that we need defense, but I think there's something else needed in this world besides armaments.

Wheat has played the largest commodity role in this food for peace program, and I noted as I checked material for this message that we have exported under Public Law 480 since July 1954 about 3 billion bushels. This represents about 63 percent total of wheat exports during this period. It would be well to stop for a moment and think about the economic chaos or explosion which would have occurred in U.S. agriculture if these markets had not been available. But it should also be noted that more than 70 percent of the U.S. agricultural exports are normal commercial exports, and we've built many new markets by the use of food for peace. In a sense, these commercial exports constitute food for peace at its best—mutually beneficial, multilateral trade using the efficiency of commercial trade channels. The soundest and the simplest way to maintain our balance of payments would be to utilize to the maximum the productive efficiency of our farmers by finding ways to increase our agricultural exports even more.

## COMMON MARKET CONCERNS US

The American farmer has a tremendous stake and a tremendous interest in the policies that are being developed in the European Economic Community—the Western European nations—because these discussions will have an important bearing on what may happen to the exports of American farms to the Common Market. It is essential, therefore, that our Government make sure that American farm exports are in no way handicapped by European Economic Community agricultural policy. The opportunity to expand our farm exports is possible only if we bargain hard and from strength.

The President has been given the authority by the Congress to negotiate for opening of greater trade opportunities through the Trade Expansion Act, and I can assure you this authority given to the President will be used, and it will be used to gain tariff concessions and other concessions in favor of our agricultural exports.

And I want to make this personal promise to you: I'll do whatever I can individually to back up that presidential determination.

Now, if we're going to maximize our exports—and that's a matter of interest to this

organization, to our country, to the Common Market and to the other areas of the world—I think we must offer, as I have said, the best quality at competitive prices. There is no substitute for price and quality when it comes to competing for commercial markets abroad. Therefore, every policy that we pursue must be to try to strengthen what we call the operation of the market—including the market price.

## GOVERNMENT'S ROLE DEFINED

I want to make my position clear: I don't believe Government programs ought to supersede the operation of our normal markets. Government programs should be designed not to supplant but to supplement; not to take over, as I shall emphasize here today, but to assist; not to move in as a competitive force, but to make competition more just and to make it more effective for the farm producer and for the Nation. Your officers, and this organization, played a very important role in getting the Trade Expansion Act of 1962 passed, and your officers and your members are taking a keen and continuing interest in its implementation. The Act equips the President with a formidable armory of negotiating powers. Now the objective of the United States is to halt and if possible to roll back the trend toward more agricultural protectionism in these markets. The United States has declared plainly and repeatedly—and it has done this through the President, through Secretary Freeman, and through the Secretary of State—that it cannot conclude another round of trade agreements unless its major agricultural export commodities are included in a fair and significant way. To put it in simple language, these negotiations must benefit our farms as well as our factories or we're not going to sign on the dotted line.

## WE'RE BOUND TO SUCCEED

I'm confident of our ultimate success. No country however prosperous can indefinitely afford to keep valuable human and material resources locked up in obsolete and inefficient forms of agriculture. As we push for better trade agreements, we actually help our European friends who are today the victims of their own self-imposed obsolescence. We must, therefore, make sure that we have access to reasonably priced, efficiently produced food and fiber. For industrial nations this is an essential factor in maintaining vigorous economic growth and national strength.

The American Farm Bureau Federation is to be congratulated for its strong efforts in maximizing exports of agricultural commodities. Your Rotterdam office is serving as a focal point for the promotion that's so essential to increased utilization and consumption abroad of agricultural commodities, and your programs of expanded markets and commerce are highly commendable undertakings. And we are aware of it, and grateful for it.

Now while we continue to concentrate on finding new farm markets abroad, we must not lose sight of what's happening here at home, as agricultural programs are designed and policies are carried out. There is one area of Government activity which is causing me concern, and this is the Commodity Credit Corporation.

The Commodity Credit Corporation was established, and I quote from its charter: "For the purpose of stabilizing, supporting, and protecting farm income and prices, of assisting in the maintenance of balanced and adequate supplies of agricultural commodities, products thereof, foods, feeds, and fibers, and of facilitating the orderly distribution of agricultural commodities."

## CCC PROGRAM NEEDS STUDY

Now it may be true, that the Commodity Credit Corporation is getting too large, has too many assets, too many personnel, and

too many farming operations. At least it needs to be carefully reexamined. It has an important and significant role to play, that I know.

I do not want my remarks to be interpreted as indicating that I am opposed to the Commodity Credit Corporation, for I do not know what the American farmer would do without it. But the Commodity Credit Corporation was established with limited responsibilities. It was established to supplement farm income, not depress it. It was established to put a floor under prices, not a ceiling. It was established to aid the farm producer, to supplement the normal channels of trade and not to supplant them. And let me add, it was also established to cooperate with farmer-built, farmer-owned and farmer-operated organizations.

At times I've heard disturbing evidence that the mandate of the Commodity Credit Corporation charter has not always been followed. There's a tendency on the part of some to want to make it a going business concern. The Commodity Credit Corporation was not organized to do the business of the grain trade or of the farm cooperatives. It was established to make the market place more orderly, not more disorderly. It was created to help improve the price structure for the farm producer and not to lower it. It was established to promote orderly marketing and not to engage in dumping.

Therefore, it is the responsibility of the Congress to see that the Commodity Credit Corporation operates within the framework under which it was designed. Here today, I give you my pledge that it will be my purpose through whatever means I have to see to it that the purposes of the Commodity Credit Corporation are adhered to and that it shall operate within the framework of the law that designed it and established it, and not to wander into other fields.

By the way, I know there is sometimes a little bit of discussion and dialog between the farm organizations; I have been informed of that. I also know that in our State, for example, there is a warm regard between the president of the Minnesota Farm Bureau Federation and the president of the Minnesota Farmers Union. These men are gentlemen, and they talk to each other. They respect each other, and they have many common objectives. I also know that that's the case in terms of national organizations. Both the men I mentioned know that I was raising the dickens with the Commodity Credit Corporation and some of its operations—I said some of them—a long time ago. Let me mention now that Senator GEORGE AIKEN, a Republican from Vermont, and I, a so-called New Deal, Fair Deal Democrat from Minnesota—now part of the New Frontier which recently had the Texas insignia placed upon it—have at times seen eye to eye on vital issues. This great Republican Senator, who is a true friend of agriculture, and I, both addressed the Senate some years ago to say pretty much the same thing that I have said here today.

## NEW WHEAT LEGISLATION

Now, let's look ahead. I want to look ahead to new wheat legislation. New wheat legislation is essential. Now you just bear with me; I don't ask you to agree with me. I just ask you to think with me. That isn't a retreat—that's just sort of laying down the ground rules.

The Department of Agriculture in its recent outlook sessions predicted a 5-percent reduction in 1964 net farm income will result from the impending wheat situation. I'm worried about that. I told the President in a friendly conversation just last week that the tax bill would not do very much good if farm income dropped; that you can lose much of the effect of a tax program that is designed to stimulate the economy if you have a farm program that holds it back. So we've got to take a look at all sides, every

area. Because I'm concerned about this economic possibility of a drop in income, I've asked myself just how to be of maximum assistance to the 1,800,000 wheatgrowers and other farmers engaged in wheat production.

I know that thousands of farm people voted against the certificate plan on the assumption that if they did, better legislation would be forthcoming.

Now I don't travel under false colors. I voted for that plan; I spoke for it in the Senate. When I take on a job, I try to do my best at it. I'm the majority whip of the U.S. Senate. I work for my President. I have a party responsibility as well as a senatorial responsibility, and I don't think that a man ought to take on these jobs unless he's going to be true and loyal. I don't think the people who work for you and who work for Mr. Shuman ought to be for any other program except what you people endorse here in resolution. That's their job.

When I took on the job of being majority whip in the U.S. Senate, I resolved to be faithful to the President and faithful to my majority leader and faithful to the party program as it is presented to the Congress unless I serve notice that I can't go with it. And I didn't serve that notice. So when the votes came in, we took a licking, and I have had a few of these in my day.

There has been new legislation introduced—legislation that is sponsored by the American Farm Bureau Federation and introduced by many conscientious Congressmen—yes, you ought to applaud that. Other equally conscientious Congressmen have introduced other legislation. I consider myself in the latter category, and you can applaud that, too.

#### OUTLINE OF WHEAT PROPOSAL

My wheat proposal, which I hope you are going to support, has many of the features of the American Farm Bureau Federation bill. I don't intend to tell you all of the differences, but I intend to tell you of the similarities. First, my bill is voluntary; so is yours. It eliminates marketing quotas; so does yours. It provides for resale by the CCC at not less than 115 percent of support price; so does yours. It provides for offsetting CCC out-of-condition sales, and believe me, that's a big phrase, by open market purchases; so does yours. It has the objective to reduce stocks; so does yours. It will increase the use of wheat for feed; so will yours. That's a pretty good index of similarities.

The basic concern on the part of your leadership is the fact that my proposal involves some payments so that one-half of the cooperating farmers would receive approximately \$2 per bushel. On the other half, cooperating farmers would receive an export payment of 25 cents per bushel on normal production. I recognize the reasons for the concern of the American Farm Bureau Federation. My proposal does not provide for any limitation on payments, so there is no ceiling on opportunity.

Now, with respect to cost, the amount definitely would be limited to the normal yield on the planted acreage. I believe that after careful study and a little friendly consideration, you will find that my proposed bill meets most, if not all, the criteria of a good bill, and I'm going to see Mr. Shuman about this privately, and see if I can't give him the "treatment," as we say.

It was after months of study and after much discussion and consideration I introduced this bill. Remember, I was one of the Democrats who introduced a bill when it was being said in Congress that the administration wasn't going to present any wheat bill. Well, let me assure you this administration is not going to let the wheat farmer down and no administration should or would dare do so.

#### LEGISLATION WILL BE PASSED

As a spokesman for this administration, I can't tell you what kind of legislation will be passed, but it will receive the thoughtful consideration and guidance of your organization as well as others. We're not going to let American farmers "go down the drain."

I recognize there is a diversity of interests, and I have attempted to be realistic. All I came here to do today is to urge you to please study the bill.

Forget who sponsored it; just look at its substance. I'm going to take a look at your proposals, and I'm not going to have a dog-in-the-manger attitude either. I'm going to be fair about it.

Now in addressing this important body, I must pinpoint a portion of my present overall philosophy. I have now become convinced that the time is at hand to free our farmers from their daily concern over the long-term implications of expanding regulations and controls.

I told Jack Lynn on the way in here that I hoped I never got so bull-headed or stubborn that I wouldn't try to learn. That's what a man lives for. And as I said earlier today, I think there are better ways than mandatory programs for some of our commodities. We ought to try to encourage, as I said before, the greatest use of the marketplace.

We should try to encourage shifts in production into those commodities for which there are expanding needs, present or foreseen. That is what I mean by shifting the use of the land into commodities in which there is no oversupply. Farmers just don't like to leave land unused and being paid for.

#### THE WELCOME MAT IS OUT

By the way, I think I gather that you are kind of down on commissions. It just shows how I had gotten out of step. I want you to know that I have told your officers that my office, as the majority whip of the U.S. Senate, is open to them, and there is a friendly welcome mat out. And so men like your efficient Marvin McLain are constantly in there trying to educate me. I didn't realize they took the invitation so seriously, I didn't tell them to live there. Now, you might be on guard. I might change them a bit. I want to forewarn you.

I happen to believe that we need a blue ribbon bipartisan commission to analyze and make recommendations as to our future food reserve requirements. I am getting a little tired of hearing about surpluses and nobody knowing how to define them. I haven't heard anybody say we have a surplus of ammunition or atom bombs, but we've got a lot of them. We don't know quite where to put them. And yet I remember the greatest general of all said, and I quote, "An army fights on its stomach," and he didn't mean crawling on the ground. He meant food.

When I came back 2 years ago from Berlin, where there was a crisis in 1961, I reported to the President that I didn't think there would be trouble over Berlin because there was a food shortage in East Germany and Eastern Europe, and nations do not attack when they do not have the food and fiber to sustain troops in the field.

You can't have a powerful nation and powerful allies and have nothing to eat, and you can't always be sure of your allies and you can never be sure of the weather. Therefore, a nation that takes on worldwide responsibility against a worldwide Communist menace better have supplies of fiber and food materials capable of fulfilling worldwide leadership responsibility.

#### WE NEED FOOD RESERVES

We must have food reserves. We must have food reserves for market stability, for weather uncertainty, for population in-

creases, for international commitments to our friends and allies, and to meet international tensions and uncertainties. Furthermore, reserves must be differentiated from surpluses. Reserves should be sealed off from the market, and we must never forget that food is power.

So I say, "Let's quit arguing in Congress now about whether we ought to have X million tons of cereals or pounds of vegetable oils. Let's find out—put the best minds we have to working on this and come up with a program."

We know for example that we have come up with a program for a certain number of missiles. We just don't produce missiles when we feel like it. We have a program on the number of missiles we are going to use, based on the fact that we know we would lose so many missiles on the first strike. We don't just go around saying, "If you've got some time, produce some missiles." We order them. We plan them.

I don't think it would be a bad idea if a general or two got to figuring out how our population will live or how we will fulfill the commitments of worldwide leadership.

Now how about our dealing with the Soviet Union? The most peace-producing, the real peace-producing force today is the abundance of our food and fiber. No one dares move against us because of it.

#### RUSSIA'S NEED IS FOOD

Mr. Khrushchev was commenting recently in the Communist Party press in Russia on the necessity for more food, not on the necessity for more missiles. He's got a lot of them. He even had enough to share not long ago. He has a lot of troops, too. He has more manpower. I think I have made my point.

Now I come into a second venture into trouble land. Some of my advisers have said I obviously shouldn't mention this, but I am going to right now. I don't expect that there will be overwhelming approval of these suggestions, but if your officers still come to see me, I will work on them.

#### GOVERNMENT NEEDS REORGANIZATION

In the very near future I will make another recommendation to the Congress. You may want to ponder this recommendation a little bit because it may have more meaning to it than just what these words indicate. I fully realize that the farm organizations are capable of making objective analysis of problems relating to agriculture. I know you folks know more about farming than the U.S. Congress knows. I know this, but I also know, as I said this morning, manufacturers, farm organizations, women's clubs, all recommended years ago that something needed to be done at the governmental level to promote reorganization of the executive branch of Government.

There were resolutions passed until we didn't have a place to file them, and then one day in Congress we introduced legislation to establish the Hoover Commission on the reorganization of the executive branch of the Government, and just the other day another old gentleman, that former President, Herbert Hoover, said to Lyndon Johnson, President of the United States, that he admired, among other things, the work that Lyndon Johnson had accomplished as leader of the U.S. Senate in the fulfillment of the objectives of the Hoover Commission report.

What I am trying to say, it took a commission, with the legal form of a legislative proposal and an Executive order, for a public law to become effective. I don't think we have done everything on the Hoover Commission recommendation. One of the proudest possessions of my office is a citation from the Citizens Committee of the Hoover Commission, expressing gratitude to me for my work in this.

## NEED COMMISSION ON RURAL LIFE

I am going to recommend to the President and to the Congress the establishment of a National Commission on Agricultural Policy and Rural Life. This Commission isn't just going to be made up of Congress. It would be composed not only of some public officials in the executive branch of Government, but also of leading economists, farmers, agricultural leaders, representatives of financial institutions and the consumer. We need to take a good look at where we have been and where we are going.

The purpose of this Commission would be to examine our past agricultural policies, their adequacy or inadequacy, their effectiveness or ineffectiveness and their relevancy to the present situation. It also would be the purpose of the Commission, under any proposal, to look ahead, to go into consideration of the technological revolution in agriculture, the shift in farm population from the rural areas to the cities—this is a tremendous factor today—and what types of programs the Government should engage in relating to the price of agricultural products, in marketing, distribution, and agricultural credit.

I am not seeking to build a Frankenstein of government. I am seeking to release the power of agriculture, and as I said here earlier, to have Government help and supplement, not take over.

Rural America is changing. As a matter of fact, all of America is changing. We need to take a long look to the future. I took such a look 2 days ago when I looked at the Bureau of Census projections.

## LOSING FARM REPRESENTATION

My fellow Americans, rural America is going to be in serious trouble in Congress with few representatives, because there isn't any population left in rural America of any major proportion relating to the total population. Your representation in the future will be only in the Senate.

There will be millions of people between Boston and Washington, D.C. in one megalopolis. Areas of the South or Middle-west will lose representation to areas of the West and Northwest, and particularly to the big cities like Los Angeles, San Francisco, Seattle. Those cities will grow and double their representation in Congress. By 1980 less than 5 percent of the population of the United States will live in rural areas.

I think we'd better take a good look ahead instead of going around putting band-aids on old sores. This generation of farmers knows that the winds of change are blowing. There is the leadership in our great farm organizations, with the assistance of your elected officials, to help shape these forces. This is a continuing challenge to your leadership to accommodate to an orderly change in our domestic society. This can be done by a new spirit of cooperation among farm organizations. We can't afford guerrilla warfare at home or in Vietnam.

## ORGANIZATIONS MUST COOPERATE

We'd better find some common denominators, common objectives, common means, because there are going to be all too many people in public life who have had no rural experience, no rural orientation. We've quit being born in log cabins. We are not getting many candidates saying, "I was born on the farm." All they will know about farms will be what they have read in books. That's a poor substitute for being out in the fields or pasture.

An outstanding example of the cooperation of which I speak among farm organizations is taking place, and it is a sign of the times. It is the St. Louis Grain Corp. Partners in this corporation, which owns a 2½-million-bushel capacity grain elevator on the Mississippi River in St. Louis, are the following: The Illinois Grain Corp., a Farm Bureau affiliate; the Farmers Union Grain Terminal

Association; and the Missouri Farmers Association of the State of Missouri—three divergent organizations that had enough good business sense to know that you've got to eat and live as well as argue, and they got together. I happen to think the leaders of these organizations have that ability. This operation demonstrates it.

Farmers can get together to cooperate in handling their marketing problems. And I want to say that farmers know how to handle marketing problems about as well as anything if they will just get together and work on them and throw away all pettiness and partisanship.

I am not just saying this to you. I also am saying it to another farm organization meeting in St. Paul. I don't have two speeches. I have one speech to give to the two organizations—yours and the Farmers Union Grain Terminal Association.

Can you not pick up a new torch, marked effective cooperation between farm organizations? It will burn brighter and light a broader highway to freedom and prosperity for our farm people.

## SERVICE IS THE WATCHWORD

The watchword of this organization is service, and this is the watchword of any worthwhile organization. Can we not now decide that service to farmers is service to all people? Can we not now resolve to seriously attempt to gain the universal recognition of the farmer's continuing role of doing more for more people than any other segment of our population? This has been the history of American agriculture. This is its future.

This Nation in 1789 was largely an agrarian society and the basic beliefs and stability of a rural people have been immortalized in our Constitution, which has withstood so well the shocks and tests of 175 years. Out of the wellspring of the land we still draw our strength. I pledge to you that I will continue to remind all Americans of the debt that we owe American agriculture.

I want to thank the American Farm Bureau Federation for listening to me. You are a generous, gracious, and considerate audience.

## THE NEW DEMOCRATIC LEADERSHIP IN LATIN AMERICA: THE VISIT OF DR. CALDERA

Mr. HUMPHREY. Mr. President, I was privileged to be host at a luncheon today in honor of one of the rising leaders of progressive forces in Latin America, Dr. Rafael Caldera, leader of the Social Christian Party in Venezuela.

In the recent presidential election in Venezuela, Dr. Caldera's COPEI Party, which has been the junior partner in the Betancourt coalition government, scored the most impressive gains in the entire election, gaining 23 percent of the vote and thereby became Venezuela's second strongest political party.

The two victorious parties in the Venezuelan election represent the two principal reform-minded, non-Communist movements in Latin America, the Democratic left group, and the Christian Democratic movement.

As the leader of the Christian Social Party in Venezuela, Dr. Caldera is a key figure in the most rapidly growing democratic political movement in Latin America today. In important countries like Venezuela, Chile, Brazil, and Peru, Christian democratic parties are rapidly gaining strength in the labor movement, in university and student circles, among younger professional people and in the rural areas. It is precisely because the

strength of the Christian democratic movement rests among the younger people that it is destined to play a major role in shaping the political, social, and economic life of Latin America in the present and near future.

One major reason why this movement has flourished among the impatient idealistic youth of Latin America is that it offers an ideological alternative to Marxism, an integrated approach to the political, economic, and social problems of society. We pragmatic North Americans find it difficult to understand why Latin Americans consider the philosophy and ideology of a party as important as the specific practical measures recommended by the party. We are only now coming to realize that the ideological basis of communism is its principal attraction for students and educated groups in Latin America, not its economic critique. It is for that reason that communism captures the university before the slum.

Dr. Caldera and his Social Christian Party have understood the nature of the Communist appeal to younger people in the revolutionary atmosphere prevailing in most Latin American countries today. He appreciates the need for the reforms stipulated under the Alliance for Progress and also the necessity for unity among progressive groups dedicated to achieving the aims of the Alliance. The achievement of the Betancourt government in maintaining a freely elected government in Venezuela for the full 5-year term is due in great part to the cooperation of COPEI. In the new government that will be inaugurated early this year, the COPEI Party will be called to play an even greater role in continuing the progressive government that Venezuela has enjoyed in the past 5 years.

We know that Venezuela is under attack, that Castro-Communist forces consider it their No. 1 goal. Because Venezuela has great leaders like Dr. Caldera, I am confident that Venezuela will successfully resist the Communist threat, that Venezuela will continue to demonstrate what the Alliance for Progress can achieve with leaders dedicated to its goals.

## ADJOURNMENT

Mr. HUMPHREY. Mr. President, in accordance with the previous order, if there is no further business to come before the Senate, I move that the Senate stand in adjournment until 12 o'clock noon tomorrow.

The motion was agreed to; and (at 5 o'clock and 41 minutes p.m.) the Senate adjourned, under the order previously entered, until tomorrow, Wednesday, January 15, 1964, at 12 o'clock meridian.

## NOMINATIONS

Executive nominations received by the Senate January 14, 1964:

## POST OFFICE DEPARTMENT

Tyler Abell, of the District of Columbia, to be an Assistant Postmaster General, vice Sidney W. Bishop, elevated, to which office he was appointed during the last recess of the Senate.

## TREASURY DEPARTMENT

Sheldon S. Cohen, of Maryland, to be an Assistant General Counsel in the Department of the Treasury (Chief Counsel for the Internal Revenue Service), vice Crane C. Hauser, resigned, to which office he was appointed during the last recess of the Senate.

## ORGANIZATION OF AMERICAN STATES

Ellsworth Bunker, of Vermont, to be the Representative of the United States of America on the Council of the Organization of American States, with the rank of Ambassador.

## IN THE ARMY

The Army National Guard of the United States officer named herein for promotion as a Reserve commissioned officer of the Army, under the provisions of title 10, United States Code, sections 593(a) and 3385:

## To be brigadier general

Col. Charles Luther Southward, [REDACTED], Infantry.

Having designated, under the provisions of title 10, United States Code, section 5231, the following-named officers for commands and other duties determined by the President to be within the contemplation of said section, I nominate them for appointment to the grade of vice admiral while so serving:

Rear Adm. John B. Colwell, U.S. Navy.

Rear Adm. Reynold D. Hogle, U.S. Navy.

Vice Adm. Hyman G. Rickover, U.S. Navy, to be placed on the retired list in the grade of vice admiral under the provisions of title 10, United States Code, section 5233.

## OFFICE OF SCIENCE AND TECHNOLOGY

Donald F. Hornig, of New Jersey, to be Director of the Office of Science and Technology, vice Jerome B. Wiesner.

## FEDERAL DEPOSIT INSURANCE CORPORATION

Joseph W. Barr, of Indiana, to be a member of the Board of Directors of the Federal Deposit Insurance Corporation for a term of 6 years, vice Erle Cocke, Sr., resigned.

## THE JOURNAL

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

## THE PANAMA CRISES

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

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

There was no objection.

Mr. ROUSH. Mr. Speaker, during the past week we have been shocked by reports from Panama. A number of people have been killed, many more injured. What started out as a foray by over-exuberant high school students was transformed into a mob of destruction-bent adults. Incident piled upon incident to create a chasm of ill feeling and distrust between two nations.

The charge that the United States had committed acts of aggression upon a nation it had much to do with creating would be laughable but for the fact blood has been shed. This makes it tragic. Of course, there has been no aggression.

The swift steps taken to alleviate this situation appear at the moment to be bringing about the desired results. But in our desire and haste to reach a peaceful solution we must take care to maintain our basic military and political positions. Any deviation could be mistaken as a sign of weakness. Such an interpretation would only encourage those who incited the mobs last week.

## TO INSCRIBE ON THE SUPREME COURT BUILDING "IN GOD WE TRUST"

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

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

There was no objection.

Mr. WYMAN. Mr. Speaker, the building housing the Supreme Court of the United States belongs to all of the people of the United States. It is a public structure. Like our oath of allegiance and our coinage, this public building should bear that fundamental declaration of trust that is the signal difference between freedom and communism, that "In God We Trust."

When some Members of this body have previously sought to cause the phrase "In God We Trust" to be inscribed in the courtroom inside the Supreme Court Building, they have encountered an opinion of the Architect of the Capitol that such inscription required the approval of the Chief Justice. This, the Chief Justice on October 28, 1963, in a letter to the Architect of the Capitol, declined to do saying in part that:

Ornamentation other than that provided in the original plans would detract from the total concept of the building.

I have today introduced a bill that would direct the inscription on the out-

side of the front of the Supreme Court Building itself of the words "In God We Trust," notwithstanding the provision of any other law.

As the property of all of the people of the United States who are increasingly concerned with interpretations of the Constitution by the Supreme Court itself that continually restrict references to God Almighty in our public life, I believe it is most appropriate that Congress should insist on this continuing reminder in the marble of the Supreme Court Building that indeed we do trust in God.

## JOINT MEETING TO RECEIVE PRESIDENT OF ITALY

Mr. ALBERT. Mr. Speaker, I ask unanimous consent that it may be in order at any time on Wednesday, January 15, 1964, for the Speaker to declare a recess subject to the call of the Chair for the purpose of receiving in joint meeting the President of the Republic of Italy.

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

There was no objection.

## NEWS LOCKOUT AT THE WHITE HOUSE

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

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

There was no objection.

Mr. HORTON. Mr. Speaker, what has happened to the televised Presidential news conferences? Why has President Johnson failed to meet the Washington news corps in the kind of give-and-take atmosphere that prevailed under Presidents Kennedy and Eisenhower? Why has there been this abandonment of a Presidential activity that provided the American people a unique opportunity to see the Chief Executive in unrehearsed action?

Just last week we heard the President say in his state of the Union message:

Let us carry forward the plans and programs of John Fitzgerald Kennedy.

Certainly, the open news conference with the American public in the television audience was a prominent part of the "programs" the President now urges be continued.

I do not believe the President has forgotten the regular meetings his predecessor held with representatives of the press, radio, and television. During his 2 years and 10 months in office, President Kennedy conducted more than 60 of these news conferences.

News men and women are anxious to meet the President in a situation that permits direct questions and demands direct answers. The people of the Nation are anxious to assess their new leader under these conditions.

An occasional kaffeeklatch, barbecue, or guided tour of the White House is no

## HOUSE OF REPRESENTATIVES

TUESDAY, JANUARY 14, 1964

The House met at 12 o'clock noon.

The Chaplain, Rev. Bernard Braskamp, D.D., offered the following prayer:

Daniel 11: 32: *The people that know God shall be strong.*

Almighty God, in this moment of prayer, may we be girded with courage and power to discharge faithfully those tasks and responsibilities which we cannot escape or evade but which challenge and demand the consecration of our noblest manhood and womanhood.

We gratefully acknowledge that in Thy divine providence Thou hast chosen and entrusted our beloved country with a unique and very important mission in the arena of universal history and in the life of all mankind.

Grant that all who are engaged in the business of statecraft may be used by Thee in making a distinct and significant contribution to the cause of peace and good will.

May we daily be inspired with a new appreciation of the worth and dignity of human life, its origin and destiny, and its glorious capabilities and possibilities.

Hear us in Christ's name. Amen.

substitute for the more objective and less personal format of the televised news conference. I hope these meetings will be resumed shortly and that there will be no news lockout at the White House.

#### CALL OF THE HOUSE

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

The SPEAKER. Evidently a quorum is not present.

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

A call of the House was ordered.

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

[Roll No. 4]

Addabbo	Hébert	Mosher
Alger	Herlong	Murray
Anderson	Hoffman	Norblad
Aspinall	Hollifield	O'Brien, Ill.
Baring	Holland	O'Brien, N.Y.
Barry	Horan	O'Hara, Mich.
Bass	Hosmer	O'Konski
Bell	Hutchinson	Olsen, Mont.
Brock	Jarman	Osmers
Brown, Calif.	Jensen	Patten
Broyhill, N.C.	Johansen	Pirnie
Buckley	Jonas	Powell
Cameron	Kee	Pucinski
Carey	Kelly	Randall
Cederberg	Keogh	Rhodes, Ariz.
Clancy	Kluczynski	Riehman
Cohelan	Laird	Rivers, Alaska
Curtis	Lankford	Rivers, S.C.
Daddario	Latta	Rooney, Pa.
Dague	Lesinski	Roudebush
Dawson	Libonati	Roybal
Denton	Lindsay	Schneebell
Derounlan	Lloyd	Schwengel
Diggs	McCulloch	Shriver
Duncan	McIntire	Smith, Iowa
Edmondson	Macdonald	Steed
Everett	MacGregor	Stratton
Flynt	Martin, Mass.	Talcott
Fogarty	Martin, Nebr.	Thompson, N.J.
Frelinghuysen	Mathias	Ullman
Fulton, Pa.	Matsunaga	Westland
Garmatz	May	White
Gary	Michel	Wickersham
Gill	Miller, N.Y.	Wilson,
Goodell	Milliken	Charles H.
Grabowski	Monagan	Wright
Harsha	Moorhead	Wydler
Harvey, Mich.	Morse	
Hays	Morton	

The SPEAKER. On this rollcall, 313 Members have answered to their names, a quorum.

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

#### REIMBURSEMENT OF CERTAIN VESSEL CONSTRUCTION EXPENSES

Mr. BONNER. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H.R. 82) to amend the Merchant Marine Act, 1936, in order to provide for the reimbursement of certain vessel construction expenses, with Senate amendments thereto, disagree to the amendments, and ask for a conference with the Senate.

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

The Chair hears none and appoints the following conferees: Messrs. BONNER, ASHLEY, DOWNING, TOLLEFSON, and VAN PELT.

#### AMENDMENTS TO FEDERAL AIRPORT ACT

Mr. MADDEN. Mr. Speaker, by direction of the Committee on Rules I call up House Resolution 594.

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 (S. 1153) to amend the Federal Airport Act to extend the time for making grants thereunder, and for other purposes. After general debate, which shall be confined to the bill and shall continue not to exceed two hours, 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. It shall be in order to consider the substitute amendment recommended by the Committee on Interstate and Foreign Commerce now in the bill and such substitute for the purpose of amendment shall be considered under the five-minute rule as an original bill. At the conclusion of such consideration the Committee shall rise and report the bill to the House with such amendments as may have been adopted, and any Member may demand a separate vote in the House on any of the amendments adopted in the Committee of the Whole to the bill or committee substitute. The previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommend with or without instructions.

Mr. MADDEN. Mr. Speaker, I yield 30 minutes of my time to the gentleman from California [Mr. SMITH] and at this time I yield myself such time as I may use.

Mr. Speaker, House Resolution 594 provides for consideration of S. 1153, a bill to amend the Federal Airport Act to extend the time for making grants thereunder, and for other purposes. The resolution provides an open rule with 2 hours of debate, making it in order to consider the substitute amendment recommended by the Committee on Interstate and Foreign Commerce.

The purpose of S. 1153 is to extend the authorization of Federal matching funds for airport development for 3 additional years until June 30, 1967.

The present law does not expire until June 30, 1964. However, in view of the change which was made at the time of the last extension of the act with regard to the manner of funding the Federal airport aid program through annual appropriations rather than through the contract or advance obligation authority which had prevailed theretofore, it is necessary to enact the authorization legislation at this time in order to provide the necessary leadtime.

The Federal airport law was enacted into law in 1946 to set up a program of Federal aid for the purpose of providing a system of public airports adequate to meet future needs of airport transportation throughout the Nation. The purpose was to develop a national plan for the orderly expansion of air transportation and to meet the needs which developed by reason of scientific

advancement year by year. This Federal supervision of the Nation's air transportation contributes greatly to air safety but imposes certain conditions and restrictions which must be met by those receiving Federal matching funds. Public airports throughout the country which are not included in this supervision or planning are not eligible for Federal financial assistance. The great majority of public airports in this country have participated in the provisions of the Federal Airport Act.

Under the national airport plan as revised, the administrators requests for airport development are \$231 million for fiscal 1964, \$151 million for fiscal 1965, and \$178 million for fiscal 1966. During the 3-year extension which this legislation provides, the administrator intends to continue to assist those commercial airports entering the jet age, and to further the development of jet aviation airports. It also seeks to improve airport transportation service through the encouragement of regional airports and also to improve airport safety through installation of improving lighting systems and other ground facilities.

Mr. SMITH of California. Mr. Speaker, I yield myself such time as I may use.

Mr. Speaker, House Resolution 594, as the gentleman from Indiana said, provides for 2 hours of debate for the consideration of the bill S. 1153, the purpose of which legislation is to extend the authorization of Federal matching funds for airport development for 3 years until June 30, 1967.

The report sets forth about 10 changes that this bill will make. I think four of them should be called to your attention.

It does extend the time for Federal matching funds for airport development for 3 years until June 30, 1967.

The present law does not expire until June 30 of this year. It is necessary to enact this legislation in order to provide for the necessary leadtime.

The second change of importance is to continue the present annual authorization of appropriations to become available for obligation under grant agreement at the beginning of each of the fiscal years, June 30, 1965, June 30, 1966, and June 30, 1967.

Third, it does change existing law relating to a 50-percent Federal contribution to planning costs after a grant agreement for a specific project is entered into, to add provisions for grants for advance planning and engineering and increase the Federal contribution up to 66½ percent of the total estimated advance planning and engineering costs, rather than the 50 percent, as the law presently is.

The fourth change of importance is that it changes existing law relating to the matters concerning which the Administrator must satisfy himself as a condition to any grant to add the requirements that the project or advance planning and engineering proposal is not inconsistent with concurrent plans of public agencies for the development of the airport area, and that reasonable effort, including enactment of zoning laws,

has been taken to restrict the use of land adjacent to the airport to activities compatible with airport operations.

In my opinion, this is the most important change. With the jet age now and all the residences around many of the large airports where there is considerable noise this will give the committee further opportunity to study those plans and see that they are consistent with local planning.

The cost of the present bill will continue on the same basis of \$75 million for each of the 3 years, or a total of \$225 million. There has been some comment that there may be \$200 million in the pipeline at the present time. Maybe this amount of money is not necessary, but that is what is called for.

There is certain new language in the bill commencing in line 21 on page 11 and continuing to line 8 on page 12. This amendment was placed in the bill with the thought in mind of protecting our legislative branch from any possible encroachment by the executive.

I am further informed that due to the change which has unfortunately occurred recently possibly this language will be amended out. I wanted to call your attention to the fact that this amendment was placed in for that purpose.

Mr. Speaker, I know of no objection to the rule and I have no requests for time.

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

The previous question was ordered.

The resolution was agreed to.

A motion to reconsider was laid on the table.

#### RICE ACREAGE ALLOTMENTS

Mr. SISK. Mr. Speaker, by direction of the Committee on Rules, I call up House Resolution 570 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. 3742) to amend the provisions of the Agricultural Adjustment Act of 1938, as amended, relating to the transfer of producer rice acreage allotments. 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 Agriculture, 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. After the passage of H.R. 3742, it shall be in order in the House to take from the Speaker's table the bill S. 1604 and consider the same.

Mr. SISK. Mr. Speaker, I yield to the gentleman from California [Mr. SMITH] 30 minutes, pending which, I yield myself such time as I may consume.

Mr. Speaker, House Resolution 570 provides for consideration of H.R. 3742, a bill to amend the provisions of the Agricultural Adjustment Act of 1938, as amended, relating to the transfer of producer rice acreage allotments. The resolution provides an open rule with 1 hour of general debate.

The Agricultural Adjustment Act of 1938, as amended, was amended by the 87th Congress to give express statutory effect to the succession of interest provisions which for several years had been included in the Department of Agriculture's regulations governing the establishment of farm rice acreage allotments in States and administrative areas in which such allotments are determined on the basis of past production of rice by the producer on the farm. The amendment created an inequity in that it compelled the rice producer who owned the farm to which a part of his rice history might be ascribed to sell not only his rice-farming equipment, but also his farm in order to quit the rice-producing business and pass on his rice history. On the other hand, the rice producer who owned no land in connection with his rice allotment, could get out of the rice-producing business and transfer his history by selling his rice-producing equipment. This amendment would do away with this inequity and put both types of rice producers on the same basis.

There would not be any additional cost to the Government as the result of the enactment of this legislation.

Mr. Speaker, I urge the adoption of House Resolution 570.

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

Mr. SISK. I am glad to yield to the gentleman from Iowa.

Mr. GROSS. Is this a bill dealing with the purchase or with the trading of allotments?

Mr. SISK. No, as I understand it, it does not deal with that. It deals with the situation that might develop when a man, for example, decides to get out of the business of producing rice and it deals with the way in which he might dispose of his allotment.

Mr. GROSS. Is there any safeguard against the type of operation by that famous Texan—Billie Sol—what was his name?

Mr. SISK. The gentleman is probably more familiar with that case than I am.

Mr. GROSS. Is there any safeguard against that kind of operation in this bill?

Mr. SISK. I might say to my good friend, the gentleman from Iowa, it is my understanding that there are ample safeguards in the law and there is nothing that is dealt with in this particular bill, which actually is an amendment to the law, which would open the door to or permit such action as occurred in the case to which, I believe, the gentleman is referring.

Mr. GROSS. I want to be sure, because so far as I know, no one has ever really gotten to the bottom of the Billie Sol deal and strangely enough, I do not know why, but I want to be sure in pass-

ing any further legislation on this subject that we do not create a fertile field for another Billie Sol to operate—in Texas or anywhere else, for that matter.

Mr. SISK. I agree completely with the gentleman.

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

Mr. SMITH of California. Mr. Speaker, I yield myself such time as I may require.

Mr. Speaker, as stated by the gentleman from California, House Resolution 570 provides an open rule with 1 hour of debate for the consideration of the bill, H.R. 3742.

Mr. Speaker, in the interest of saving time, the statement made by the gentleman from California and his explanation of the bill is precisely as I understand the bill, and I associate myself with his remarks and will not take the time to repeat any of it here.

In addition thereto, however, I would like to call the Members' attention to page 5 of the committee report where some opposing views are set forth by two Members of the House and five different opposition statements are made therein.

I would like to call one of them specifically to your attention, and that is item No. 4 which states:

4. This bill would compound the legislative error made 2 years ago. At that time H.R. 9013 was enacted, giving statutory blessing to an administrative policy which separates the right to grow rice from a particular parcel of land, and permits the testamentary disposition of this right or, under some circumstances, its transfer and sale to other rice producers.

Before H.R. 9013 was enacted, the right to grow rice could be carried around in the farmer's pocket. After enactment, this right could be sold by producers who were tenants. The bill now before the House would extend this right of sale to producers who own the land.

If the trend indicated in this bill continues, we can expect to see the right to grow commodities bought and sold like the commodities themselves with Uncle Sam serving as chief broker. What is done in rice may well become the precedent for other crops.

Mr. Speaker, I know of no objection to the rule and I have no further requests for time.

Mr. SISK. Mr. Speaker, I move the previous question on the resolution.

The previous question was ordered.

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.

#### AMENDMENTS TO FEDERAL AIRPORT ACT

Mr. HARRIS. 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 (S. 1153), to amend the Federal Airport Act to extend the time for making grants thereunder, and for other purposes.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Arkansas.

The motion was agreed to.

## IN THE COMMITTEE OF THE WHOLE

Accordingly, the House resolved itself into the Committee of the Whole House on the State of the Union for the consideration of the bill S. 1153, with Mrs. SULLIVAN in the chair.

The Clerk read the title of the bill.

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

Mr. HARRIS. Madam Chairman, I ask unanimous consent to extend my remarks at this point in the RECORD.

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

There was no objection.

Mr. HARRIS. Madam Chairman, I am very glad, as chairman of the Committee on Interstate and Foreign Commerce, to recommend today to the House the extension of the Federal Airport Construction Act.

As is true of many other Members of Congress, I have lived with this program for a good number of years—as a matter of fact, since the inception of the program in 1946.

I do not believe there is any question in the mind of anyone as to the contribution the program has made to air transportation and to the transportation system of the United States. I do not believe there is any question in the mind of anybody as to whether we should continue to have commercial air transportation to provide for the needs of our people in the future.

In my judgment, if the need for this airport program existed in 1946, there is even a greater need now and for the immediate future.

The committee considered the proposed legislation with full and complete hearings conducted by the Subcommittee on Transportation and Aeronautics under the chairmanship of the distinguished gentleman from Mississippi [Mr. WILLIAMS]. The gentlemen and his committee have given thorough consideration to the problems of today as they relate to the future.

As is always true when any worthwhile program is developed, as time goes along some modification is required. Some modifications are to be provided under the bill.

I am exceedingly pleased by the action of the committee, which was concurred in by the House 3 years ago, when a major policy change was made in the manner of funding for future airport construction.

All kinds of views and opinions were expressed at that time, to the effect that the program would be jeopardized by the major change.

I was one of those who contended that the program would be strengthened. In my judgment, these 3 years have proved that statement to be true. We have had these 3 years of experience. We are now coming into another era where we have a new type of aircraft. We know in the next few years there is going to be a terrific modification in the design and in the operation of aircraft. As a result, the committee feels now—and I think it is unanimous within the committee—that the primary objective should be in

the field of safety. This bill gives special consideration to that field.

In order that these modifications may be and will be thoroughly explained and described to you, I am pleased to yield now to the chairman of the subcommittee who, with his committee, worked out these modifications and who will explain the bill which we have here calling for the extension. I yield to the gentleman from Mississippi [Mr. WILLIAMS] 15 minutes.

Mr. WILLIAMS. Madam Chairman, I ask unanimous consent to extend my remarks at this point in the RECORD and include extraneous matter and certain tables of information.

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

There was no objection.

Mr. WILLIAMS. Madam Chairman, this bill would extend the Federal Airport Act for another 3 years until June 30, 1967, and continue the authorization of annual appropriations of \$75 million for each of the fiscal years 1965, 1966, and 1967.

The present law expires on June 30, 1964. Under the change which we made at the time of the last extension regarding the manner of funding the Federal airport aid program through annual appropriations rather than through the contract or advance obligation authority which had prevailed theretofore, it is necessary to enact the authorization legislation at this time in order to provide the necessary lead time.

During the 3-year extension of the aid program proposed by the bill, the Administrator intends to continue to assist those commercial airports entering the jet age; to further the development of general aviation airports; to seek economy and improved air transportation service through encouragement of regional airports; and to improve airport safety through installation of improved lighting systems and other ground facilities.

This bill would continue the present annual authorization of appropriations to become available for obligation under grant agreements at the beginning of each of the fiscal years ending June 30, 1965, June 30, 1966, and June 30, 1967 as follows: \$66,500,000 covering airports in the 50 States and the District of Columbia; \$1,500,000 covering airports in Hawaii and Puerto Rico in the amount of \$600,000 each, and in the Virgin Islands in the amount of \$300,000; and \$7 million covering general purpose airports in the 50 States and the District of Columbia; continue existing law relating to the apportionment of funds, namely, the apportionment of 75 percent of the funds appropriated among the 50 States and the District of Columbia upon the basis of an area population formula, with the remaining 25 percent constituting a discretionary fund available to the Administrator to carry out any project in the national airport plan; continue existing law providing for the reversion to the discretionary fund of State-apportioned funds unobligated after the end of 2 fiscal years; continue existing law banning a Federal contribu-

tion for items not directly related to safety, such as terminal buildings, and continue existing law relating to the proportion of Federal contribution, namely, 50 percent on most project costs, with 75 percent for certain landing aids, such as runway lighting, and distance markers.

Beyond the continuation for another 3 years of these provisions which have been in the act, the committee amendment would provide for certain changes in the law as it exists today.

The first would change existing law relating to a 50-percent Federal contribution to planning costs after a grant agreement for a specific project is entered into, to add provisions for grants for advance planning and engineering and increase the Federal contribution up to 66 $\frac{2}{3}$  percent of the total estimated advance planning and engineering costs.

Agency regulations presently require the submission of airport layout plans before a project grant is made. In the past, however, very sketchy plans have been submitted in compliance with this regulation because many communities are unable or unwilling to expend funds for planning until they know whether Federal funds will be made available to participate in the airport development proposed by such planning. The committee feels that, by providing advance planning and engineering grants up to 66 $\frac{2}{3}$  percent of the cost thereof, the Federal airport program will be substantially improved. This new provision will lessen the delay which frequently occurs between the time Federal funds are allocated to an area for airport development and the time when a grant agreement is entered into utilizing such funds for airport development and, perhaps even more important, it will enable both the Federal Aviation Agency and the sponsor of the project to determine more accurately what the actual funding requirements will be for the immediate and future costs of the development.

Two changes are made to existing law relating to the matters concerning which the Administrator must satisfy himself as a condition to any grant to add the requirements that the project or advance planning and engineering proposal is not inconsistent with concurrent plans of public agencies for the development of the airport area, and that reasonable effort, including enactment of zoning laws, has been taken to restrict the use of land adjacent to the airport to activities compatible with airport operations.

One new provision requires that as to both planning proposals and project applications, the Administrator must be satisfied that they are not inconsistent with plans—existing at the time he gives his approval—of public agencies for the development of the area in which the airport is located.

This change is not intended to require that all Federal aid be withheld until all local area development plans are in harmony. The committee realizes that there will be areas where such development plans are inconsistent. In such cases, the granting of Federal aid would depend upon the Administrator's ap-

praisal of all relevant facts. In some instances, he could find that Federal funds should be granted notwithstanding a conflict in local development plans. In other instances, he could find that the consequences of proceeding with a particular proposal for airport development might be such that the Federal Government should insist upon some reasonable reconciliation of local development plans before granting Federal funds. The committee expects this provision to be administered in a reasonable manner, keeping in mind the basic objective of the Federal Airport Act to develop public airports in conformity with a national plan designed to anticipate and meet the needs of civil aeronautics.

The other new provision is that the Administrator must be satisfied, as a condition precedent to approval, that appropriate action—including adoption of zoning laws—has been or will be taken to assure that land areas in the immediate vicinity of the airport will be restricted to uses compatible with airport operations.

The committee realizes that all sponsors of airport projects do not have zoning authority and this provision is not intended to require that airport sponsors undertake action which is neither possible nor practical, such as requiring a sponsor to purchase land adjacent to an airport where the sponsor cannot control its use by zoning. The committee does recognize, however, that airport sponsors are public agencies with a voice in the affairs of the community in which the airport development is undertaken and should be required to use such influences as they might have in a reasonable manner to assure proper zoning of land near the airport, to assure that schools are not built in the flight path of aircraft taking off or landing at the airport, and to discourage the development of residential housing—including apartments—in areas where noise levels would make such development unwise. The committee feels that such use of the influence of a sponsor would constitute "appropriate action" within the meaning of this amendment and that the Federal Government should insist upon an acknowledgment that the compatible use of land near airports is a responsibility which must be assumed by local agencies.

The fourth change adds a provision giving the Administrator and the Comptroller General access to records required to be kept by grant recipients.

The fifth change would add a new provision relating to actions by the executive branch of the Government in connection with airports receiving Federal aid.

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

Mr. WILLIAMS. I yield to the gentleman.

Mr. GROSS. I have not heard that President Johnson has repudiated any of the Executive orders issued by the previous administration. I believe, for instance, that the Gesell report and the Executive order that followed on that is still in effect.

Mr. WILLIAMS. Let me say to the gentleman from Iowa that the principle

enunciated in this particular language which I insisted on placing in the bill several months ago has not changed. I still believe just as deeply in the philosophy of this amendment now as I did then. But I recognize the existence of a practical situation.

President Johnson came before the Congress and in his first message to the Congress he made a remark to this effect:

I believe deeply in the independence of the legislative branch.

He went on further and said

That is in the marrow of my bones.

The gentleman may recall those statements.

After we have a new President taking office there is a feeling that the Congress should not be put in the position of prejudging what this President might do; therefore reluctantly I agreed not to go all out to retain this language, although I still believe in the philosophy of it.

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

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

Mr. GROSS. President Johnson's statement was made in appearance before a joint session of Congress on November 27, 1963; is that correct?

Mr. WILLIAMS. I do not remember the date. I believe that is right.

Mr. GROSS. Subsequently there came the foreign aid bill and the amendment to prohibit the sale of wheat to Russia. If I recollect correctly there was a lot of arm twisting put on Members of Congress by the White House and the prohibition was eventually knocked out. If this is an example of how the President keeps his hands off Congress, the manipulations that went on with respect to the foreign aid bill, then I am not convinced for a minute that the marrow was very deep in his bones.

Mr. WILLIAMS. I may say that I do not intend to vote to take this language out, but I am not going to make a big issue of it. I hope the gentleman will vote with me and we will have at least two votes against taking the language out. It is my feeling, however, that the situation has changed somewhat in the past several months and that this language, perhaps, is not as necessary now as it was at that time.

Madam Chairman, the committee has brought to you a good bill, and I hope the House will act favorably on the bill that we have presented.

Mr. HARRIS. Madam Chairman, I ask unanimous consent that the gentleman from Oklahoma [Mr. JARMAN] may extend his remarks at this point in the RECORD.

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

There was no objection.

Mr. JARMAN. Madam Chairman, few industries have experienced more spectacular growth or have contributed more importantly to the national economy than that of air commerce. Indeed, one facet of the industry, aircraft manufacturing, with 650,000 employees ranks second in numbers employed only to the

motor vehicle and equipment industry. Another facet, the domestic trunk airlines, realized in 1962 revenues of over \$2¼ billion. They along with other domestic air carriers expect to increase the number of revenue passengers from 60 million at the beginning of this year to 85 million by 1970, and to increase their total passenger miles for the same period from 33 to 51 billion miles. The 13 local service carriers, a vital part of the industry, grew impressively in 1962 by carrying 18.2 percent more passengers, flying 19.6 percent more passenger miles, and carrying 14.3 percent more mail.

Finally, one of the more important sides of the air commerce industry, general aviation, registered a tremendous growth in 1962. Over 80,000 aircraft flew approximately three times as many hours and twice as many miles as the domestic certificated airlines. This fleet today represents 85 percent of all U.S. aircraft, and by 1970 their number should total well over 100,000. This increase is due in part to the use of general aviation in pleasure flying, business travel, air-taxi service, and in agricultural and industrial applications.

If this vital industry, Mr. Chairman, is to continue its growth and yet not be hazardous to its base area, it must be supported with and accompanied by increasing numbers of planned airports. We all know that airports are not just local assets. They do not just benefit the large airlines, the private and business pilots, and the air travelers. Instead airports vitally affect the prosperity, well-being, and security of all our citizens. For example, an adequate airport system is the single most important factor in insuring air safety. The Federal Aviation Agency has recently stated that more than two-thirds of all aircraft accidents occur either at or within 5 miles of the airport.

Viewed in this frame of reference, Madam Chairman, we can see the need for legislation such as that presently under consideration. I am still persuaded that the Congress must insist that the American public have every possible protection from air accidents. We have agreed that safety per se is a proper function of government, and thus we must also agree that air safety is a proper public concern. With this thought in mind and cognizant of the importance of the air commerce industry, I rise to support fully the pending legislation.

Madam Chairman, the bill before us would simply amend the Federal Airport Act to extend for 3 years the program of matching Federal grants of \$75 million per year for airport development. Federal participation will still be limited to items directly related to safety and the special fund of \$7 million a year provided for the development of general aviation airports will be continued. Also, moneys allocated to any State not obligated within 2 fiscal years will revert back to the discretionary fund. Further, as a condition precedent to the receipt of Federal aid, airport authorities will continue to require installment of certain specified landing aids. In other words, the present program will be continued with the exception of some certain technical

amendments and a new provision requiring a reasonable effort to restrict the use of land adjacent to airports as a condition precedent to any grant.

Madam Chairman, a continuation of the present program for 3 years with these additional amendments is highly desirable, not only as a stimulant to a most important industry, but also as a safety program. The Federal Airport Act is a minimum program designed to achieve the maximum amount from our tax dollars. The public has the right to air safety; indeed, they should expect no less. The extension of this program is but one more important step in bringing the American public safely and proudly into the full marvel of jet-age life.

Madam Chairman, I cannot urge strongly enough the passage of this measure.

Mr. BENNETT of Michigan. Madam Chairman, I yield 5 minutes to the gentleman from Illinois [Mr. SPRINGER].

Mr. SPRINGER. Madam Chairman, this bill was considered rather exhaustively. There were two provisions that clearly improve the bill.

First. We did eliminate the backdoor spending. Many of us have for years resisted that kind of spending, where the spending has been made first and then authority for it has been sought later in the form of an appropriation. We now compel the Federal Aviation Agency to come before the proper committees of the Congress, justify their requests, and then we authorize before appropriation. This is a distinct improvement in this piece of legislation.

We have made a second improvement in the bill. Some of you have contacted members of the Subcommittee on Transportation and Civil Aeronautics at various times during the past 5 years seeking some kind of relief from the noise complaints around airports. We have studied this on at least three occasions. I know the chairman of the committee, on appearance before the Rules Committee 2 years ago, agreed that a study would be made and a report sent back to the Committee on Rules, which we did. We made the best kind of an investigation that could be made on what may be done about, especially, jet noises in the immediate vicinity of our large airports all over the country.

Second. In this particular piece of legislation we have made it incumbent upon the FAA to be sure that future projects when planned will not be inconsistent with local surrounding conditions. I think we are putting some incumbency upon local communities for proper zoning in connection with the immediate areas surrounding airports. This is the real way to remove noise, by removing from the immediate area of airports local communities which can be disturbed by this noise before the communities are built. So I do believe that we have made some improvements in this bill.

There will always be serious differences of opinion on how much money ought to be allotted to this kind of program. In the latter days of the Eisenhower administration there was discussion of phasing this program out. Most of the large airports in this country had already been

built, also those entirely owned by local communities. Most of the applications at the local level for airports had been approved. There are still some coming in and there are, of course, some that are seeking improvements and additions to airports, but to a large extent most of our airports are already built.

Second, when your President appeared before you a few days ago he talked about economy for the coming year, and he stressed that we ought not to be spending on projects which could largely be done by local communities. Those areas where we were supporting those projects that could be reduced ought to be reduced. If the President sees fit to follow through on that sort of a program, he will have my support in this Congress.

I have had a chance to think about this matter since he made that speech. This might not be a bad place to give him some of this economy. This might be a good place to start on economy.

There will be a motion to recommit which will be offered by the ranking minority member later on to reduce the program in this bill. A few days ago when the chairman of the Subcommittee on Transportation and Civil Aeronautics appeared before the Rules Committee he mentioned that this program, and I believe these are his words, "probably would be phased out at the end of this 3-year period," or at least a start would be made on phasing out this particular program. I think we could with some justification begin phasing now in this authorization.

May I say to my colleagues that when this motion to recommit is offered by the ranking minority member of this committee I trust it will receive your support.

Mr. BENNETT of Michigan. Madam Chairman, I yield 5 minutes to the gentleman from Minnesota [Mr. NELSEN].

Mr. NELSEN. Madam Chairman, I would like to call attention to a phase of our Federal airports program which seems a bit inconsistent. I refer to the Federal subsidy distribution that goes to the feeder airlines, which has been reduced because of the subsidy policy of the CAB prompted by the President's transportation message of 1962.

I am in sympathy with the effort of the administration to eliminate unnecessary Federal expenses, but I do not believe the reduction of local air service would be in the public interest at this time. In view of the substantial increase in passenger traffic that has been established by both trunk lines and feeder carriers, it would seem unfair to isolated communities that have just commenced to utilize the supplemental air service to now have it removed or reduced.

The dollar figure provided in this bill will continue the building of airstrips and the providing of air safety measures. On the other hand our Government is cutting back on subsidies that make possible the use of many of these airports. We have several small airports in my area which because of the severe cutback in the subsidy have become almost inoperative as far as any commercial air travel is concerned. It would seem to me that if the Federal Government is on the one hand to cut back the subsidies that make

it possible to use these airports and on the other hand in this bill to allow appropriations to continue to build more, it does not seem to be consistent with good fiscal judgment.

Originally, we were told this program would phase out, and I think when the last extension was considered, we were told it might be in the process of phasing out very soon. I think the motion to recommit will provide for a phasing out and will leave a reasonable amount of dollars for this activity, and it would seem to me good judgment if more of the dollars would go to support and maintain existing airports that have been built to a large degree with Federal funds. It would be doing a greater justice to keep them going rather than to build more and to have them phased out because of the lack of funds through the infancy of their development.

Madam Chairman, I yield back the balance of my time.

Mr. BENNETT of Michigan. Madam Chairman, I yield myself 5 minutes.

Madam Chairman, the President of the United States made a very eloquent speech the other day about the need for cutting Government expenses. I do not know that he specifically mentioned this program. I do not think he did. But I think it is quite clear, if the President means what he says, and I, for one, have no reason to doubt his sincerity. Moreover, I think the American people or at least the majority of the American people are in full accord with what the President said in respect to cutting expenses.

Our committee considered this bill long before President Johnson's speech the other day. The subcommittee considered it and the full committee considered it several months ago. My own feeling is this: The bill should have been brought back to our committee following the President's speech last week in order that we might call before our committee the Federal aviation people and the other people in the executive branch of the Government who are charged with the administration of this program, to ask them if they believe what the President said when he stood here not long ago and told the American people and the Congress that we had to cut expenses.

Now, this program has been a good program. I have given it my support through the years. But it has been a poor program, too, in some ways. Under this program, we have spent since its inception several hundred millions of dollars in building city airports with much of that money going into lavish and expensive terminal buildings that have turned out now to be very profitable for the cities.

At one time, during the first few years of the operation of this program, out of some \$5 or \$6 million allocated to our State of Michigan under the program, approximately 60 percent was spent for one airport in the city of Detroit, while many airports, including some in my district and some in other rural areas, were operating scheduled airline service with one landing strip. Those things under this program have not been good, but by and large the program has ac-

complished a good deal. It has put airports in many places where they were needed. I believe there is justification for continuing the program.

But I do not believe the program is sacrosanct. If we are to cut expenses, if the budget is to be cut—if the President means what he says and if the leaders of his party want to support him—then this program either should be cut today, as I shall propose in a motion to recommit, or it should go back to the committee for further study. That latter action is what I would prefer to have done, because I believe that is the orderly way to proceed. I believe we should have a new opportunity, in view of what the President said, to talk to representatives of the Federal Aviation Agency, of the Department of Commerce, and of the Bureau of the Budget, to determine what they think about the possibilities of cutting the program and how much it can be cut without doing it any harm—and most of all whether they are interested in the President's advice about economy.

I feel sure the leadership will not agree with that procedure, and, failing that, the only remedy I can see is to try to make what I regard to be a modest cut. I intend to offer a motion to recommit, to provide for cutting the program back \$15 million a year, or \$45 million over the 3-year period.

Madam Chairman, I believe that is a reasonable, sensible approach toward economy. I am sure that such a reduction would not do any damage or any harm to any essential part of the program.

I believe Congress ought to follow the advice of the President and its own advice. I voted not long ago to cut taxes.

I believe the American people want a tax cut, but I believe with respect to expenditures such as proposed and others we can afford to make reasonable reductions.

If we cannot afford to make a reasonable reduction in this program, then I do not believe there is any program the Federal Government sponsors on which a reasonable reduction can be made.

It would be worthy to note at this point that this program would build airports on a grand scale at the same time the Civil Aeronautics Board is drastically cutting back subsidies for local air carriers upon which all but the metropolitan areas rely for air transportation. In my own area, many towns will have no air service. Flights connecting parts of our Upper Peninsula of Michigan are being eliminated to the economic detriment of the whole area. In the last 6 months, North Central Airlines has discontinued three of its flights in the Upper Peninsula because of the cutback in subsidies ordered by the Civil Aeronautics Board. Should we not also devote our funds to the purpose of using what we have already built—of servicing those communities which have built airports that they might enjoy the advantages of air transportation? The program to build up to 1,600 new airports could well be geared to the proper assimilation and use of those in existence; geared to the building and maintenance of an air car-

rier system adequate to the growing needs of our less populated areas. It should be used to help these communities grow. Instead, we say grow and then you may join the air age. The amount of money involved is not the important factor really. The sensible, balanced use of Federal funds for good purposes is most important, which is one of the principal reasons I feel a modest saving in this program could well be applied toward building the feeder line subsidy payments to levels which are necessary to give adequate service to the communities which are now being served.

In respect to the amendment the gentleman from Mississippi talked about, the committee finds itself in a rather unfortunate situation, in my opinion. I am sure the gentleman from Mississippi offered the amendment in good faith. In my judgment it is a basically sound amendment, because it would do what I believe Congress constantly should do; that is, to safeguard its prerogatives to make the laws, as opposed to orders and decrees by the executive department for which there is no legal basis. So, when I voted for that amendment I voted for it because I do not believe any President, regardless of who he may be or to which party he may belong should have authority on his own initiative to issue Executive orders, which have the force and effect of law, without the approval of the people's Representatives in the Congress.

All this simple amendment does is to insure that so far as this particular program is concerned—and that is all we are dealing with in this bill, is this program—as far as this particular program is concerned, no one in the executive branch should issue any orders except to carry out the specific terms of the bill. If there is anything wrong with that kind of provision, I would like to know it and I would like to have somebody stand up and tell me what it is.

Mr. WILLIAMS. Madam Chairman, will the gentleman yield?

Mr. BENNETT of Michigan. I yield to the gentleman from Mississippi.

Mr. WILLIAMS. May I say to the gentleman that I feel just as strongly now that this language should be kept in this bill as I did at the time that I was pushing for the language. As a matter of fact, I feel that language similar to this, or this language, if this be the appropriate language, should be included in every bill that passes this House in order to protect the integrity of the legislative branch.

May I say that should an amendment be offered to take this language out, I intend to vote against the amendment. However, the remarks I made in saying that I was not as insistent on retaining this language now as I was 3 months ago was based on the very practical situation we must all recognize, that perhaps to insist on continuing this language in this legislation might be to prejudice what the present occupant in the White House might do with respect to Executive orders. My reason for feeling the way I did with respect to not opposing or not making an all-out fight, so to speak, to keep this in the legislation is based on my feeling that we should give

the present occupant of the White House time to see what course he intends to follow with respect to these Executive orders. However, may I say that as far as my situation is concerned and my personal views are concerned, I feel just as strongly now as I have ever felt that this language is necessary to protect the constitutional prerogatives of the Congress, not only in the Federal Airport Act but in every act passed by this body.

I thank the gentleman for yielding.

Mr. BENNETT of Michigan. Madam Chairman, I respect President Johnson, and I had great admiration and respect for the late President Kennedy, as well as former Presidents Eisenhower and Truman. However, this is the kind of authority that a President ought not to have and is not entitled to have. It is the kind of authority he should not be able to exercise without specific consent of Congress. If we want to write civil rights legislation, as I expect we will before this session ends, and write specific language that will take care of some of the objections that may be had to this particular provision, that is well and good. When Congress writes the provisions into the law, then it is the duty of the Chief Executive to enforce them, but up to that time and up to the time when there is some legal basis or some legal background for that authority, I do not think it ought to be exercised.

Mr. HARRIS. Madam Chairman, will the gentleman yield?

Mr. BENNETT of Michigan. I yield to the chairman of the committee.

Mr. HARRIS. I should like to say to the gentleman with reference to the matter he is presently discussing and to the matter on which he had the colloquy with the distinguished gentleman from Mississippi that I have recognized that there are different views. I recognize the concept behind the amendment and what was intended. Of course, the gentleman knows my position with reference to the proposed civil rights bill over the years.

The CHAIRMAN. The time of the gentleman has again expired.

Mr. HARRIS. Madam Chairman, I yield the gentleman 5 additional minutes.

The CHAIRMAN. The gentleman from Michigan is recognized for 5 additional minutes.

Mr. HARRIS. I think that many of these proposals—and as a matter of fact, the general civil rights proposal which has created such feeling all over this country has been largely unnecessary. It has inflamed the people and the minds of the people. However, here we have a program that has been in existence since 1946.

In the original act, in 1946, there was contained this provision, section 11(1):

The airport to which the project relates will be available for public use on fair and reasonable terms and without unjust discrimination.

That was in the act, has been in the act ever since and is in the act today. Certainly none of us who have different views about some of the proposed civil rights programs have been trying to strike it out. It has worked pretty

well all these years. It is still there. It has been interpreted by the courts. I remember when the Court ruled on this question of discrimination in transportation in the bus cases. I remember, away back, when the Supreme Court ruled on the question of discrimination with reference to the railroad case. But for some reason, even though it is the law—and a lot of us did not agree with and do not agree with it today, but it is the national policy because the Court has said so—I see no particular need of cluttering up the Airport Act and raising a question where there can be no question because—and this is the point that I am getting to—the amendment offered says:

Except for the purpose of carrying out the provision of law specifically set forth in this act.

The act already specifically sets it out. And since it does it seems to me, even though it might be a good policy—and I do not question it at this point—it seems to me that the Members of the House should take into consideration the existing situation in relation to what is proposed here. I do not think anything should be added. It is already set out in the act today.

Mr. BENNETT of Michigan. The gentleman now is talking about the anti-discrimination provisions in the law. But the provision of this section that was added also provides for any type of Executive order. It is not an order or a decree by the Executive in relation to civil rights. In fact, there is not anything mentioned about civil rights in the amendment. This refers to any kind of Executive order that is issued without legal authority—any kind of Executive order whatsoever.

Mr. HARRIS. Madam Chairman, will the gentleman yield on that point?

Mr. BENNETT of Michigan. I yield.

Mr. HARRIS. That is true, except as provided specifically in this act. And this act specifically provides as I just read it a moment ago.

Mr. BENNETT of Michigan. Very well; and I have already answered the question. What the gentleman mentioned takes care of the civil rights aspect, but the language that I mentioned takes care of any other type of Executive order, no matter what it may be, whether it is in this law or any other law. This takes care of everything. While the gentleman has directed our attention to a civil rights provision, this is a basic proposition, which applies across the board.

Mr. DON H. CLAUSEN. Madam Chairman, will the gentleman yield?

Mr. BENNETT of Michigan. I yield.

Mr. DON H. CLAUSEN. Madam Chairman, there is a question I would like to ask relating to the landing aids section. My colleague, the gentleman from Minnesota [Mr. NELSEN], raised the question a moment ago about a subsidy relating to scheduled airlines and some of the feeder airlines in particular. It was my candid opinion that one of the major problems in this area is the fact that they do not have adequate landing aids at these various airports to assure some reliance on schedule.

My question is this: Does the gentleman feel there will be adequate funds available for landing aids throughout the country?

Mr. BENNETT of Michigan. Yes, I do. There will be plenty of money available. This will take \$15 million a year out of the \$199 million that is authorized for overall purposes in the act. My amendment would not deal, for example, with the \$21 million in the bill for building airports for private nonscheduled planes away from the big city concentrated airports. The small airplane constitutes one of the biggest hazards in commercial flying today. That item would not be touched at all. The \$15 million would be an across-the-board cut and could be applied in any manner that the Federal Aviation Agency sees fit. Certainly, in my judgment, it should not be applied where landing aids are necessary or any other safety device. But we should be sure of what we are talking about. This bill is not primarily an aviation safety appropriation bill. That comes under the Federal aviation appropriation bill which provides hundreds of millions of dollars for landing aids, for radar equipment, and for all that sort of thing that goes to help make it easier and safer for an airplane to land. This program deals primarily with the on-the-ground part of the airport itself.

Mr. DON H. CLAUSEN. I thank the gentleman.

Mr. HARRIS. Madam Chairman, I yield myself 10 minutes.

Madam Chairman, on reporting the bill by the subcommittee to the full Committee on Interstate and Foreign Commerce, consideration was given by the committee to the proposed amendments. There was rather full discussion. Except for the one amendment that was adopted by the committee, which has been discussed here and to which the gentleman from Mississippi [Mr. WILLIAMS], referred in his discussion, in which he said he would not insist on it so much now as previously, and to which the gentleman from Michigan has devoted some time, there was no controversy on the bill at all. There was no question raised about any of the provisions of the bill as I recalled during the extensive consideration that was given the matter. There was no attempt, there was no offer of amendments to reduce the proposed program.

Mr. BENNETT of Michigan. Madam Chairman, will the gentleman yield?

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

Mr. BENNETT of Michigan. I offered an amendment to reduce the appropriation, if the gentleman will recall.

Mr. HARRIS. If the gentleman says he offered an amendment I would not dispute that at all.

Mr. BENNETT of Michigan. I was unsuccessful in my effort.

Mr. HARRIS. I simply do not recall there was any issue made of it. There might have been. If the gentleman says he offered an amendment, he did. I certainly do not recall any big issue that was made of it.

Mr. WILLIAMS. Madam Chairman, will the gentleman yield?

Mr. HARRIS. I yield to the gentleman from Mississippi.

Mr. WILLIAMS. I think the gentleman from Michigan is correct. He offered an amendment to reduce the amount of the authorization, which amendment was roundly and soundly defeated in the subcommittee. In the committee consideration of the bill there was no suggestion of a reduced appropriation. It was only when the bill came before the full committee that the amendment was offered on that subject.

Mr. HARRIS. I regret that I do not recall any great discussion and I do not recall anyone else on the committee discussing the matter or raising any question about it. So I must confess that I am a little bit surprised at the turn that has been taken here in the last few minutes.

I personally would regret to see this program interfered with as it has been carried out in the last few years. This is the third year. I think it would be a tremendous setback in a program that has been going well now and one that has got to move in the future.

I am not one of those who are accustomed to suggesting or urging great and excessive programs of spending. I think this House knows that on almost every bill we have reported out of committee with which I have had something to do I have taken the position of trying to provide a program that would meet the needs but have all the fat cut out. If time would permit, I could recall to you all the innumerable programs we have brought to you under those conditions.

The House will remember that we were urged 3 years ago to report to you a program of \$135 million a year. The other body insisted on it. Then it was reduced to an urgency of \$100 million a year. Because of the action of the overwhelming majority of the committee, we reduced this program to \$75 million a year. We cut it to the very bone to meet the needs, as the record shows.

When there was urgency to meet the needs in the future we have been importuned in recent months to report a program of \$100 million a year. The committee has consistently refused to meet those demands we have had brought upon us. I want you to know the facts so you can see that this committee and its action started not today, not the day the President made his speech a few days ago, but we started 3 years ago, and it has worked out pretty well.

Let me remind the Members of this House that on page 23 of the report—and I want you to look at that, every one of you—you can see where the Federal-aid airport program has been broken down by States. We have tried to provide the needs under the formula in all the States of this Union.

Then if you will look on page 22 you will find the history of the airport program. If there was ever a program authorized by this Congress to meet a Federal need you will find that throughout the years—just look at this record—

it has been held to the very bone. I just want to remind you of the past history here before we start out now trying to just tinker, in my judgment, with a program that is working very well and meeting the needs, and we are getting the best possible benefit out of it.

Mr. WILLIAMS. Madam Chairman, will the gentleman yield?

Mr. HARRIS. I yield to the gentleman.

Mr. WILLIAMS. The gentleman mentioned that the witnesses who appeared before the committee indicated a minimum of \$100 million a year would be needed and that this authorization should be carried at least at that level. They also said that not only would \$100 million a year be needed, but that the program should be extended for 5 years and not for 3 years—which would have carried \$500 million rather than the amount we carry in this bill.

I hold in my hand, Madam Chairman, a summary of estimated required airport development costs itemized by States which, when we get back into the House, I will ask to be included in the RECORD. This is a table which shows for the fiscal year 1965 there will be a need for \$234,303,000.

For fiscal year 1966, there will be a need for \$166,711,000.

For 1967, there will be a need for \$194,348,000.

Summary of estimated required airport development cost, by cost item, by State, fiscal year 1967

[In thousands of dollars]

State	Airports used by both scheduled airlines and general aviation							Airports used by general aviation only							Grand total
	Land acquisition	Site preparation	Paving	Lighting	Safety buildings	Miscellaneous	Total	Land acquisition	Site preparation	Paving	Lighting	Safety buildings	Miscellaneous	Total	
Alabama.....	11	346	2,335	220	144	20	3,076	21	59	240	28	0	23	371	3,447
Alaska.....	102	8,179	1,399	435	90	178	10,383	60	1,101	0	42	0	40	1,243	11,626
Arizona.....	0	11	865	72	0	2	950	0	10	159	10	31	20	230	1,180
Arkansas.....	4	18	24	22	0	0	68	20	97	590	48	0	39	794	862
California.....	40,720	663	2,464	205	350	267	44,669	422	182	882	356	163	211	2,216	46,885
Colorado.....	180	63	1,195	104	0	23	1,565	6	28	365	153	0	5	557	2,122
Connecticut.....	0	100	0	0	50	10	160	0	0	0	18	160	35	213	373
Delaware.....	0	0	0	0	0	0	0	0	0	0	22	0	0	22	22
District of Columbia.....	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Florida.....	6	0	994	163	176	6	1,345	0	0	19	130	30	18	197	1,542
Georgia.....	0	1,825	1,087	29	0	15	2,956	60	115	338	37	0	6	556	3,512
Hawaii.....	0	4,635	1,380	140	100	0	6,255	0	0	9	22	0	0	31	6,286
Idaho.....	0	15	435	335	0	0	785	0	0	0	44	0	18	62	847
Illinois.....	486	218	1,107	305	110	214	2,440	176	6,195	1,203	229	0	31	7,834	10,274
Indiana.....	60	50	1,089	77	0	370	1,646	85	71	210	71	0	6	443	2,089
Iowa.....	0	23	164	25	32	0	244	26	32	820	151	0	8	1,037	1,281
Kansas.....	0	44	504	84	0	0	632	2	39	548	236	0	0	825	1,457
Kentucky.....	923	4,203	3,568	256	0	0	8,950	300	839	403	0	0	109	1,651	10,601
Louisiana.....	0	236	589	59	0	8	892	0	0	2,044	238	0	34	2,316	3,208
Maine.....	0	34	171	8	0	0	213	5	0	28	124	0	10	167	380
Maryland.....	30	210	510	28	0	0	778	0	30	510	74	0	10	624	1,402
Massachusetts.....	50	1,300	243	58	80	58	1,789	0	0	30	0	160	107	297	2,086
Michigan.....	140	75	1,181	74	0	170	1,640	210	125	295	91	0	19	738	2,378
Minnesota.....	0	0	364	12	451	0	827	86	298	1,031	201	125	46	1,787	2,614
Mississippi.....	0	15	304	0	11	0	330	80	84	714	182	0	63	1,123	1,453
Missouri.....	57	83	1,799	63	0	71	2,073	6	8	767	306	0	1	1,088	3,161
Montana.....	20	18	500	415	26	0	779	0	0	0	76	0	9	85	864
Nebraska.....	43	40	855	20	0	8	966	9	8	96	32	0	18	163	1,129
Nevada.....	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
New Hampshire.....	0	93	232	24	0	0	349	6	20	73	26	0	6	131	480
New Jersey.....	0	28	3,355	587	0	750	4,720	0	82	558	232	0	160	1,032	5,752
New Mexico.....	4	12	431	56	0	12	515	15	246	820	146	0	56	1,283	1,798
New York.....	85	160	2,335	660	30	530	3,800	0	34	176	202	55	84	551	4,351
North Carolina.....	22	112	2,214	345	18	506	3,217	89	150	220	60	0	9	528	3,745
North Dakota.....	36	39	391	33	0	0	499	47	92	180	10	0	24	353	852
Ohio.....	460	2,009	7,490	402	0	225	10,586	500	407	1,059	78	0	67	2,111	12,697
Oklahoma.....	1,800	0	1,610	0	0	0	3,410	414	45	736	270	0	58	1,523	4,933
Oregon.....	0	21	248	1,160	0	0	1,429	10	40	218	125	0	5	398	1,820
Pennsylvania.....	860	3,870	2,920	168	60	630	8,508	140	554	1,412	383	124	79	2,692	11,200
Rhode Island.....	0	8	74	44	0	40	166	0	20	20	32	90	0	162	328
South Carolina.....	0	0	0	0	0	0	0	7	6	37	0	0	2	55	55
South Dakota.....	0	0	686	125	0	4	815	13	19	239	149	0	11	431	1,246
Tennessee.....	200	642	1,262	47	0	43	2,194	600	167	219	41	0	19	1,046	3,240
Texas.....	0	292	3,044	488	1,288	1	5,113	2,024	350	3,655	14	0	199	6,242	11,355
Utah.....	0	0	0	21	0	0	21	0	0	12	16	0	0	28	49
Vermont.....	0	0	54	4	0	2	60	0	5	274	43	0	1	323	383
Virginia.....	0	70	260	0	0	27	357	0	160	543	244	0	90	1,037	1,394
Washington.....	0	237	894	252	80	0	1,463	60	32	145	18	0	8	263	1,726
West Virginia.....	7	0	130	70	0	0	207	0	0	150	136	0	40	326	533
Wisconsin.....	50	180	595	42	0	14	881	281	174	625	10	0	20	1,110	1,991
Wyoming.....	11	30	496	171	0	5	713	0	17	94	7	0	8	126	839
U.S. total.....	46,367	30,207	53,647	7,908	3,096	4,209	145,434	5,776	11,940	22,735	5,200	938	1,832	48,421	193,855
Puerto Rico.....	0	289	143	10	0	1	443	0	0	0	0	0	0	20	463
Virgin Islands.....	0	0	0	30	0	0	30	0	0	0	0	0	0	0	30
Grand total.....	46,367	30,496	53,790	7,948	3,096	4,210	145,907	5,776	11,940	22,735	5,220	938	1,832	48,441	194,348

This need far exceeds the amount we have authorized in this bill. It seems to me, if we are going to continue this program, we ought to go ahead and authorize it at a level high enough to do a creditable job. After all, Madam Chairman, these airports are for the development of the United States of America. These airports are for the use of the citizens of the United States of America. These airports will contribute to the best business interests and to the economy of the United States of America and will contribute to a very strong transportation system. I feel that certainly \$75 million in Federal contributions—if we are going to have a program

and I presume we will have a program—is going to be necessary in order to keep this program working at an orderly pace.

Mr. HARRIS. And the gentleman could include that these airports will also serve in the best interest of the defense of the United States of America because this is a part of our national defense.

Mr. WILLIAMS. The gentleman is correct.

Mr. BENNETT of Michigan. Madam Chairman, will the gentleman yield?

Mr. HARRIS. I yield to the gentleman.

Mr. BENNETT of Michigan. I would like to ask the gentleman from Mississippi if it is not true that in his statement

before the Committee on Rules he advocated the phasing out of this program by the end of 3 years—the phasing out of the program entirely?

Mr. WILLIAMS. The gentleman is correct. I told the Committee on Rules I felt this level of authorization should be continued for the next 3 years, but that any further extensions of this program should certainly take into account a plan for an orderly phaseout of the program. But not until these 3 years have passed at the present level and we have a chance to see how this program develops.

Mr. BENNETT of Michigan. But the gentleman thinks the program will go to

pot, if it is cut 15 cents during the next 3 years?

Mr. WILLIAMS. May I say, if it is cut as much as the gentleman has indicated he wants to cut it, then, yes, I think it would be severely crippled.

Mr. HARRIS. Let me say to my distinguished colleagues of the House, I know that you do not want to endanger a program that the public demands, and I am going to put into the RECORD the statement of the Administrator of the Federal Aviation Agency and a statement of the Chairman of the Civil Aeronautics Board with reference to the two tragic accidents that happened with the jets—one in Florida and one here in Maryland recently in order that the Members of the House may have the benefit of their discussion and their explanation.

STATEMENT OF ALAN S. BOYD, CHAIRMAN OF THE CIVIL AERONAUTICS BOARD, BEFORE THE SUBCOMMITTEE ON PUBLIC HEALTH AND SAFETY OF THE COMMITTEE ON INTERSTATE AND FOREIGN COMMERCE, HOUSE OF REPRESENTATIVES, JANUARY 8, 1964

Mr. Chairman and members of the committee, the Board appreciates this opportunity to appear before you in connection with your study of recent turbojet aircraft accidents.

As you know, the Federal Aviation Act of 1958 has charged the Board with the responsibility of investigating aircraft accidents, making recommendations for the prevention of accidents, and conducting special studies on matters pertaining to air safety. The Board has organized its staff, its accident investigation policies, plans, procedures, and programs to discharge these functions. The Board is proud of the record of its Bureau of Safety and the excellent work, collectively and individually, performed by the members of its staff. We feel that it is important to mention at the outset that the success of the Board in investigating aircraft accidents is due in part to the whole-hearted cooperation of various segments of the aviation industry and of Government agencies in the discharge of our function. Specifically, the Federal Aviation Agency, the Department of Defense, the National Space and Aeronautics Administration, the U.S. Weather Bureau, the National Bureau of Standards, and the Federal Bureau of Investigation, have made many valuable contributions to our accident investigations.

During the calendar year 1963, there were two turbojet aircraft accidents involving U.S. scheduled air carriers which resulted in fatalities and I will discuss rather briefly these accidents.

The first fatal jet accident in 1963 occurred in February. A Boeing 720-B, four-engine fan-jet aircraft, operated by Northwest Airlines, Inc., as flight 705, crashed approximately 30 miles west/southwest of the Miami International Airport in the Everglades at approximately 1:30 in the afternoon on February 12, 1963. There were 43 fatalities. The flight had taken off from the Miami Airport about 13 minutes prior to the crash, bound for Chicago, Ill. There were moderate rain showers at the airport with thunderstorms in the vicinity at the time the aircraft took off.

The weather was above the minimum limits required at the time the aircraft departed. After takeoff, the aircraft was furnished radar advisory service by the Miami Tower Departure Control and was receiving vectors around the thunderstorms scattered throughout the local area from a radar controller who was observing both the thunderstorms and the path of the aircraft on radar. The flight was in radio communication with the FAA air traffic control facilities on the ground until shortly after 1:30

p.m., when it reported climbing through 17,500 feet. The aircraft disintegrated in the air and fell into a remote swamp area. The wreckage was scattered over an area approximately 15 miles long and 1½ miles wide. Helicopters were used by the investigators in gaining access to the site as the only feasible means of travel in this difficult terrain. At this point I wish to mention that helicopter service and storage facilities in this investigation, as in many others, were furnished in an expeditious manner by operating branches of the Department of Defense. A mockup of this aircraft was assembled in a U.S. Coast Guard hangar at Opa Locka, Fla.

The flight recorder tape, though torn, was readable, and its indelible record of flight has been interpreted by the Board's engineering specialists. This tape did not reveal the complete answer to this accident but it has been used as a working tool by the Bureau of Safety to initiate a project of scientific research involving various segments of the aviation industry. The Boeing Co. and NASA have participated with the Board in extensive research into those data revealed by the flight recorder tape. The aircraft mockup was the most extensive CAB reproduction of a crashed airplane in aviation history. Engineers from the FAA, NASA, the Boeing Co., various airlines, and other industry organizations studied the details of the aircraft for 6 months with particular emphasis on problems associated with flight controls, explosive decompression, engine malfunctions, excessive turbulence, and explosive forces from either combustible mixtures or a bomb. The FBI examined the wreckage for evidence of a bomb, and found no indication of dynamite or other high order explosive. There is no conclusive evidence to indicate a mechanical malfunction which could have caused this total destruction. We do know that the aircraft went into a dive, and that it disintegrated in flight.

Following one of the most extensive investigations in aviation history a public hearing was held in Miami, Fla., last June. I served as chairman of the Board of Inquiry during the hearing. The evidence was recorded, testimony was taken, volumes of documents and studies were admitted as exhibits into evidence as part of the record of the investigation. Aviation experts were called from throughout the industry and there was no unanimity of opinion among these experts as to why the crash occurred. That investigation is still continuing and I assure you that every effort is being made to ascertain the probable cause of this accident.

The other fatal turbojet accident during 1963 occurred last month, less than 100 miles from this hearing room, at Elkton, Md. A Pan American World Airways Boeing 707, four-engine jet aircraft, Clipper 214, was on a regularly scheduled flight from San Juan, P.R., to Philadelphia, Pa., with a scheduled stop at the Baltimore Friendship Airport. The flight departed Baltimore, Md., at 8:24 p.m., on December 8, 1963, on an instrument flight plan, to Philadelphia. The aircraft entered the Newcastle, Del., 5,000-foot holding pattern at 8:42 p.m. There were scattered rain showers and thunderstorms from a cold front passage in the area. Again, the weather was above established minimums. At approximately 8:58 p.m. e.s.t., the crew declared an emergency indicating that the aircraft was out of control. The aircraft was seen spiraling to the ground, on fire, shortly after a pronounced lightning discharge in close proximity to the aircraft. The aircraft struck the ground in a rural area near U.S. Highway 40 very close to the Maryland-Delaware State line.

There was no severe turbulence reported by any aircraft in the holding pattern of the Pan American aircraft. The flight re-

order was crushed at ground impact and the tape was damaged extensively. The numerous minute portions of tape have been pieced together by utilization of binocular microscopes and tweezers. The record on the tape indicated no severe turbulence.

Physical evidence indicated inflight fire and an apparent explosive separation of the outer portion of the left wing. Portions of the left wing landed about 2 miles east of the main wreckage site. These pieces apparently fell to the ground as free objects minus sections of panel and skin from the fuel tank area. The bottom skin in the fuel tank area was separated in a downward direction which indicated an explosive force. The location of the explosive force and the physical indications lead to a preliminary conclusion that there was a fuel-air mixture explosion in the left wing fuel tanks. Further, there are numerous pock mark indentations and burned holes in the vicinity of the fuel tank surge vent outlet on the exterior surface of the left wing tip. Indications of inflight fire damage on this portion of the left wing, including scorching and soot around the surge tank and vent, indicate that the fuel in the surge tank was ignited. The pock mark indentations and holes appear to be the result of electrical heating, indicating lightning.

A major portion of the outboard section of the right wing was located near the main crater. Soot marks on the under surface of this wing indicated inflight fire from the left side of the aircraft. The line of direction of the soot marks indicated that a portion of the left wing had separated from the aircraft inflight and unusual flight maneuvers occurred prior to ground impact. Accordingly, lightning appears to have been the culprit in this case.

The Board is studying all accidents and incidents involving jet aircraft which relate to turbulence. We are attempting to categorize clear air turbulence and turbulence associated with clouds. We are comparing injuries and equipment damage as related to various types of turbulence. As yet it does not appear that turbulence alone can be called the prime instigator of jet aircraft accidents.

The danger of lightning is being compared with location and size of fuel tanks and vent systems in jet aircraft. The subject of fuel combustibility, running the spectrum from aviation gasoline as used in reciprocating engines through and including the question of mixing commercial jet fuel (JP-1) with military fuel (JP-4) is presently under consideration.

The Board reviews flight recorder tapes of jet aircraft involved in accidents and incidents in an attempt to ascertain common factors. Further the Board is reviewing the standards employed by the airlines in dispatching jet aircraft.

There are various limitations on the dispatch release of an aircraft relating to icing, visibility, the height of the clouds and the presence of slush or moisture on the runway, but there are no restrictions relating to turbulence.

We are correlating wind tunnel tests and flight recorder records.

The harsh facts of aviation history remind us of past aircraft accidents. Further, the record indicates that there will be aircraft accidents in the future. But that same history points to a definite trend toward improved aviation safety. I always hesitate to cite statistics but there are certain numbers which are significant. Specifically, your attention is invited to the accident rate for turbojet aircraft. In 1959, the year of initiation of jet aircraft in passenger service there were 8:59 accidents per each 100,000 hours flown in revenue operation by scheduled air carriers. In 1963, the rate was 1:46 accidents for each 100,000 hours. Numerically then, today's passenger in U.S. jet aircraft is far

safer than was the air traveler of 4 years ago. Thus, significant progress has been made.

However, this should not be interpreted as suggesting that the Board is satisfied that nothing more can be accomplished to promote air safety nor are we complacent about the present status of aviation safety. We do know that there is a definite learning curve to accident investigations. The complexities of modern jet transports present unique problems in each aircraft accident. There is no pattern to aircraft accidents but there must be a pattern to the accident investigations. The Board is continually seeking new techniques and improved methods of accident investigation. We will continue to devote the entire amount of allocated resources and to seek all available assistance from the FAA and other segments of Government and industry in an attempt to give tomorrow's jet aircraft passenger the safest possible ride.

STATEMENT OF MR. N. E. HALABY, ADMINISTRATOR, FEDERAL AVIATION AGENCY, PRESENTED ON JANUARY 10, 1964, BEFORE THE SUBCOMMITTEE ON PUBLIC HEALTH AND SAFETY, OF THE HOUSE COMMITTEE ON INTERSTATE AND FOREIGN COMMERCE

Dear Mr. Chairman and members of the subcommittee, I appreciate the opportunity to appear today before your subcommittee, Mr. Chairman, to discuss the questions of aviation safety which are set out in your committee's statement of December 20. We share very much the concern of the committee related in that statement over the public confidence in air travel, particularly their confidence in jet air travel.

To the men and women of the FAA, air safety is a 24-hour-a-day, year-round business. No accident or incident is taken for granted. Our foremost and constant aim is to prevent accidents and incidents; if they occur, to see that they do not recur. Like the committee, we believe it is an appropriate time to discuss the safety of jet aircraft since we have just passed the fifth anniversary of their introduction into commercial airline service. These 5 years have been years of growth and change in technology and traffic. There has been growth in passenger acceptance of jets, a growth in commercial use of and revenues from jets, and, of course, compared with the piston and turboprop fleets, a significant growth in speed of air travel.

At the end of 1958, turbojet aircraft flew 1.1 percent of all passenger miles flown by U.S. carriers. In mid-1963 jets flew about 75 percent of those passenger miles. Over 400 jets are in use today by U.S. carriers and they logged over a half a billion miles in fiscal year 1963 alone. The flight from New York to San Francisco which took about 8½ hours in a DC-7, has now been reduced to about 5 hours.

The growth of most concern to us at the FAA, of course, is the growth in the safety of air travel. As Chairman Boyd has indicated, since mid-1959 the jet accident rate has been coming down steadily. The statistics now establish jets as the safest form of commercial air travel.

It would be useful, I believe, to compare the accident record during the first 5 years of civil jet operation with the 5-year period beginning with the introduction of the pressurized piston fleet—the Connies and DC-6's—into airline service shortly after World War II. Both periods represent a transition by the airlines to larger, more complex and faster aircraft. These are the only periods in airline operating history where such extensive replacements were made to the airline fleet. For this comparison I have used only the fatal accidents which occurred during scheduled passenger service by the U.S. certificated route carriers in all types of aircraft.

The average fatal accident rate for the 5-year period 1946 through 1950 was 1.58 fatalities per 100 million passenger miles. The average rate from 1959 through 1963 was 0.45 per 100 million passenger miles, or a rate about one-third of the earlier period of transition. It is also noteworthy that the number of passengers carried during the 1959-63 period was almost four times greater than 1946-50—306 million as compared to 78 million.

Further, here is how the 5-year jet accident record looks when comparing it with the first 5 years of operations in turboprop aircraft—1955 through 1959. The cumulative accident rate of the turboprops for both fatal and nonfatal accidents during 1955-59 was 4.1 accidents per 100,000 flying hours. The cumulative fatality rate for these aircraft was 0.6 per 100,000 flying hours. For the first 5 years of jet operations—1959-63—the cumulative total accident rate for the jets was 2.2 per 100,000 flying hours and the cumulative fatality rate for these aircraft was 0.3 per 100,000 flying hours. Thus, the total cumulative rate of the jets was about half that of the turboprops and the fatality rate was exactly one-half.

This record was made despite the fact that the transition to jets was a far more complex undertaking by industry, labor, and Government. We believe the record of the jets is a significant testimonial to progress in aviation safety. It only indicates, however, what can be done by management, labor, and Government in working hard toward a national solution of a national problem. It also suggests that there is more to be done.

The safety record of the jets is due to a number of things. First, the powerplant is a significant improvement over the piston engine from the standpoint of safety. With the greater simplicity and improved reliability of the jet engines and with higher quality maintenance, the approved overhaul period for the jet engines has now been extended to as many as 4,600 hours as compared with 2,500 hours for the piston engines. The statistics on inflight engine shutdowns also establish the superiority of the jet powerplant. Inflight shutdowns of jet engines for all causes average 0.25 per 1,000 hours versus 0.75 per 1,000 hours on the less modern piston engines.

The safety record of the jets is also due in part to the background technology and experience with high speed aircraft structures which was available when the predecessor of this Agency, the CAA, first began type certification on the earliest of the big jets, the Boeing 707. Although this airplane presented a radical new type of machine as compared with existing commercial aircraft, an elaborate background of NASA research on high speed and high altitude flight structures was available as a solid basis for our evaluation and analysis of this airplane.

Considerable military experience with jet powered sweptwing aircraft was also available to the CAA. In fact the Boeing 707 was a direct descendant of the B-47-B-52 family, and a younger brother of the KC-135 tanker which has flown one million hours in military service. This experience with jet structures of many kinds under many flight conditions was extremely useful to us in evaluating the first commercial jets. In many cases it enabled us to anticipate problems before they arose.

We also were able to use experience with the first British Comet in establishing realistic fatigue requirements and fail-safe requirements for U.S. commercial jets.

The outcome is a structure fully tested and tried in more than 3 million flying hours and an aircraft with a substantially superior powerplant to the piston engine. Add to this constant surveillance by the industry and the FAA since the initial certification, and continuing attempts to improve both the equipment and the techniques by which it is

operated, and the statistical figures on jet safety are not at all surprising.

None of this, of course, should suggest that we are satisfied with the record, that our vigilance can be relaxed, or that new problems do not continue to arise. In dealing with those problems we work in harness with the CAB, whose able, energetic and cooperative Chairman, Alan Boyd, addressed the committee earlier. During our 3 years of working together, Chairman Boyd and I have been able to prevent or avoid serious friction between two of the agencies established in the field of air safety investigation. Of course, we have had to agree to disagree on the merits of a few complex cases; but we have always tried to stick to the facts and the principles, avoiding the frictions and the personalities. This era of mutual respect and occasional professional difference between the CAB and FAA has helped to advance aviation safety.

Chairman Boyd has reviewed the two major trunk carrier accidents of 1963, the Northwest accident at Miami and the Pan American accident last month at Elkton, Md. Both of these accidents involved large jet aircraft operating under adverse weather conditions. There have also been incidents or near accidents which when reported to FAA have been as carefully investigated as accidents. The concern expressed in the committee's statement over whether these cases reveal any pattern of structural deficiencies in these aircraft is an appropriate concern and one which we at the FAA share.

#### JET STRUCTURE AND TURBULENCE

Where adverse weather is encountered in the form of severe turbulence a question of structural strength is immediately raised in the mind of the public. Our aircraft certification and airworthiness programs—which provide rigorous examination and testing at every stage in the aircraft's development from the drawing board to the passenger gate—were based as I have indicated on a large background of prior research and experience with high-speed aircraft structures. The standards we have imposed for the certification of the civil jets—standards operating as guides within a matrix of designer and manufacturer integrity—are intended to insure the production of aircraft capable of withstanding all known forces of atmospheric turbulence into which an aircraft may be expected to fly.

The operation of the Agency's certification program is fairly complex, and I needn't go into it in detail here except to note that a structure's ability to withstand turbulence has always been of major concern. I have here some pictures of the kind of testing which was involved; one picture showing a Boeing jet fuselage about to be crushed by a hydraulic press to determine its breaking point. The other picture shows a test in which the wing of a Boeing military jet was bent to determine the maximum possible load this wing could carry. You will note in this case that the wing tip was deflected a total of 22 feet upward and 10 feet downward.

We have had a number of indications that as high as our standards were for structural strength, the aircraft themselves were even tougher than our requirements. For example, the aircraft must be designed to sustain air loads of 3½ times the flying weight (3.75 G's); yet jet aircraft have been subjected to loads in dives well over 5 G's, without seriously damaging their flight capability.

These aircraft have proved remarkably rugged in turbulence. They are not designed to operate successfully in a tornado, of course, and in severe turbulence special flight procedures must be followed. But we do not have in these cases—and this is worth emphasizing—any known, basic structural defect. Our continuing study of turbulence incidents has not disclosed any

fundamental structural flaw as was the case with the Electra and the first British Comet.

Nor do we believe there is any structural inadequacy relating to the gyroscopic effect of the turbine engines or to sonic phenomena. The high-speed revolutions of the mass which makes up a turbine rotor acts to some degree like a spinning gyroscope. These gyroscopes may produce resistance when the aircraft is forced into changed attitudes by turbulence. Our certification standards have, since early 1956, required the design of engine-supporting structure which could withstand all of the maneuver and gust conditions which would result in significant gyroscopic loads.

The kind of acoustical load on aircraft structures which can result in sonic fatigue has also been accounted for in our certification process. Sonic fatigue is a form of vibration damage occurring when rapidly fluctuating pressures—such as those produced by the noise from jet exhausts—induces high frequency vibrations in the aircraft structure. Much of our knowledge in this area derives from military experience with jet aircraft, and we are, of course, continually reviewing our fatigue design criteria. No pattern of fatigue problems has occurred even though some of the jets have accumulated over 15,000 flying hours.

With what we consider to be a basically sound airframe, our attention has been given to improving the methods of anticipating and operating within what you might call the hostile environment presented by turbulence. I have personally discussed with the foreign and domestic designers, test pilots, manufacturers, airline managers, and crewmen, techniques for further improving the safety of bad weather flying. Last summer I convened a confidential conference of all principal operators and associations concerned with one of the large jet transports to review all incidents as well as fatal accidents involving it. The results, while not conclusive, were made available to all.

Within the FAA we have a committee of expert technicians working exclusively on the standards, techniques, and procedures relating to turbulence flight. We have required airborne radar on all jet aircraft since 1960, which is useful in avoiding areas of weather disturbances. In conjunction with the industry we have recently revised the recommended jet speeds for flying in turbulent areas. In a series of directives going back to 1962, we have required our inspectors to review the airline pilot training programs to insure that pilots are thoroughly familiar with the recommended procedures for avoiding turbulence and for operating in turbulence when it cannot be avoided. These directives place particular emphasis on the margins available for maneuvering jets in high-altitude turbulence areas. As we learn more about the atmosphere, we will continue to modify and update these recommendations.

#### LIGHTNING

Another kind of problem associated with adverse weather arises when that weather is encountered in the form of electrical disturbance. As Chairman Boyd indicated in discussing the Pan American accident over Elkton, Md., there is no evidence that turbulence was involved. Indeed, that aircraft was deliberately given a holding pattern away from areas of reported turbulence.

There is reason to believe that a fuel tank explosion occurred which may have been caused by a lightning strike. It is worth noting that lightning strikes on aircraft in flight are relatively common occurrences. Contrary to what one might suppose, the all-metal structure of an aircraft makes it capable of conducting a surge of electricity associated with a lightning strike without damage or harm to the occupants.

A survey of reported strikes shows that jet aircraft are struck once every 10,400 flight

hours, turboprop aircraft once every 3,800 hours, and piston aircraft once every 2,500 hours. The reason for these differences, incidentally, is the typical flight altitude of these three types of aircraft. Jets operate typically above the kind of weather which exposes them to lightning. The jet involved in the Elkton accident, of course, was operating at a lower altitude (5,000 feet) in preparation for landing.

Until recently, the history of jet operation in lightning discharges shows no confirmed case of sustained damage which would threaten safety. The investigation of an accident involving a Lockheed Constellation aircraft at Milan, Italy, on June 26, 1959, directed suspicion to the possibility of fuel vapor ignition, but left serious doubt as to the origin of the ignition. In this case, modifications were made to the tank venting system as a precautionary measure.

The certification standards for the Boeing 707 aircraft included a requirement that adequate protection against lightning strikes be provided. Standards were based upon extensive tests and investigations by the manufacturer. All other jet transport aircraft were similarly investigated for adequate protection.

Extensive tests and investigations have been conducted by both industry and Government organizations. The FAA and NASA jointly carried out research work which focused on the problem of fuel vent protection.

The preliminary findings from the Elkton accident tell us that we must again review our requirements for protective measures. We are not waiting for the final conclusions from the Board's inquiry. We are moving ahead to apply certain precautionary changes to aircraft in service, and proceeding with a program of investigation and testing to find and evaluate positive protective measures. We are further examining fuel properties, fuel tanks, bonding techniques, vent locations, flame arresters, flame propagation, inerting techniques, and skin thickness.

Our Government also has a group of technically-qualified representatives of NASA, CAB, USAF, USN, and USWB to serve as a technical committee with FAA on the lightning protection program. This committee is reviewing and monitoring our program, providing guidance in the form of expert advice and serves as a coordinating body to make sure that all facets of the problem are properly explored.

Meanwhile, and again not waiting for all the expert opinions to come in, we issued on December 13, 1963, a Notice to Airmen which alerted both pilots and traffic controllers to the lightning hazard and encouraged the use of pilot information reports to assist in identifying electrical disturbances.

On December 18, 1963, we recommended to the airlines that static discharges be installed on all aircraft not so equipped. The static discharge is a slender metal and plastic rod about 8 inches long mounted on the trailing edges of the wing and tail assembly. Dischargers are currently installed on about 75 percent of our jets. While their function is to bleed off electrical charges which create interference with the electronic and radio equipment aboard the aircraft, some persons feel dischargers can reduce to some degree the danger of lightning strikes. Many experts disagree about this. Nevertheless, if the Elkton accident teaches us that lightning can be a hazard, we believe prudence requires the installation of these devices for whatever conceivable protection they may afford.

#### THE AGENCY'S AIR TRAFFIC SERVICE AND BAD WEATHER

A problem never very far from any discussion of adverse weather flying concerns the FAA's abilities and responsibilities in

assisting pilots to avoid weather conditions in the form of turbulence or electrical storms.

This is a broad subject and I will try to limit my remarks in this area to those aspects in which this subcommittee has expressed its interest.

The foremost precept—one which must be clear before there can be real understanding of pilot-controller relationship—is that the pilot, like a ship captain, is master of his craft and has the ultimate responsibility for all decisions affecting safety in flight. The pilot alone knows his own capabilities, the current weight and fuel availability of his aircraft, as well as any operating peculiarities of that aircraft and its instruments or equipment. He has available through the Weather Bureau and, in the case of airlines, through company forecasters and dispatchers, all the various weather data and forecasts which may affect his flight. He alone has a close-up view (either out the cockpit window or through his airborne radar) of the actual weather he is about to meet. In addition, of course, he has the advantage of the thousands of hours of experience aloft which enable him to add that necessary judgment to make the information useful in the specific situation he faces. Logic as well as the law, therefore, places upon a pilot the final responsibility for the safe operation of his aircraft.

In discharging this responsibility, the pilot is not alone. He operates in a system in which he is the final active, mindful agent or component. The system provides him a great deal of information and technical assistance. The FAA is a responsible part of that system but the FAA does not own nor actually operate air carrier aircraft. The role of the FAA can be likened to that of a system's governor or monitor, because the system is cooperative rather than dictatorial or directed.

As Chairman OREN HARRIS recently stated, "Government controls can and should go only so far in this area." Airline managers and pilots are properly concerned about their authority and responsibility because they have available the vast resources and facilities of free corporate enterprises. Foremost among these resources, in this context, is the company's own weather and flight information gathering system and its up-to-the-moment familiarity with flight and traffic conditions and requirements. In fact, the release, or dispatch, of an aircraft for a particular flight has always been and can only be the company's responsibility. The Government cannot and should not run the airlines nor make operational decisions. Before a pilot departs from an airport, he receives company clearance from the company's dispatcher. That clearance includes the fullest information available to the company about weather conditions en route and at the destination of the flight. No pilot, therefore, is in the position of taking off without a very extensive briefing on conditions he is likely to meet. The airlines have the responsibility under the regulations for operational control.

Also, by regulation, the pilot in command and the aircraft dispatcher are jointly responsible for preflight planning, delay, and dispatch release of the flight.

The company's dispatcher is responsible under the regulations for monitoring the progress of each flight and the issuance of information necessary for the continued safety of the flight; and for the cancellation or redispach of a flight, if, in his opinion or in the opinion of the pilot in command, the flight cannot operate safely as planned. No flight may be started without specific authority from the aircraft dispatcher and no dispatcher may release a flight unless he is thoroughly familiar with the reported and forecast weather along the route to be flown. The dispatcher is required to furnish to the pilot all current information concerning

meteorological conditions which may affect the safety of the flight.

The primary role of the FAA controller in this web of coordinated responsibilities and capabilities is to plan and control the air traffic situation so as to assist the pilot in maintaining separation from other aircraft while flying in bad weather. The controller will, to the extent of his time and abilities, provide the pilot with advice and helpful information. But his primary responsibility is in authorizing the flight of aircraft in such a manner that aircraft under his jurisdiction shall be safe from the hazard of collision with each other. His basic concern, therefore, is not only with each aircraft individually, but with the interrelationship of numbers of aircraft. He must keep the total air situation under surveillance and control while informing and guiding the pilot in command of each aircraft in the system. In other words he is primarily concerned with separating aircraft while the airline is concerned with operating them.

The airspace for which a given air traffic control facility is responsible is divided into small portions based upon anticipated traffic volume. Each segment will contain a portion of the air traffic that will not exceed the capacity of the controller or controller-team responsible for maintaining separation. The traffic load in such a segment may vary from as few as 5 to as many as 12 aircraft or more in that area at any one time. Some of these aircraft will be navigating along regular routes, with well above the minimum spacing, requiring only routine surveillance. With other aircraft, the controller will be actually spacing from close-by traffic or will be giving radar vectors (giving navigational help from his radar scope) requiring careful, almost constant watch of each aircraft.

Not only is the controller's time limited, his present equipment is not ideally suited to weather reporting. Some weather phenomena, such as areas of heavy rain, snow, clouds with high moisture content, and thunderstorm clouds containing large amounts of hail and rain, do show on the scope as large irregular-shaped targets like large "blobs."

It is worth emphasizing that from the earliest development of air traffic control radar, the effort has been to minimize or eliminate the "clutter" made by weather—since aircraft targets are blotted out by such returns. Some weather data does, however, show up on today's air traffic control radars. Some storms, rain showers, or clouds can give such a strong radar return that the radar cannot "see" through a storm area and no returns, weather, or aircraft, may be received from the area behind the storms.

There is no available electronic device to add radar weather information to a controller's radar scope in a manner which will not limit the ability of a controller to properly track aircraft. We are trying to develop such a device, however, and if successful, it would enable a controller to keep pilots more accurately and precisely informed as to the movement of thunderstorms, areas of heavy precipitation and probable areas of strong turbulence.

Because of our need to identify aircraft on our radars, then, these radars are not the most reliable source of weather data. It is possible to place greater reliance upon the information from the Weather Bureau radars (designed, like the pilot's airborne radar, to detect weather phenomena), from the surface weather observations, and from PIREPS—weather reports made by pilots in flight. The first two can only give us an indication of where turbulence might be encountered, whereas pilot reports tell us where turbulence (and the relative severity of it) was actually encountered. Even these are far from ideal since they are "spot" reports representing conditions in only a small area and at only the altitudes of the report-

ing aircraft; further, the effect of turbulence on one pilot in one type aircraft is not necessarily the same as what another pilot, flying at a different speed in a different type aircraft, would experience.

Another problem is the very nature of thunderstorms and turbulence. Individual thunderstorms vary considerably in area, in height, in intensity, and in the severity of turbulence encountered. Also these storms move fairly rapidly, are changing in nature as they move, and their precise track is not readily predictable. Turbulence in the storms varies in intensity in different parts of the storm and varies at the various altitude levels—but is not confined within the cloud itself. One recent flight encountered very severe turbulence about 30 miles from the storm.

Within these limitations, the controller does what he can. In controlling air traffic, thunderstorms, line squalls, and turbulence are types of weather data that are considered. Normally, however, such information is passed to the pilot for decision as to the proper course of action, and the controller then does everything within his capabilities to help him carry out the necessary action. Except in very severe cases, the controller will not arbitrarily reroute the aircraft or change its altitude unless the pilot requests the action. Not having all the knowledge available to the pilot, nor his vantage point, the controller could easily direct the flight into a far more hazardous situation. When a controller is vectoring an aircraft (providing navigational guidance by radar) he will attempt to give course guidance between the storm returns that do appear on his scope. In those cases where the pilot is doing his own navigation and the controller observes storm returns on his scope, he is limited to advising the pilot and awaiting his decision before turning the pilot off course. Mutual understanding of capabilities and limitations is essential here and we see some opportunity for additional information and education in this area of collaboration.

We have inaugurated a program (with the assistance of Weather Bureau and aircraft operators) of encouraging more frequent pilot reports of thunderstorm activity, lightning and turbulence. With these reports and increased data in these areas from weather observers, particularly Weather Bureau radar operators, controllers will be able to provide pilots with more complete information on such weather conditions. Also, to the extent possible controllers will not clear flight through or holding in areas of strong turbulence or frequent lightning and will do everything possible to aid pilots in avoiding such severe weather conditions. Alternate routes will be suggested by the controller where possible and, other traffic permitting, routes selected by the pilots will be cleared.

#### CONCLUSION

In conclusion, Mr. Chairman, we believe progress has been made in aviation safety, particularly in the case of jet flight. We also believe that much remains to be done, and, to the best of our ability we are doing what we know can and should be done. At the same time I can say sincerely and gratefully that we welcome your help in defining and solving the problems in the path of perfect safety.

Jets now provide some 75 percent of our total air transportation needs and over 400 jets are operated by U.S. carriers. With the development of the supersonic carriers, if we are going to keep our aviation industry intact and provide the needs of our country and contribute to the economy of the country, we are going to have to get into that field just as sure as anything in the

world. If we do not, then we are going to let another country, like France, take it over and we are not going to continue to be in the lead as we have throughout the last several years. But the hub of the whole program is the airport situation—not the terminals but the airports themselves—and that is what this is limited to. So I ask my colleagues, let us not attempt to nit-pick it to death.

Mr. BENNETT of Michigan. I am sure the gentleman does not want to do that. I know the gentleman wants to be fair and he would not want to tie either one of these tragic accidents that he has mentioned to any lack of an adequate airport program, would he?

Mr. HARRIS. The gentleman will recall the very fine presentations made this week to the committee by Chairman Boyd of the Civil Aeronautics Board and Mr. Najeeb E. Halaby, the Administrator of the Federal Aviation Agency. Their testimony gives one the impression that if something had been done with reference to landing facilities at the airports themselves—and particularly at airports where there is hovering over in a pattern—and if some way could have been devised so that the planes could come in, accidents might be avoided. I do not know. I merely refer to the descriptions given to us.

Mr. BENNETT of Michigan. I know the gentleman wants to be fair.

Mr. HARRIS. Yes, indeed.

Mr. BENNETT of Michigan. There is nothing in the bill at all which would have prevented either one of those tragic accidents. They happened because of unknown causes, something which caused the aircraft to explode while in the air after having taken off from the airports and after being out of contact, for all practical purposes, with the airports they left.

Mr. HARRIS. The one at Philadelphia involved an aircraft in a holding pattern, trying to get in. The other was in contact with the airport at Miami, Fla.

Mr. BENNETT of Michigan. I feel sure the gentleman does not say there is anything in the bill or in the law which would have prevented those accidents.

Mr. HARRIS. I am saying that the national airport program is an overall program and covers the overall program from place to place throughout the Nation and becomes a part of it.

The gentleman a moment ago mentioned something about landing facilities. Landing facilities are involved. They are a part of the program.

Mr. WILLIAMS. Madam Chairman, will the gentleman yield?

Mr. HARRIS. I yield to the gentleman from Mississippi for a comment.

Mr. WILLIAMS. The gentleman from Michigan indicated that we should reduce the amount of the authorization, substituting his judgment, I presume, for the judgment of the committee and the judgment of those who testified before the committee, who sought this level of authorization.

I wish to point out to the gentleman that if it should be proved he is correct in his judgment and the amount should be trimmed down, the Appropriations

Committee will screen the appropriations to be provided, under the chairmanship of the distinguished gentleman from the State of Texas [Mr. THOMAS], who will have able assistance from the gentleman from New York [Mr. OSTERTAG] and the members of that subcommittee. I have the greatest of confidence in the ability of those gentlemen to determine exactly how much will be actually needed. I do not believe they would recommend more than is needed.

This bill places a ceiling on the amount that could be appropriated. If the Appropriations Committee, in its judgment and its wisdom, should determine that a lesser amount would meet the needs of the program, that would be the amount they would recommend.

Mr. HARRIS. What we are trying to say is that we are glad to see the new President, Mr. Johnson, following the lead of the committee and reducing expenditures. That is precisely what we have done in the reduction of the program.

Mr. OSTERTAG. Madam Chairman, will the gentleman yield?

Mr. HARRIS. I am glad to yield to the gentleman, who is a member of the Appropriations Subcommittee which will consider this problem.

Mr. OSTERTAG. I thank the chairman.

I have great respect for the work being done by the chairman and the gentleman from Mississippi and others with whom I have been associated on certain of these airport and aviation matters, as a member of the Subcommittee on Independent Offices of the Committee on Appropriations which deals with appropriations for the Federal Aviation Agency, which of course include grants for airports, to which reference was made by the gentleman from Mississippi.

It might be appropriate if we brought into the discussion the question of the appropriations as of this year, without going into the ramifications of the bill.

For example, what I am getting at is, if I recall correctly, we have been appropriating on a 2-year basis for grants for airports because it has been required in order that they continue that program. This is an authorization for 3 additional years, is it not?

Mr. HARRIS. The present authorization will expire this year, June 30.

Mr. OSTERTAG. Therefore, the budget for fiscal 1965, which will be before us this session, will be affected by this authorization?

Mr. HARRIS. Yes, indeed.

Mr. OSTERTAG. And in what respect? Will the formula affect it to any measurable degree?

Mr. HARRIS. The budget will not be affected any differently from what it has been in the last 3 years. There is one change here having to do with planning but that will have no effect on it.

Mr. OSTERTAG. If I understand it correctly, you will continue the existing law of 50 percent basic for grants on most projects and you are increasing the allowance to a 75-percent contribution for certain other aspects; namely, landing aids, runway lights, and distance

markers, and also for planning. Is that correct?

Mr. HARRIS. That is true.

Mr. OSTERTAG. What is the difference between what we have had in the way of dollars and what this additional liberalization in the grant has?

Mr. HARRIS. In the total amount it will have no effect insofar as the Federal contribution is concerned.

Mr. OSTERTAG. In other words, the change in the formula will not actually affect the overall plans for grants to airports?

Mr. HARRIS. Not the total cost.

Mr. OSTERTAG. That is right.

Mr. ROGERS of Colorado. Madam Chairman, will the gentleman yield?

Mr. HARRIS. Yes. I yield to the gentleman from Colorado.

Mr. ROGERS of Colorado. I thank the gentleman for yielding to me. As I understand, this is an amendment to the Federal Airport Act which is classified as 49 U.S.C. 1101 and it amends certain portions of the act down through title 49, U.S.C. 1113.

Mr. HARRIS. Those are the provisions or the sections to which the amendments are related.

Mr. ROGERS of Colorado. I would like to direct the chairman's attention to what is reported as 49 U.S.C. 1115. The first paragraph thereof provides in effect that when the administrator determines that certain lands owned by the Federal Government could best be used for public airfields, he may certify the same to the agency having charge of that land. Now, section (b) of that same section provides that the head of that agency may or should, if he finds the use of this land is not inconsistent with any use he has, he may or is authorized then to grant a deed to the airport authority or to the city.

Mr. HARRIS. Yes. Those provisions were included in the 1946 act and have been a part of the Federal Airport Act ever since. Those were the provisions used primarily following World War II when we had so many airports used for training purposes available through the cooperation of the sponsor; that is, the local community or municipality, and the Administrator. The Department of Defense or whatever agency might have had use of the particular property during that period of time could work out an arrangement with the municipality to turn it over to them, and that worked out fairly well.

Mr. ROGERS of Colorado. The General Services Administration is the custodian and property owner of all Federal Government lands declared surplus. If the land becomes surplus and the departments cannot use it and they circularize the departments as to whether they could make use of it, if they say they do not want it, then the General Services Administration seeks to sell the same. I am reminded of the instance where the Army in my area declared certain lands surplus. It circularized the entire Government agencies to see if they had any need for them. The General Services Administration did not find any agency needing the land. The city and county of Denver wanted to acquire

all of this land for airport use. The General Services Administration said that they would appraise and classify this land and if they found that part of it is commercial in its nature, we will not comply with this section. They said, "We are then going to sell it and we will not turn it over to the city and county of Denver except for cash."

Mr. HARRIS. Of course, the gentleman read the provisions of the act a minute ago. If the Administrator made a request for it, then, of course, they would have had to make a decision. I would suggest to the gentleman that we had one of these cases a few days ago, the Grand Prairie problem down in Texas. There was a private bill introduced in which we worked that out without any difficulty. If the gentleman would like to pursue this the committee would be glad to give it consideration.

Mr. ROGERS of Colorado. I thank the gentleman.

Mr. HARRIS. Madam Chairman, I yield 3 minutes to the gentleman from Alabama [Mr. ROBERTS].

Mr. ROBERTS of Alabama. Madam Chairman, I would like to be associated with the gentleman from Arkansas in the remarks he made, and I would like to compliment the Williams subcommittee in bringing this bill to the floor of the House. The chairman mentioned the fact that we have been holding some hearings on the Elkton, Md., accident. There is nothing in the hearings that should alarm the American public because our record in the handling of these matters is at its best, in my opinion. I think if we continue to support CAB and FAA and the people in general aviation, in commercial aviation, and in the military aircraft field, with legislation of this kind, we may look forward to the time when these accidents are going to be very rare. The number of airports that are going to have to handle jet aircraft in the near future is going to be just about double. No one can tell, in my opinion, just exactly how much money it is going to take, but in the past this committee has done a good job on that matter, and I think it has done a good job with this bill. It is my belief it should have no less than the amount contained in this bill and, as pointed out by the gentleman from Mississippi, these amounts will be further screened by the Appropriations Subcommittee charged with handling this money.

I would like to feel that we are certainly not doing anything less than we should do. It would seem to me that the committee has brought to the House a bill that every Member can take pride in supporting.

Mr. BENNETT of Michigan. Madam Chairman, I yield 5 minutes to the gentleman from California [Mr. YOUNGER].

Mr. YOUNGER. Madam Chairman, I would like to ask a question of our chairman, if I may. On page 22 the committee refers to supplemental data. I do not find a date on that. What was the date of that compilation?

Mr. HARRIS. Madam Chairman, will the gentleman yield?

Mr. YOUNGER. I yield to the chairman.

Mr. HARRIS. Of course, this was the latest information. It begins with the year 1947.

Mr. YOUNGER. That is not my question.

Mr. HARRIS. Let me answer the question of the gentleman. It begins on an annual basis with 1947 and runs down through July 1963.

Mr. YOUNGER. There is the statement on page 22 which says that as of July 1, 1963, the total amount of unobligated carryover funds is estimated at \$46,552,633; is that correct?

Mr. HARRIS. Yes. That is in the report just referred to.

Mr. YOUNGER. On November 19 on inquiry of the FAA they rendered a statement to the effect that there is \$56.8 million available at that time—on November 19, 1963.

Mr. HARRIS. Of course, the gentleman will recall from reading the report as of July 1, 1963, the total amount of unobligated carryover funds is estimated at \$46,552,633. That was as of July 1, 1963. The gentleman is talking about November?

Mr. YOUNGER. Yes. They had surplus funds at that time of \$56 million in a carryover.

Mr. HARRIS. What the gentleman is overlooking is the fact, as was stated by the gentleman from New York [Mr. OSTERTAG], a moment ago, this is a forward funding program. You appropriate for the then year and the Appropriations Committee under this authorizes direct. This is in effect an appropriation for the total year so the plans of the cities and municipalities may be made and carried forward, the bond issues, and so forth. Naturally you are going to have a carryover from one year to the next.

Mr. YOUNGER. These are fiscal years?

Mr. HARRIS. Yes.

Mr. YOUNGER. So that the carryover, which was asked for on November 19, 1963, not counting the \$75 million, was an increase from \$46 to \$56 million?

Mr. HARRIS. The carryover is the amount that is in the so-called pipeline that has been moved as the plans are completed and the contracts and programs carried out. The gentleman will recall this is a program that was worked out, which he participated in, to get away from the issue of back-door spending. All of us approve this program, or most of us do. It has worked very well.

Mr. YOUNGER. That is correct, but on December 19, 1963, speaking of back-door spending, the FAA under that old bill got from the Treasury \$20 million on December 19.

Mr. HARRIS. The gentleman is talking about the authorization. That was carried over prior to 1961.

Mr. YOUNGER. This was out of the act of August 3, 1955.

Mr. HARRIS. Yes. I am advised that they got from the Appropriations Committee \$20 million.

Mr. YOUNGER. They did not get it from the Appropriations Committee. It came direct from the Treasury under the old back-door spending process. The question is, how much more do they have

under that act of 1955, or is that the last of it?

Mr. HARRIS. As I understand it, if you will refer to the table at the bottom of page 22, available for obligation as of July 1, 1963, was \$46 million, and appropriated, \$20 million, which would represent a balance from the old program of 1955 of some \$26 million.

Mr. YOUNGER. That is not what the public law document here says. They have been granted under the act of August 3, 1955, authority to enter into contracts of \$20 million, to remain available until expended. That is under the back-door spending. My question is how much more money do they have under the back-door spending?

Mr. HARRIS. I just explained to the gentleman that according to this it would be approximately \$26 million. That is what we thought 3 years ago.

Mr. YOUNGER. Does this \$46 million of the remaining money come out of the back-door spending?

Mr. HARRIS. Out of the \$46 million referred to, \$20 million had been appropriated to take care of it. As I understand the situation, there is approximately \$25 million left that the Appropriations Committee has to provide for.

Mr. YOUNGER. I bring this up because this is information that has come to my attention since we had our committee meeting. According to the information I have, this \$46 million has nothing to do with the \$20 million which the FAA got under the old back-door spending, that this is not appropriated funds.

Mr. HARRIS. No, that has to do with the old program prior to the present authorization of forward money.

Mr. YOUNGER. So we still have \$26 million in addition to the \$20 million. That is why I think we can well afford to cut down the program. Otherwise it will be getting like the foreign aid program.

Mr. BENNETT of Michigan. Madam Chairman, I yield 1 minute to the gentleman from New York [Mr. HALPERN].

Mr. HALPERN. Madam Chairman, I rise in support of the bill before us, S. 1153, to amend the Federal Airport Act and extend the authorization of Federal matching funds for airport development for 3 additional years.

The bill is aimed at securing a number of desirable goals in the development of our airport system: assistance to commercial airports which are experiencing difficulties in entering the jet age; assistance to general aviation airports, improvement of air transportation service through development of regional airports, and improved lighting facilities and other ground safety facilities for our airports.

However, Madam Chairman, in spite of these commendable objectives, there is one serious problem in connection with the development of our airports that is not remedied in the legislation before us. I refer to the increasingly difficult and unbearable problem of raucous aircraft noise, which is a nuisance and a hazard not just to the residents of my district in Queens, but to many millions of people throughout the country who live in close proximity to airports.

I would like to take this opportunity to call the attention of this House to legislation which my colleagues from Queens and I have introduced to remedy this serious and growing problem, and urge that the most careful study be given this legislation and to that of other colleagues as a needed supplement to the measure before us today.

Madam Chairman, we need an all-out attack on plane noise, and the legislation now pending in the Interstate and Foreign Commerce Committee would provide just such a comprehensive attack on the hideous din which has too long plagued our communities.

Jurisdiction over aircraft noise by law should be clearly established in the Federal Aviation Agency. The Agency should then set forth standards for noise abatement, issue rules and regulations and enforce them with stiff civil and criminal penalties. There should be an extensive program of noise abatement research, to get right at the core of the problem. And there should be established an aircraft noise abatement service within the Agency under a special director whose only function would be aimed at finding a solution once and for all of this obnoxious problem.

Presently, the need of such legislation is apparent because the FAA repeatedly contends that it lacks adequate statutory authority over aircraft noises when such noise is generated by warmups, takeoffs, and landings. This is particularly tragic because it is precisely at the time of warmup, takeoff, and landing that the greatest part of aircraft noise is generated. Yet, this noise goes on unabated. Of course the Agency, the airport operators, the airlines, the manufacturers all say they are doing their best to suppress noise. But good intentions, uncoordinated efforts, and lack of a forceful, well-financed Federal program will never get the problem solved.

The tortured victims of aircraft noise have for years been calling for action to end this horrible situation. And still the FAA lacks adequate regulatory authority over engine noise. One of my bills would end this stalemate and place responsibility squarely and directly with the FAA. It would give the Agency a mandate to move ahead with all speed on the problem of air noise, without in any way compromising air safety. In this way, research on improved engine design and other methods of cutting down on noise would be speeded up.

Madam Chairman, in this age when our Nation is accomplishing vast breakthroughs in the complex sciences of atomic energy and space technology, it is surely not expecting too much of our scientific know-how to provide a solution to aircraft noise, which today can and does shatter windows and create a nerve-racking and ear-splitting din in our residential areas throughout the country. It is high time that real consideration was given to those persons whose very lives have been unmercifully plagued by the scream and roar of jets and propeller aircraft.

This bill before us authorizes millions of dollars for new and improved airports, to accommodate more air traffic.

There is no question but that it is needed. But, why cannot more attention be given to new types of airport design and aircraft and engine design to safeguard the health, comfort, and welfare of our citizens? That, Madam Chairman, is the point I raise today.

The bill and report recognizes this serious problem. I was happy to read on page 4 of the Commerce Committee report the words:

This great increase in air transportation has not been without cost both economically and socially. The jet has created a requirement for a more sophisticated air traffic control system and for larger airports; it has also created an annoyance for those residents immediately adjacent to our Nation's airports.

Madam Chairman, to call the situation an "annoyance" is putting it mildly. When windows are shattered, ears and nerves buffeted by hideous jet screams and all normal quiet enjoyment of life is cut off, I say that is far more than mere annoyance. I most earnestly request that my colleagues give their utmost consideration to the antinoise legislation, just discussed, and we can end this nightmare of noise once and for all.

Mr. BENNETT of Michigan. Madam Chairman, I yield myself 3 minutes.

I dislike to have the record show that a reasonable cut in this bill will have any impact upon the primary thing the program is designed to do, when the chairman of our committee announced a few minutes ago that the President knows that this is an irreducible figure that has been presented here.

I am not any more interested in economy than any other Member of this House. As a matter of fact, if I were to put myself in a category of being a conservative or a liberal in spending, I would have to say I am more liberal than conservative. But I think if we are going to do anything along the line of cutting spending we have to pay some attention to the President's advice. The chairman is mistaken when he said that the President's message implied that he approves this program for \$75 million a year, and I challenge him to show me anything in the President's statement to that effect.

This program is not sacrosanct. If you are going to cut any Federal spending matching program, this can be cut a reasonable amount, as well as any other program can be cut. If you are unwilling to cut this bill a small amount, then you probably will be unwilling to do so in other Federal grant programs. Of course, any agency of the Federal Government or any bureau, whether it be State or Federal, can make persuasive arguments for the continuance of its particular program and the damaging effect that it will have upon our country and upon our security, if you take one dime from the requests that they make.

May I say to my fellow Members of the House, personally I do not care how you vote on this amendment, but I sincerely think this is a constructive step in line with what the President urged here hardly a week ago. I voted for the tax cut measure when it passed the House and I think I owe it to the people I repre-

sent to vote for reasonable economies to justify this tax reduction.

Madam Chairman, I have no further requests for time.

Mr. HENDERSON. Madam Chairman, I appreciate this opportunity to speak in support of this legislation, a bill to extend the Federal Airport Act for an additional 3 years. In particular, I would like to concentrate my remarks upon the growth and development of the general aviation airport.

Aviation has become the most essential link between our cities and States. The basic element of the national aviation system is the airport, and the requirements of this system are continually growing. The safety and the growth of the system are in a large part dependent upon the airport.

The vitality and economic growth of many communities is enhanced by its airport. Since World War II, there has been a substantial movement of industries to the smaller communities and many of these industries will no longer consider communities which do not have an adequate airport. As industries decentralize, their requirements for air transportation increases.

The air carrier fleet which consists of approximately 1,600 planes is in a period of transition with the jet age, but the general aviation fleet continues to grow at a rapid rate. In the last 4 years, the number of active general aviation aircraft has increased from 65,289 to 84,121; in the same period the total number of operations has increased from 13.2 to 16.5 million. By 1968 it is forecast that the general aviation fleet will be 99,000 aircraft conducting 24.2 million operations. Of all the airports in the contiguous 48 States, in only 31 airports do the number of air carrier operations presently exceed general aviation operations. This is less than one-half of 1 percent of all airports in the country.

With these changes, airport requirements are also changing. Further development is required at most major airports. Many are still expanding, but the basic structure is now in place. The great new growth in airports is coming with the development of the new general aviation airport.

Future airport development must continue to recognize the needs and requirements of the community that it serves. The Federal Aviation Agency has responded to the need of the small community for an airport by recently issuing a new set of minimal requirements for airport construction for small communities. Under these standards, many communities can now look forward to receiving Federal aid that was not previously available to them.

The next logical step after airport construction is the increased availability of improved navigational and landing aids. The present bill contains a special incentive of a 75 percent Federal contribution for such safety aids as approach lighting systems, in-runway lights, high-intensity runway lights, and runway distance markers. However, the cost of procurement and maintenance of

many of these navigational and landing aids cannot be presently justified at the smaller airports.

The Federal Aviation Agency should further direct its research and development programs toward developing safety items which would be available to the smaller airports. The advantages would not only accrue in safer air travel, but more reliable air travel to the smaller airport. A prime example is the work which the FAA is presently conducting on the development of a low-cost instrument landing system. At the present time an ILS costs approximately \$276,000 to install and a federally operated control tower must also be on the airport. Because of the cost, the FAA has a strict criteria which must be reached before an ILS is installed. Presently, a great majority of airports do not meet this criteria. FAA is presently developing a low-cost ILS and thus it will be available to many more communities than the present high-cost system. This is a step in the right direction, but even lower cost aids are needed to be economically practical for most small airports.

Efforts should also be directed toward developing low-cost lighting systems, VORS, and other navigational aids which could be made available to the smaller airport. Not only would more airports be able to be equipped with navigational aids, but air safety and air services to many communities would be increased.

The bill before the House provides the minimum requirements for Federal assistance to the national air system. The total cost of all airport development during the next 5 years is estimated to be \$1.2 billion. While Congress cannot expect to meet this total need, this bill will develop a system which will adequately meet the needs and assure the safety of the traveling public.

Mr. HARRIS. Madam Chairman, I have no further requests for time.

Madam Chairman, I ask unanimous consent that all Members may have permission to extend their own remarks at this point in the Record.

The CHAIRMAN. Without objection, it is so ordered.

There was no objection.

The CHAIRMAN. Pursuant to the rule, the Clerk will read the substitute committee amendment printed in the reported bill as an original bill for the purpose of amendment.

The Clerk read as follows:

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 2 of the Federal Airport Act (49 U.S.C. 1101) is amended:*

- (1) by striking out the designation "(a)" at the beginning thereof;
- (2) by inserting "(except advance planning and engineering for which specific grants have been made)" immediately after "specifications" in paragraph (6);
- (3) by inserting "of the advance planning and engineering costs or" immediately after "portion" in paragraph (10);
- (4) by inserting "the United States Air Force," immediately after "Navy," in paragraph (11); and
- (5) by striking out the subsection heading "Airport Classifications" and all of subsection (b).

Sec. 2. Section 3(b) of such Act (49 U.S.C. 1102(b)) is amended:

(1) by striking out the phrase "War and Navy Departments" wherever it appears in the subsection heading and text and inserting in lieu thereof "Department of Defense"; and

(2) by striking out "such Departments" and inserting in lieu thereof "the Department".

Sec. 3. Section 4(a) of such Act (49 U.S.C. 1103(a)) is amended by inserting "and for advance planning and engineering therefor" immediately after "airport development".

Sec. 4. Section 5(d) of such Act (49 U.S.C. 1104(d)) is amended by adding at the end thereof the following new paragraphs:

"(4) For the purpose of carrying out this Act in the several States, in addition to other amounts authorized by this Act, appropriations amounting in the aggregate to \$199,500,000 are hereby authorized to be made to the Administrator over a period of three fiscal years, beginning with the fiscal year ending June 30, 1965. Of amounts appropriated under this paragraph, \$66,500,000 shall become available for obligation, by the execution of grant agreements pursuant to section 12, beginning July 1 of each of the fiscal years ending June 30, 1965, June 30, 1966, and June 30, 1967, and shall continue to be so available until expended.

"(5) For the purpose of carrying out this Act in Hawaii, Puerto Rico, and the Virgin Islands, in addition to other amounts authorized by this Act, appropriations amounting in the aggregate to \$4,500,000 are hereby authorized to be made to the Administrator over a period of three fiscal years, beginning with the fiscal year ending June 30, 1965. Of amounts appropriated under this paragraph, \$1,500,000 shall become available for obligation, by the execution of grant agreements pursuant to section 12, beginning July 1 of each of the fiscal years ending June 30, 1965, June 30, 1966, and June 30, 1967, and shall continue to be so available until expended. Of each such amount, 40 per centum shall be available for Hawaii, 40 per centum shall be available for Puerto Rico, and 20 per centum shall be available for the Virgin Islands.

"(6) For the purpose of developing, in the several States, airports the primary purpose of which is to serve general aviation and to relieve congestion at airports having high density of traffic serving other segments of aviation, in addition to other amounts authorized by this Act for such purposes, appropriations amounting in the aggregate to \$21,000,000 are hereby authorized to be made to the Administrator over a period of three fiscal years, beginning with the fiscal year ending June 30, 1965. Of amounts appropriated under this paragraph, \$7,000,000 shall become available for obligation, by the execution of grant agreements pursuant to section 12, beginning July 1 of each of the fiscal years ending June 30, 1965, June 30, 1966, and June 30, 1967, and shall continue to be so available until expended."

Sec. 5. (a) The second sentence of section 6(a) of such Act (49 U.S.C. 1105(a)) is amended by inserting "for advance planning and engineering or" immediately after "grants".

(b) Section 6(b)(2) of such Act (49 U.S.C. 1105(b)(2)) is amended—

(1) by inserting "for advance planning and engineering grants or" immediately after "available" in the first sentence; and

(2) by inserting "advance planning and engineering or" immediately before "projects" in the second sentence.

(c) Section 6(c) of such Act (49 U.S.C. 1105(c)) is amended by inserting "advance planning and engineering and" immediately before "projects".

Sec. 6. Section 7 of such Act (49 U.S.C. 1106) is amended—

(1) by inserting in the section heading "ADVANCE PLANNING AND ENGINEERING AND" immediately before "PROJECTS";

(2) by inserting "advance planning and engineering and" immediately before "projects" where it first appears in the text; and

(3) by inserting "of advance planning and engineering costs or" immediately after "United States share".

Sec. 7. Immediately after section 7 of such Act, insert the following new section:

"ADVANCE PLANNING AND ENGINEERING GRANTS

"Sec. 8. For the purpose of developing airport layout plans and plans designed to lead to a project application, the Administrator is authorized to make grants to sponsors, based upon approved advance planning and engineering proposals, for not more than 66 $\frac{2}{3}$  per centum of the estimated cost thereof. For the purposes of this section, 'airport layout plan' means a plan for an airport showing boundaries and proposed additions to all areas owned or controlled by the sponsor for airport purposes, the location and nature of existing and proposed airport facilities and structures, and the location on the airport of existing and proposed nonaviation areas and improvements thereon."

Sec. 8. (a) The section heading of section 8 of such Act (49 U.S.C. 1108) is amended by inserting "ADVANCE PLANNING AND ENGINEERING PROPOSALS AND" immediately before "PROJECTS".

(b) Section 9(a) of such Act (49 U.S.C. 1108(a)) is amended by inserting "an advance planning and engineering proposal or" immediately after "Administrator" where it first appears in the first sentence.

(c) Section 9(b) of such Act (49 U.S.C. 1108(b)) is amended—

(1) by striking out "submission of a project" and inserting in lieu thereof "submission of an advance planning and engineering proposal or a project"; and

(2) by inserting "advance planning and engineering proposal or" immediately before "project" the second time it appears.

(d) Section 9(c) of such Act (49 U.S.C. 1108(c)) is amended by striking out "submission of a project" and inserting in lieu thereof "submission of an advance planning and engineering proposal or a project".

(e) The first sentence of section 9(d)(1) of such Act (49 U.S.C. 1108(d)(1)) is amended to read as follows: "All such projects and advance planning and engineering proposals shall be subject to the approval of the Administrator, which approval shall be given only if he is satisfied that the project or advance planning and engineering proposal is not inconsistent with plans (existing at the time of approval of the project or advance planning and engineering proposal) of public agencies for the development of the area in which the airport is located and will contribute to the accomplishment of the purposes of this Act, that sufficient funds are available for that portion of the project or planning and engineering costs which are not to be paid by the United States under this Act, that the project or planning and engineering will be completed without undue delay, that the public agency or public agencies which submitted the project application or planning and engineering proposal have legal authority to engage in the airport development as proposed, and that all project sponsorship requirements prescribed by or under the authority of this Act have been or will be met."

Sec. 9. (a) Section 10(a) of such Act (49 U.S.C. 1109(a)) is amended to read as follows:

"General Provision

"Sec. 10. (a) Except as provided in subsections (b), (c), and (d) of this section, the United States share payable on account of any approved project under this Act

shall not exceed 50 per centum of the allowable project costs."

(b) Section 10(b) of such Act (49 U.S.C. 1109(a)) is amended by striking out "(1), and the maximum United States share under subsection (a)(2)".

(c) Section 10(c) of such Act (49 U.S.C. 1109(c)) is amended by striking out the parentheses and all words within the parentheses and inserting ", not to exceed 75 per centum,".

Sec. 10. Section 11 of such Act (49 U.S.C. 1110) is amended:

(1) by redesignating paragraphs (4) through (8) as paragraphs (5) through (9), respectively, and by inserting immediately after paragraph (3) the following new paragraph:

"(4) appropriate action, including the adoption of zoning laws, has been or will be taken, to the extent reasonable, to restrict the use of land adjacent to or in the immediate vicinity of the airport to activities and purposes compatible with normal airport operations including landing and take-off of aircraft;"

(2) by striking out "(5)" in the last sentence and inserting in lieu thereof "(6)"; and

(3) by adding at the end thereof the following new sentence: "Except for the purpose of carrying out a provision of law specifically set forth in this Act or in another Act of Congress, no rule, regulation, requirement, restriction, or order heretofore or hereafter issued, established, proclaimed, or published by any officer, employee, department, agency, or establishment in, of, or under the executive branch of the Government shall apply to the construction, maintenance, operation, or administration of any airport or project with respect to which funds have been or may be obligated or expended under this Act."

Sec. 11. Section 12 of such Act (49 U.S.C. 1111) is amended—

(1) by amending the first sentence to read as follows: "Upon approving an advance planning and engineering proposal or a project application, the Administrator, on behalf of the United States, shall transmit to the sponsor or sponsors of the advance planning and engineering proposal or project application an offer to pay the United States share of the planning and engineering costs or allowable project costs.";

(2) by striking out "of the project" where it appears in the third sentence; and

(3) by amending the last sentence to read as follows: "Unless and until such a grant agreement has been executed, the United States shall not pay, nor be obligated to pay, any portion of the costs which have been or may be incurred."

Sec. 12. Section 14 of such Act (49 U.S.C. 1113) is amended—

(1) by inserting "advance planning and engineering costs or" immediately before "allowable" in the second sentence;

(2) by striking out "of the project" each place it appears in the second and third sentences;

(3) by inserting "advance planning and engineering or" immediately before "airport development" each place it appears in the second and fourth sentences;

(4) by inserting "of advance planning and engineering costs or" immediately after "United States share" in the third sentence; and

(5) by inserting "planning and engineering or" immediately after "such" where it first appears in the fourth sentence.

Sec. 13. The Federal Airport Act is amended further by inserting at the end thereof a new section as follows:

"ACCESS TO RECORDS

"Sec. 21. (a) Each recipient of grants under this Act shall keep such records as the Administrator shall prescribe, including

records which fully disclose the amount and the disposition by such recipient of the proceeds of such grants, the total cost of the plan or program in connection with which such grants are given or used, and the amount and nature of that portion of the cost of the plan or program supplied by other sources and such other records as will facilitate an effective audit.

"(b) The Administrator and the Comptroller General of the United States, or any of their duly authorized representatives, shall have access for the purpose of audit and examination to any books, documents, papers and records of the recipient that are pertinent to the grants received under this Act."

Mr. HARRIS (during the reading of the committee substitute). Madam Chairman, since the committee substitute is in the form of one amendment, I ask unanimous consent that further reading of the amendment be dispensed with.

The CHAIRMAN. Without objection, it is so ordered.

There was no objection.

AMENDMENT OFFERED BY MR. HARRIS

Mr. HARRIS. Madam Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. HARRIS: Page 7, strike out lines 8 through 11, and insert in lieu thereof the following:

"Sec. 5. (a) Section 6(a) of such Act (49 U.S.C. 1105(a)) is amended—

"(1) by striking out 'or 5(d)(1)' in the first sentence and inserting in lieu thereof '5(d)(1), or 5(d)(4)'; and

"(2) by inserting 'for advance planning and engineering or' immediately after 'grants' in the second sentence.

"(b) Section 6(b)(1) of such Act (49 U.S.C. 1105(b)(1)) is amended—

"(1) by striking out 'and 5(d)(1)' and inserting in lieu thereof '5(d)(1), and 5(d)(4)'; and

"(2) by striking out 'section 5(d)(3)' and inserting in lieu thereof 'sections 5(d)(3) and 5(d)(6)'."

And redesignate subsections (b) and (c) as subsections (c) and (d), respectively.

Mr. HARRIS. Madam Chairman, this is a conforming amendment. It is in the nature of a technical amendment and it is necessary because of the changes that have been referred to heretofore.

This is a technical amendment inserting in existing law appropriate cross-references to the new paragraphs (4) and (6) added to section 5(d) of existing law by section 4 of the bill, as reported, providing additional funds for airport development in the States and for general aviation airports. The effect of this amendment is to assure that these additional funds will be apportioned among the States and placed in the Administrator's discretionary fund in the same manner as funds previously made available under existing law for the same purposes.

Madam Chairman, these are the reasons that this amendment was found to be necessary.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Arkansas [Mr. HARRIS].

The amendment was agreed to.

AMENDMENT OFFERED BY MR. HEMPHILL

Mr. HEMPHILL. Madam Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. HEMPHILL: Page 11, line 18, insert "and" immediately after the second semicolon.

And on page 11, line 20, strike out the semicolon and the word "and" and insert in lieu thereof a period.

And on page 11, strike out line 21 and all that follows down through page 12, line 8.

Mr. HEMPHILL. Madam Chairman, this is the amendment discussed by the chairman of the committee and the chairman of the subcommittee, which would strike out the limiting language on page 11, which would limit the administration of this particular act to such an extent, I feel, as to make it ineffective.

As the gentleman from Mississippi graciously said, he opposes the idea and he will oppose the amendment, but in view of the fact that the present President of the United States has made a significant declaration of his unalterable belief in the independence of Congress this amendment is now offered.

I move the adoption of the amendment.

I believe the purposes of this act can best be accomplished by eliminating the language sought to be stricken.

Mr. GROSS. Madam Chairman, I move to strike out the requisite number of words.

Madam Chairman, this is a strange proceeding. As I understand it, the chairman of the committee [Mr. HARRIS] supported this amendment in the committee. Perhaps I am not correct. If so; I wish he would correct me.

I read from his report:

In summary, this amendment provides that no rule, regulation, requirement, restriction, or order heretofore or hereafter promulgated in any fashion by any officer, employee, department, agency, or establishment of the executive branch shall apply to the construction, maintenance, operation, or administration of any airport or project with respect to which Federal aid has been or may be extended under the Federal Airport Act, except to carry out a specific provision of law set forth in the Federal Airport Act or in another act of Congress.

What is wrong with this language? What is wrong with putting an end to the ability of the President to, by fiat or decree, override the intent and the will of Congress?

The gentleman from Arkansas [Mr. HARRIS] was correct when he supported this in the committee. Apparently he does not support it today. Why, I do not know.

Those who supported this amendment in committee ought to now explain their changed position. I do not know whether the gentleman from South Carolina [Mr. HEMPHILL] supported it in committee or not, but it is a strange proceeding when Members come to the floor to take out of a bill one of the best provisions in it, a provision to provide that Congress retain the right to legislate and to see that what it adopts by way of legislation will be the law of the land and will not be upset by some kind of Executive order.

Mr. MEADER. Madam Chairman, will the gentleman yield?

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

Mr. MEADER. The gentleman from South Carolina indicated that the language would hamstring or restrict unduly the administration of the act.

I ask the gentleman if it is not clear that under the language reported by the committee all the authority contained in this or any other act adopted by Congress might be subject to expansion and execution by regulation or Executive order? In other words, the only power they would get they would get from the act of Congress, and they could carry out the act by using Executive orders or regulations.

Mr. GROSS. The gentleman will have to address his question to those who on one day support this kind of an amendment to the bill and then on the next day reverse their field. The gentleman should address his question to those who operate in that fashion.

As I said a while ago, the President came before the Congress on November 27 and said in effect:

It is deep in the marrow of my bones that I will recognize the independence of Congress and the Members thereof.

And so on and so forth. Then a few days later he was twisting arms all over Capitol Hill, and I do not know where else, trying to and succeeding eventually in reversing a 49-vote margin in behalf of the prohibition against the sale of wheat to Russia. He finally got that margin reduced to 5 votes and then he succeeded in obtaining a margin in favor of striking the wheat sale prohibition from the foreign aid bill by some 30 votes. How can the President say it is deep in the marrow of his bones that he is not going to interfere in the legislative process? We need now, more than we ever needed, this provision in this bill in the light of what has already happened.

Mr. MEADER. Madam Chairman, will the gentleman yield?

Mr. GROSS. Certainly I yield to the gentleman from Michigan.

Mr. MEADER. Having this language in the bill as reported by the committee and now striking it out, will that lead people to believe that Executive orders and regulations can be issued which have no authority under the Airport Act or any other act of Congress?

Mr. GROSS. I suggest my friend from Michigan ask the gentleman on the Democratic side of the aisle to answer the question.

Madam Chairman, I insist that this amendment be defeated. If the amendment is adopted, I hope that the House will change position of the past in all too many instances and proceed to a rollcall vote. Let us see who is for and who is against retention of the legislative power in the hands of the Congress rather than in the hands of the Chief Executive, I do not care who he is.

The CHAIRMAN. The question is on the amendment offered by the gentleman from South Carolina [Mr. HEMPHILL].

The amendment was rejected.

Mr. ROGERS of Texas. Madam Chairman, I have three amendments at the desk that will need to be considered

together. They all go to one point, but the act has to be amended in three places. I ask unanimous consent that these amendments be reported at this time and be considered en bloc.

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

There was no objection.

AMENDMENTS OFFERED BY MR. ROGERS OF TEXAS

The Clerk read as follows:

Amendments offered by Mr. ROGERS of Texas: Page 4, immediately after line 18, insert the following:

"(3) by striking out 'and the Virgin Islands' in paragraph (7) and inserting in lieu thereof 'the Virgin Islands, and Guam';"

And renumber paragraphs (3), (4), and (5) as paragraphs (4), (5), and (6), respectively.

Page 7, line 16, strike out "and".

And on page 7, line 19, strike out the period and insert in lieu thereof "; and".

And on page 7, immediately after line 19, insert the following:

"(3) by striking out 'and the Virgin Islands' each place it appears and inserting in lieu thereof in each such place 'the Virgin Islands, and Guam'."

Page 9, strike out lines 15 through 18, and insert in lieu thereof the following:

"(d) Section 9(c) of such Act (49 U.S.C. 1103(c)) is amended—

"(1) by striking out 'submission of a project' and inserting in lieu thereof 'submission of an advance planning and engineering proposal or a project'; and

"(2) by inserting 'Guam,' immediately after 'the Virgin Islands.'"

Mr. HARRIS. Madam Chairman, will the gentleman yield?

Mr. ROGERS of Texas. I am happy to yield to the distinguished chairman of the Committee on Interstate and Foreign Commerce.

Mr. HARRIS. This amendment was to have been offered in the committee by our colleague, the gentleman from New York [Mr. O'BRIEN]. Unfortunately he was detained on that day, was unable to get there, and it was generally agreed in the committee that in view of the fact that he was not there and the time was short, he would have the opportunity to offer the amendment on the floor of the House. And the general feeling was that it would be accepted. The gentleman from New York [Mr. O'BRIEN] is unable to be here today because he is snowed in, as I understand it, and is not able to get back. So he cannot offer the amendment today. In view of the circumstances and the consideration previously given to it, I would like to say that as far as I am concerned I have no objection to the amendment.

Mr. ROGERS of Texas. I thank the gentleman from Arkansas.

Mr. WILLIAMS. Madam Chairman, will the gentleman yield?

Mr. ROGERS of Texas. I yield to the distinguished chairman of the subcommittee, the gentleman from Mississippi.

Mr. WILLIAMS. Madam Chairman, the subcommittee received testimony on this request of the Territory of Guam, but the committee did not consider this amendment at any great length. As far as I am concerned personally—and certainly I cannot speak for the members of the subcommittee—I have no objection to the amendment. I feel it will

neither add to nor detract from the airport program. But it will fill a very great need, apparently, of the Territory of Guam.

Mr. ROGERS of Texas. I thank the gentleman from Mississippi. Madam Chairman, let me say this. What the gentleman from Arkansas [Mr. HARRIS], has said to you about the gentleman from New York [Mr. O'BRIEN] came to my attention this morning when we had a call from the gentleman from New York [Mr. O'BRIEN] that he was somewhere in New York State, stranded, and could not get here. He asked me to offer these amendments. I did so because I knew that he was going to offer them and would have offered them in committee if it were not for an oversight. It is my understanding that they would have been acceptable. I am in full support of the amendments. The amendments do not change the bill in any way so far as obligatory authority or appropriations are concerned. It is simply a question of making it possible for the Island of Guam to participate in the discretionary funds. What has happened on Guam is this. I think if you will return to page 21 of the report you can read, and see the need for this change, and the fact that it does not, in the opinion of the Assistant Secretary of the Interior, interfere with the general working of the bill. Guam has used the Navy facilities out there for a long time. In that situation it was necessary for certain security clearances to be gone through by all the passengers and everyone else desiring the use of the airfield. There is a change in that. Guam is now working toward building a terminal building. Funds for this would not come from this legislation in any way. But in order to use the facilities that will be open to the public it is felt that there is need for inclusion of Guam in this bill insofar as runways and aprons are concerned to make these terminal facilities accessible. I think the amendments are in order; I think they are fair and should be adopted.

The CHAIRMAN. The question is on the amendments offered by the gentleman from Texas [Mr. ROGERS].

The amendments were agreed to.

AMENDMENT OFFERED BY MR. YOUNGER

Mr. YOUNGER. Madam Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. YOUNGER: Page 5, line 19, strike out "\$199,500,000" and insert in lieu thereof "\$154,500,000."

And on page 5, line 22, strike out "\$65,500,000" and insert in lieu thereof "\$51,500,000."

Mr. YOUNGER. Madam Chairman, my amendment will reduce the amount \$15 million a year. I offer this amendment for the simple reason that since we considered the bill in committee I have been trying to get information on what is left and how much the FAA has in this program. You can get a different figure almost every day that you ask for this information.

I am not convinced that we are not in the same position with this program that the foreign aid program was in

when the director on January 2 found \$670 million they did not know they had. So I think we ought to cut this down. It is not going to hurt the program—\$15 million a year is not going to deprive it of anything. We are going to have to phase it out sooner or later.

I offer the amendment, and I hope it will be accepted by the committee.

Mr. ROBERTS of Alabama. Madam Chairman, I rise in opposition to the amendment by the gentleman from California [Mr. YOUNGER].

The gentleman makes the statement you can call the FAA and get a different figure almost every time you call. This is understandable. I am told that what happens is that many times these funds are what we call allocated, but not obligated. Take, for instance, a city has an airport it wants to build. It receives an allocation from the FAA. Many times the estimate they will send in as to the work done will be less perhaps than the amount that was originally allocated; but until the contract is performed the money does not become obligated or a charge against the Treasury of the United States. So that the discretionary fund must obviously vary from time to time. This has been the practice since we have had the Federal airport plan, as we have at the present time. It does not mean that the money can be said to be surplus or unnecessary. It is simply a matter of bookkeeping that has to be handled in that particular way since plans and costs might and do vary from the initial allocation.

If the amendment offered by the gentleman from California [Mr. YOUNGER] and the gentleman from Michigan [Mr. BENNETT] carries, Huntsville Airport, Ala., would be eliminated from further consideration and serious obstacles will be placed in front of all airport development in Alabama and the Nation. As a matter of interest I submit the background and need for legislation.

#### BACKGROUND AND NEED FOR LEGISLATION

The Federal Airport Act (Public Law 377, 79th Cong.) enacted in 1946 established a program of Federal aid, the stated purpose of which was to provide a system of public airports adequate to anticipate and meet the needs of civil aeronautics. The act recognized the necessity for annual planning to insure the wise expenditure of Federal funds and required the administrator to prepare a national plan for the orderly development of airports, and revise such plan from time to time.

The Federal Airport Act contributes importantly to air safety by imposing certain conditions which must be met by those receiving Federal matching funds. Among other things, the act requires the Administrator of the Federal Aviation Agency to prepare a national airport plan specifying the projects considered necessary to insure a system of public airports adequate to meet the needs of the various segments of aviation. Airports not included in the plan are not eligible for Federal financial assistance. However, the great majority of public airports in this country have relied on matching funds made available under the act. In order to obtain Federal funds the Federal Aviation Agency requires airport sponsors to operate and maintain the airport and all facilities in a safe condition to serve the users of the airport. Federal funds may not be expended on any project without Federal Aviation Agency approval of a master plan

for each recipient airport. The design, engineering, and construction of all such projects must be approved in advance of any allocation of Federal funds and must further be inspected and approved during the course of their construction. This system of Federal oversight over the use of millions of tax dollars—Federal, State, and local—has unquestionably contributed in great measure to the excellent safety record of aviation in this country.

Under the national airport plan as revised, the administrator's estimated requirements for airport development are \$231 million for fiscal 1964, \$151 million for fiscal 1965, and \$178 million for fiscal 1966. These figures compare with eligible project requests totaling \$149 million for fiscal 1962, \$140 million for fiscal 1963, and \$150 million received for 1964. On such basis the administrator recommends a continuation of the present authorization of \$75 million annually to maintain the program level considered essential to satisfy the firmly projected needs of the national airport system.

During the 3-year extension of the aid program proposed by the bill, the administrator intends to continue to assist those commercial airports entering the jet age; to further the development of general aviation airports; to seek economy and improved air transportation service through encouragement of regional airports; and to improve airport safety through installation of improved lighting systems and other ground facilities.

This changing character of the airport program, the administrator described during the course of his testimony, as follows:

"The jet aircraft, with almost twice the speed and almost twice the capacity of its piston predecessor, now permits the air carrier to move more passengers, more quickly utilizing fewer aircraft and fewer flights.

"Thus while total air carrier aircraft operations declined from 7.2 to 7.1 million in the period fiscal year 1958 through fiscal year 1962, the domestic scheduled passenger miles flown during the same period increased from 25.5 to 33 billion.

"This great increase in air transportation has not been without cost both economically and socially. The jet has created a requirement for a more sophisticated air traffic control system and for larger airports; it has also created an annoyance for those residents immediately adjacent to our Nation's airports. Today there are 63 airports in the United States receiving jet service. By 1967, we estimate there will be 126. The next 4 years will demand of the municipalities and States, and the Federal Government great wisdom, resourcefulness, and statesmanship, if we are to deal with the very serious noise problem already confronting us.

"The air carrier fleet is still in transition and general aviation's growth continues at a rapid rate. In the last 4 years, the number of active general aviation aircraft has increased from 65,289 to 84,121; in the same period, the total operations have increased from 13.2 to 16.5 million. By fiscal year 1968, we forecast a general aviation fleet of 99,000 aircraft conducting 24.2 million operations. Of all the airports in the contiguous 48 States, at only 31 do the number of air carrier operations presently exceed general aviation operations. This is less than one-half of 1 percent of all the airports in the country.

"With these changes, our airport requirements are changing. While new air carrier airports will continue to be developed, the basic structure is now in place. However, further improvement is still required at most major airports. The decade ahead will spawn hundreds of new general aviation airports. In the future, airport development must proceed with a greater awareness of its need and consequences in the community it serves. The national airport plan must be refined to

reflect more accurately a system and its components. The entire aviation community must work together to assure that our airports are located to serve the maximum number of people."

The following airports in the State of Alabama will be affected by this legislation, if enacted:

Alabama—Locations, sponsors, and name of airport

	Federal funds
Anniston: City of Anniston, Anniston Municipal.....	\$61, 835
Birmingham: City of Birmingham, Birmingham Municipal.....	85, 100
Dothan: City of Dothan and Houston County, Ala., acting through Dothan-Houston County Airport Authority, Inc., Napier Field.....	246, 853
Gadsden: City of Gadsden, Gadsden Municipal.....	43, 250
Hartselle: City of Hartselle, Hartselle Municipal.....	59, 800
Huntsville: Huntsville-Madison County Airport; Authority Huntsville-Madison County.....	136, 978
Mobile: City of Mobile, Bates Field.....	150, 000
Montgomery: City of Montgomery, Danely Field.....	65, 000
Muscle Shoals: Muscle Shoals Aeronautics Authority, Inc., Muscle Shoals.....	95, 000
Total.....	943, 816

I trust that the amendment will be defeated.

Mr. WILLIAMS. Madam Chairman, I rise in opposition to the pending amendment.

Madam Chairman, in response to a question posed to me a few moments ago by the distinguished gentleman from Michigan, I stated that in my opinion the present level of authorizations should be continued during the life of this 3-year extension of the Federal Airport Act, but by the end of the 3 years the Congress should give serious consideration, in connection with any further extension, to an orderly phaseout of the program.

The \$75 million carried in this bill is carried as an authorization, not as an appropriation.

The history of the Airport Act over the past several years shows that obligations have exceeded the amounts that were made available. In 1962, since we have been operating under the appropriations process and since we have eliminated the back-door spending approach, there was an authorization and appropriation of \$75 million of which only \$46,381,121 was obligated. That was due to the fact that was the first year we had operated under the appropriations procedure and they had not had the lead time in which to plan ahead.

Back in 1963, with an appropriation and authorization of \$75 million, the Federal Aviation Agency obligated \$75,279,543 for airport aid. In 1964, again under a \$75 million appropriation, they obligated \$85,272,352. That is the estimated obligation for this year. That is against a request for \$150 million that came in from the local communities. In other words, at the State and local level \$150 million was requested for aid, and the Federal Aviation Agency is going to be able to obligate only \$85,272,000

of this. It is estimated by the Federal Aviation Agency that at the end of 1964, going into fiscal 1965, there will be \$18 million unobligated to be carried over into the future.

It seems to me that for the next 3 years in authorizing legislation we should continue this level of \$75 million, which has proven to be necessary if we are to carry out the purposes of this Airport Act.

I would add the observation I made a few moments ago, that the amount of \$75 million carried in this bill is but a ceiling on the amount that can be appropriated for this program. The actual amount that will be appropriated will be determined by the Appropriations Committee. If the figure of \$51 million is the amount that is necessary for continuing this program, as has been suggested by the distinguished gentleman from California, then I have every confidence in the gentleman from Texas [Mr. THOMPSON] and his colleague on the Republican side, the gentleman from New York [Mr. OSTERTAG], will hold the program to that level. I think if we cut this program down as has been suggested by the gentleman from California in the authorization we are only fooling ourselves. I feel Madam Chairman, that the Appropriations Committee is fully able to exercise prudence within the ceilings that are provided in the present bill. I hope the amendment will be defeated.

The CHAIRMAN. The question is on the amendment offered by the gentleman from California [Mr. YOUNGER].

The question was taken; and on a division (demanded by Mr. YOUNGER) there were—ayes 54, noes 78.

So the amendment was rejected.

The CHAIRMAN. The question is on the committee amendment, as amended.

The committee amendment was agreed to.

The CHAIRMAN. Under the rule, the Committee rises.

Accordingly the Committee rose, and the Speaker having resumed the chair, Mrs. SULLIVAN, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee having had under consideration the bill (S. 1153) to amend the Federal Airport Act to extend the time for making grants thereunder, and for other purposes, pursuant to House Resolution 594, she reported the bill back to the House with an amendment adopted by the Committee of the Whole.

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

The question is on the amendment.

The amendment was agreed to.

The SPEAKER. The question is on the third reading of the bill.

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

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

Mr. BENNETT of Michigan. Mr. Speaker—

The SPEAKER. For what purpose does the gentleman from Michigan rise?

Mr. BENNETT of Michigan. Mr. Speaker, I offer a motion to recommit.

The SPEAKER. Is the gentleman opposed to the bill?

Mr. BENNETT of Michigan. I am opposed to the bill, Mr. Speaker.

The SPEAKER. The gentleman qualifies.

The Clerk will report the motion to recommit.

The Clerk read as follows:

Mr. BENNETT of Michigan moves to recommit the bill, S. 1153, to the Committee on Interstate and Foreign Commerce with instructions to report the same to the House forthwith with the following amendment:

Strike out all after the enacting clause and insert in lieu thereof the text of the committee amendment with the following changes.

On page 5, line 19, strike out "\$199,500,000" and insert in lieu thereof "\$154,500,000" and

On page 5, line 22, strike out "\$66,500,000" and insert in lieu thereof "\$51,500,000".

The SPEAKER. The question is on the motion to recommit.

The question was taken, and the Speaker announced that the yeas appeared to have it.

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

The SPEAKER. Evidently, a quorum is not present.

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

The question was taken; and there were—yeas 110, nays 201, not voting 120, as follows:

[Roll No. 5]  
YEAS—110

Abele	Curtin	Ostertag
Adair	Curtis	Pelly
Andrews,	Dague	Pillion
N. Dak.	Derounian	Poff
Arends	Derwinski	Pool
Ashbrook	Devine	Quile
Avery	Dole	Quillen
Ayres	Ellsworth	Reid, Ill.
Baldwin	Findley	Reifel
Bates	Ford	Reuss
Battin	Foreman	Rich
Becker	Goodling	Robison
Beermann	Griffin	Roudebush
Belcher	Gross	Rumsfeld
Bennett, Mich.	Gubser	St. George
Berry	Gurney	Saylor
Betts	Haley	Schadeberg
Bolton,	Hall	Schenck
Frances P.	Harrison	Short
Bolton,	Harvey, Ind.	Skubitz
Oliver P.	Hoeven	Smith, Calif.
Bow	Johnson, Pa.	Snyder
Bray	Kastenmeier	Springer
Brock	Keith	Stafford
Brotzman	Kilburn	Stinson
Brown, Ohio	King, N.Y.	Taft
Broyhill, Va.	Kunkel	Teague, Calif.
Bruce	Langen	Thomson, Wis.
Byrnes, Wis.	Latta	Tollefson
Cahill	Lipscomb	Utt
Chenoweth	McClory	Van Pelt
Clawson, Del	McLoskey	Weaver
Cleveland	Mailliard	Westland
Collier	Meador	Wharton
Conte	Minshall	Wilson, Ind.
Corbett	Moore	Wyman
Cramer	Mosher	Younger
Cunningham	Nelsen	

NAYS—201

Abbt	Boland	Byrne, Pa.
Abernethy	Bolling	Cannon
Albert	Bonner	Casey
Andrews, Ala.	Brademas	Celler
Ashley	Bromwell	Chamberlain
Ashmore	Brooks	Chelf
Barrett	Broomfield	Clark
Beckworth	Burke	Clausen,
Bennett, Fla.	Burkhalter	Don H.
Blatnik	Burleson	Colmer
Boggs	Burton	Cooley

Corman	Johnson, Calif.	Roberts, Tex.
Davis, Ga.	Johnson, Wis.	Rogers, Colo.
Davis, Tenn.	Jones, Ala.	Rogers, Fla.
Delaney	Jones, Mo.	Rogers, Tex.
Dingell	Karsten	Roosevelt
Dorn	Karth	Roush
Dowdy	Kilgore	Ryan, Mich.
Downing	Kirwan	Ryan, N.Y.
Dulski	Knox	St Germain
Dwyer	Kornegay	St. Onge
Edwards	Kyl	Schweiker
Elliott	Landrum	Scott
Evins	Leggett	Secrest
Fallon	Lennon	Selden
Farbstein	Long, La.	Senner
Fascell	Long, Md.	Sheppard
Feighan	McDade	Shipley
Finnegan	McDowell	Sibal
Fisher	McFall	Sickles
Flood	McMillan	Sikes
Flynt	Madden	Siler
Forrester	Mahon	Sisk
Fountain	Marsh	Slack
Fraser	Martin, Calif.	Smith, Va.
Friedel	Matthews	Staebler
Fulton, Tenn.	Mills	Staggers
Fuqua	Minish	Stephens
Gallagher	Monagan	Stubblefield
Gathings	Montoya	Sullivan
Gialmo	Morgan	Taylor
Gibbons	Morris	Teague, Tex.
Gilbert	Moss	Thomas
Glenn	Multer	Thompson, Tex.
Gonzalez	Murphy, Ill.	Toil
Grant	Murphy, N.Y.	Trimble
Gray	Natcher	Tuck
Green, Oreg.	Nedzi	Tupper
Griffiths	Nix	Tuten
Grover	O'Hara, Ill.	Udall
Hagan, Ga.	Olson, Minn.	Van Deerlin
Hagen, Calif.	O'Neill	Vanik
Halpern	Passman	Waggonner
Hanna	Patman	Wallhauser
Hansen	Patten	Watson
Harding	Pepper	Watts
Hardy	Pickins	Weltner
Harris	Pickle	Whalley
Healey	Pike	Whitener
Hechler	Plicher	Whitten
Hemphill	Poage	Widnall
Henderson	Price	Williams
Horton	Purcell	Willis
Huddleston	Rains	Winstead
Hull	Reid, N.Y.	Young
Ichord	Rhodes, Pa.	Zablocki
Jennings	Rivers, S.C.	
Joelson	Roberts, Ala.	

NOT VOTING—120

Addabbo	Hébert	Norblad
Alger	Herlong	O'Brien, Ill.
Anderson	Hoffman	O'Brien, N.Y.
Aspinall	Hollfield	O'Hara, Mich.
Auchincloss	Holland	O'Konski
Baring	Horan	Olsen, Mont.
Barry	Hosmer	Osmers
Bass	Hutchinson	Philbin
Bell	Jarman	Pirnie
Brown, Calif.	Jensen	Powell
Broyhill, N.C.	Johansen	Pucinski
Buckley	Jonas	Randall
Cameron	Kee	Rhodes, Ariz.
Carey	Kelly	Riehlman
Cederberg	Keogh	Rivers, Alaska
Clercy	King, Calif.	Rodino
Cohelan	Kluczynski	Rooney, N.Y.
Daddario	Laird	Rooney, Pa.
Daniels	Lankford	Rosenthal
Dawson	Lesinski	Rostenkowski
Dent	Libonati	Roybal
Denton	Lindsay	Schneebell
Diggs	Lloyd	Schwengel
Donohue	McCulloch	Shriver
Duncan	McIntire	Smith, Iowa
Edmondson	Macdonald	Steed
Everett	MacGregor	Stratton
Fino	Martin, Mass.	Talcott
Fogarty	Martin, Nebr.	Thompson, La.
Frelinghuysen	Mathias	Thompson, N.J.
Fulton, Pa.	Matsunaga	Ullman
Garmatz	May	Vinson
Gary	Michel	White
Gill	Miller, Calif.	Wickersham
Goodell	Miller, N.Y.	Wilson, Bob
Grabowski	Milliken	Wilson,
Halleck	Moorhead	Charles H.
Harsha	Morrison	Wright
Harvey, Mich.	Morse	Wydler
Hawks	Morton	
Hays	Murray	

So the motion to recommit was rejected.

The Clerk announced the following pairs:

On this vote:  
Mr. Broyhill for, with Mr. Aspinall against.  
Mr. Johansen for, with Mr. Hébert against.  
Mr. Clancy for, with Mr. Keogh against.  
Mr. Rhodes of Arizona for, with Mr. Morrison against.  
Mr. Cederberg for, with Mr. Osmers against.  
Mr. Alger for, with Mr. O'Brien of New York against.  
Mr. Laird for, with Mr. Rivers of Alaska against.  
Mr. Fino for, with Mr. Garmatz against.  
Mr. Michel for, with Mr. Philbin against.  
Mrs. May for, with Mr. Donohue against.  
Mr. Hoffman for, with Mr. Addabbo against.  
Mr. Schwengel for, with Mr. Frelinghuysen against.  
Mr. Auchincloss for, with Mr. Hollfield against.  
Mr. Hosmer for, with Mr. Rooney of New York against.  
Mr. Horan for, with Mr. Ullman against.

Until further notice:  
Mr. Buckley with Mr. Bell.  
Mr. Carey with Mr. Norblad.  
Mr. Powell with Mr. Martin of Nebraska.  
Mr. Miller of California with Mr. Lindsay.  
Mr. Rodino with Mr. Hutchinson.  
Mr. Dent with Mr. Pirnie.  
Mr. Murray with Mr. O'Konski.  
Mr. Daniels with Mr. Mathias.  
Mr. Daddario with Mr. Riehlman.  
Mrs. Kelly with Mr. Bob Wilson.  
Mr. Thompson of Louisiana with Mr. Harvey of Michigan.  
Mr. Stratton with Mr. McCulloch.  
Mr. King of California with Mr. Fulton of Pennsylvania.  
Mr. Fogarty with Mr. Shriver.  
Mr. Gary with Mr. Miller of New York.  
Mr. Rooney of Pennsylvania with Mr. Jonas.

Mr. Rosenthal with Mr. Jensen.  
Mr. Moorhead with Mr. Barry.  
Mr. Denton with Mr. McIntire.  
Mr. Cohelan with Mr. Morse.  
Mr. Cameron with Mr. Goodell.  
Mr. Lesinski with Mr. Anderson.  
Mr. Kluczynski with Mr. Talcott.  
Mr. Everett with Mr. Martin of Massachusetts.  
Mr. Hays with Mr. MacGregor.  
Mr. Herlong with Mr. Morton.  
Mr. Roybal with Mr. Harsha.  
Mr. White with Mr. Schneebell.  
Mr. Thompson of New Jersey, with Mr. Wydler.  
Mr. Libonati with Mr. Hawkins.  
Mr. Lankford with Mr. Grabowski.  
Mr. Edmondson with Mr. Charles H. Wilson.  
Mr. Gill with Mr. Dawson.  
Mr. Holland with Mr. Macdonald.  
Mr. Pucinski with Mr. Diggs.  
Mr. Matsunaga with Mr. O'Hara of Michigan.  
Mr. Randall with Mr. O'Brien of Illinois.  
Mr. Wright with Mr. Olson of Minnesota.  
Mr. Wickersham with Mr. Duncan.  
Mr. Baring with Mrs. Kee.  
Mr. Brown of California with Mr. Bass.  
Mr. Jarman with Mr. Rostenkowski.  
Mr. Steed with Mr. Vinson.

Mr. WHALLEY changed his vote from "yea" to "nay."

The result of the vote was announced as above recorded.

The doors were opened.  
The SPEAKER. The question is on the passage of the bill.

Mr. BENNETT of Michigan. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The question was taken; and there were—yeas 298, nays 11, not voting 123, as follows:

[Roll No. 6]  
YEAS—298

Abbutt  
Abernethy  
Adair  
Albert  
Andrews, Ala.  
Andrews, N. Dak.  
Arends  
Ashley  
Ashmore  
Avery  
Ayres  
Baldwin  
Barrett  
Bates  
Battin  
Becker  
Beckworth  
Belcher  
Bennett, Fla.  
Berry  
Blatnik  
Boggs  
Boland  
Boiling  
Bolton  
Frances P.  
Bolton  
Oliver P.  
Bonner  
Bow  
Brademas  
Bray  
Brock  
Bromwell  
Brooks  
Broomfield  
Brotzman  
Brown, Ohio  
Bryhill, Va.  
Bruce  
Burke  
Burkhalter  
Burlinson  
Burton  
Byrne, Pa.  
Byrnes, Wis.  
Cahill  
Cannon  
Casey  
Celler  
Chamberlain  
Chelf  
Chenoweth  
Clark  
Clausen,  
Don H.  
Clawson, Del.  
Cleveland  
Collier  
Colmer  
Conte  
Cooley  
Corbett  
Corman  
Cramer  
Cunningham  
Curtin  
Dague  
Davis, Ga.  
Davis, Tenn.  
Delaney  
Derounian  
Derwinski  
Devine  
Dingell  
Dole  
Dorn  
Downy  
Downing  
Duiski  
Dwyer  
Edwards  
Elliott  
Ellsworth  
Evens  
Fallon  
Farbstein  
Fascell  
Feighan  
Findley  
Finnegan  
Fisher  
Flood  
Flynt  
Ford  
Foreman  
Forrester  
Fountain

Fraser  
Friedel  
Fulton, Tenn.  
Fuqua  
Gallagher  
Gathings  
Giaino  
Gibbons  
Gilbert  
Glenn  
Goodling  
Grant  
Gray  
Green  
Griffin  
Grover  
Gubser  
Gurney  
Hagan, Ga.  
Hagen, Calif.  
Haley  
Halpern  
Hanna  
Hansen  
Harding  
Hardy  
Harris  
Harrison  
Healey  
Hechler  
Hemphill  
Henderson  
Hoeven  
Horton  
Huddleston  
Hull  
Ichord  
Jennings  
Joelson  
Johnson, Calif.  
Johnson, Pa.  
Johnson, Wis.  
Jones, Ala.  
Jones, Mo.  
Karsten  
Karth  
Kastenmeier  
Keith  
Kilgore  
King, N.Y.  
Kirwan  
Knox  
Kornegay  
Kunkel  
Kyl  
Landrum  
Langen  
Latta  
Leggett  
Lennon  
Lipscomb  
Long, La.  
Long, Md.  
McClory  
McDade  
McDowell  
McFall  
McLoskey  
Madden  
Mahon  
Mailliard  
Marsh  
Martin, Calif.  
Matthews  
Meador  
Mills  
Minish  
Minshall  
Monagan  
Montoya  
Moore  
Morgan  
Morris  
Mosher  
Moss  
Multer  
Murphy, Ill.  
Murphy, N.Y.  
Natcher  
Nedzi  
Nelsen  
Nix  
O'Hara, Ill.  
Olson, Minn.  
O'Neill  
Ostertag  
Passman  
Patman  
Patten

Pelly  
Pepper  
Perkins  
Pickle  
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Pool  
Price  
Purcell  
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Rains  
Reid, Ill.  
Reid, N.Y.  
Reifel  
Reuss  
Rhodes, Pa.  
Rich  
Rivers, S.C.  
Roberts, Ala.  
Roberts, Tex.  
Robison  
Rogers, Colo.  
Rogers, Fla.  
Rogers, Tex.  
Roosevelt  
Roudebush  
Roush  
Rumsfeld  
Ryan, Mich.  
Ryan, N.Y.  
St. George  
St. Germain  
St. Onge  
Saylor  
Schadeberg  
Schenk  
Schweiker  
Scott  
Secrest  
Seiden  
Senner  
Sheppard  
Shipley  
Short  
Sibal  
Sickles  
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Skubitz  
Slack  
Smith, Calif.  
Smith, Va.  
Springer  
Staebler  
Stafford  
Staggers  
Stephens  
Stinson  
Stubblefield  
Sullivan  
Taft  
Taylor  
Teague, Calif.  
Teague, Tex.  
Thomas  
Thompson, Tex.  
Thomson, Wis.  
Toll  
Tollefson  
Trimble  
Tuck  
Tupper  
Tuten  
Udall  
Utt  
Van Deerlin  
Vanik  
Van Pelt  
Vinson  
Waggonner  
Wallhauser  
Watson  
Watts  
Weaver  
Weltner  
Westland  
Whalley  
Wharton  
Whitener  
Whitten  
Whidnal  
Williams  
Willis  
Wilson, Ind.

Winstead  
Wyman

Abele  
Ashbrook  
Beermann  
Bennett, Mich.

Betts  
Curtis  
Gross  
Hall

Young  
Younger

NAYS—11

NOT VOTING—123

Addabbo  
Alger  
Anderson  
Aspinall  
Auchincloss  
Baring  
Barry  
Bass  
Bell  
Brown, Calif.  
Broyhill, N.C.  
Buckley  
Cameron  
Carey  
Cederberg  
Clancy  
Cohelan  
Daddario  
Daniels  
Dawson  
Dent  
Denton  
Diggs  
Donohue  
Duncan  
Edmondson  
Everett  
Fino  
Fogarty  
Frelinghuysen  
Fulton, Pa.  
Garmatz  
Gary  
Gill  
Gonzalez  
Goodell  
Grabowski  
Griffiths  
Halleck  
Harsha  
Harvey, Mich.

Hawkins  
Hays  
Hébert  
Herlong  
Hoffman  
Hollifield  
Holland  
Horan  
Hosmer  
Hutchinson  
Jarman  
Jensen  
Johansen  
Jonas  
Kee  
Kelly  
Keogh  
King, Calif.  
Kluczynski  
Laird  
Lankford  
Lesinski  
Libonati  
Lindsay  
Lloyd  
McCulloch  
McIntire  
McMillan  
Macdonald  
MacGregor  
Martin, Mass.  
Martin, Nebr.  
Mathias  
Matsunaga  
May  
Michel  
Miller, Calif.  
Miller, N.Y.  
Milliken  
Moorhead  
Morrison

Morse  
Morton  
Murray  
Norblad  
O'Brien, Ill.  
O'Brien, N.Y.  
O'Hara, Mich.  
O'Konski  
Olsen, Mont.  
Osmer  
Philbin  
Pirnie  
Powell  
Pucinski  
Randall  
Rhodes, Ariz.  
Riehlman  
Rivers, Alaska  
Rodino  
Rooney, N.Y.  
Rooney, Pa.  
Rosenthal  
Rostenkowski  
Roybal  
Schneebell  
Schwengel  
Shriver  
Smith, Iowa  
Steed  
Stratton  
Talcott  
Thompson, La.  
Thompson, N.J.  
Ullman  
White  
Wickersham  
Wilson, Bob  
Wilson,  
Charles H.  
Wright  
Wylder

Mr. Brown of California with Mr. Hoffman.  
Mr. Lankford with Mr. Pirnie.  
Mr. Libonati with Mr. Morton.  
Mr. Edmondson with Mr. Clancy.  
Mr. Gill with Mr. Martin of Nebraska.  
Mr. Holland with Mr. Wylder.  
Mr. Rostenkowski with Mr. Barry.  
Mr. Macdonald with Mr. Shriver.  
Mr. Ullman with Mr. Schneebell.  
Mr. White with Mr. Dawson.  
Mr. Pucinski with Mr. Hawkins.  
Mr. Herlong with Mr. Thompson of New Jersey.  
Mr. Wright with Mr. McMillan.  
Mr. Bass with Mr. Baring.  
Mr. Jarman with Mrs. Kee.  
Mr. Steed with Mr. Murray.  
Mr. Randall with Mr. Roybal.  
Mr. Duncan with Mr. Diggs.  
Mr. Matsunaga with Mr. Wickersham.  
Mr. O'Hara of Michigan with Mr. Charles H. Wilson.  
Mrs. Griffiths with Mr. Olson of Minnesota.  
Mr. O'Brien of Illinois with Mr. Smith of Iowa.

Mr. BENNETT of Michigan changed his vote from "yea" to "nay."

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

Mr. HARRIS. Mr. Speaker, I ask unanimous consent to take from the Speaker's desk the bill (S. 1153) to amend the Federal Airport Act to extend the time for making grants thereunder, and for other purposes, with a House amendment thereto, insist on the House amendment and request a conference with the Senate.

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

There was no objection.

The SPEAKER. The Chair appoints the following members of the conference committee: MESSRS. HARRIS, WILLIAMS, FRIEDEL, MACDONALD, JARMAN, HEMPHILL, BENNETT of Michigan, SPRINGER, DEVINE, and SIBAL.

RICE ACREAGE ALLOTMENTS

Mr. JONES of Missouri. 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. 3742) to amend the provisions of the Agricultural Adjustment Act of 1938, as amended, relating to the transfer of producer rice acreage allotments.

The motion was agreed to.

IN THE COMMITTEE OF THE WHOLE

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. 3742, with Mr. DAVIS of Tennessee in the chair.

The Clerk read the title of the bill.

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

Mr. JONES of Missouri. Mr. Chairman, I yield myself 5 minutes.

Mr. Chairman, this bill, H.R. 3742, was introduced almost a year ago by the gentleman from Texas [Mr. THOMPSON]. It seeks to amend the present law in order to bring about equity and to remove some inconsistencies in the present law and

So the bill was passed.  
The Clerk announced the following pairs:

Mr. Hébert with Mr. Fulton.  
Mr. Aspinall with Mr. Jonas.  
Mr. Keogh with Mr. Anderson.  
Mr. Addabbo with Mr. Osmer.  
Mr. O'Brien of New York with Mr. Miller of New York.  
Mr. Rivers of Alaska with Mr. Martin of Massachusetts.  
Mr. Garmatz with Mr. Lindsay.  
Mr. Philbin with Mr. Horan.  
Mr. Donohue with Mr. Talcott.  
Mr. Buckley with Mr. Fino.  
Mr. Carey with Mr. Broyhill of North Carolina.  
Mr. Powell with Mr. Auchincloss.  
Mr. Miller of California with Mrs. May.  
Mr. Rodino with Mr. McIntire.  
Mr. Dent with Mr. Alger.  
Mr. Rooney of New York with Mr. Bob Wilson.  
Mr. Daniel with Mr. Riehlman.  
Mr. Daddario with Mr. Frelinghuysen.  
Mrs. Kelly with Mr. Mathias.  
Mr. Thompson of Louisiana with Mr. Harvey of Michigan.  
Mr. Stratton with Mr. Hutchinson.  
Mr. King of California with Mr. Laird.  
Mr. Fogarty with Mr. Johansen.  
Mr. Gary with Mr. McCulloch.  
Mr. Hollifield with Mr. Michel.  
Mr. Morrison with Mr. Norblad.  
Mr. Rooney of Pennsylvania with Mr. O'Konski.  
Mr. Rosenthal with Mr. Bell.  
Mr. Moorhead with Mr. Cederberg.  
Mr. Denton with Mr. Schwengel.  
Mr. Cohelan with Mr. Rhodes of Arizona.  
Mr. Cameron with Mr. Hosmer.  
Mr. Lesinski with Mr. Jensen.  
Mr. Kluczynski with Mr. MacGregor.  
Mr. Everett with Mr. Harsha.  
Mr. Hays with Mr. Morse.  
Mr. Grabowski with Mr. Goodell.

to have the law apply to all holders of rice allotments in the same manner.

The bill is not a very difficult bill to understand. While I would not want to oversimplify it, I might explain that in some areas, particularly in the State of Texas, the rice allotments are made to an individual rather than to the land. Therefore, they are sometimes referred to as "hip pocket" allotments. A tenant with his rice machinery will lease land and will move from one area to another from year to year, or after 2 or 3 years. But the thing I want to point out is that the allotment there is not with the land, it is with the individual.

The present law provides that if a producer in a State in which farm rice acreage allotments are determined on the basis of past production of rice by the producer on the farm permanently withdraws from rice production, his rice history acreage may be transferred to another producer or producers who have had previous rice-producing experience, provided certain conditions are met, among them being that the transferee must acquire the entire farming operation pertaining to rice, and so forth.

What happens is that the present law has been interpreted by some of the attorneys of the Department of Agriculture to mean that if a holder of the rice allotment is also the owner of the land on which he is producing the rice for which he has this "hip pocket" allotment, if he seeks to transfer that, he must not only transfer his equipment but he must also transfer the land.

Again, the person who has an allotment and who does not own land may transfer and sell his equipment. So all we are trying to do in this bill, and I think it is rather simple, is to put the landowners, and that would probably be not more than 10 percent of the people who are producing rice in the State of Texas at this time, on the same basis and give them the same privilege we have extended to the tenants who want to transfer their allotments.

I take this time to call attention to the opposing views in the report of the committee. I have read the opposing views, which are signed by two members of the minority on our committee. Frankly, I find very little in their opposing views which pertains to this bill here today. They make a lot of statements which are high sounding. They say:

Acreage controls encroach on individual liberty, specifically on freedom-of-choice planting. Liberty is everybody's business.

Those are some of the statements made in the opposing views. Actually, they do not have anything in the world to do with the bill we are discussing here today. We are not here today voting on whether you like the farm program or do not like the farm program, or whether you like allotments or do not like allotments. What we are trying to do is improve the system and bring about equity. That is all we propose to do.

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

Mr. Chairman, this bill is an example of what might be termed the glacial legislative process. We start out with an

objective—for example the control of rice production in this country in order to benefit rice producers. Then little by little over the years we retreat from that position of control. We make exceptions—and one exception leads to another.

This bill reminds me of the cotton bill which was before us not too long ago. In an effort to help the cotton farmer, we supported prices on the domestic market. To protect his foreign market for cotton, we subsidized exports. But this put textile firms at a disadvantage, so in order to rectify the inequity to them caused by this subsidy to the cotton farmers and to the exporters, we had to jack up another corner of the cotton barn and that is what I call the glacial legislative process. We start out with a firm position, trying to control farms and farmers, and then one by one we make exceptions and back away.

Two years ago we passed a bill, H.R. 9013. The effect of that bill was to give legislative stature or sanction to administrative action that had been followed for several preceding years. Under that bill, the disposition of rice allotments was permitted in four circumstances:

First. If the producer died or was declared incompetent by a court of competent jurisdiction.

Second. The producer withdraws in whole or in a part from rice production in favor of a son, son-in-law or grandson or nephew.

Third. The producer permanently withdraws from rice production.

Fourth. A partnership is dissolved.

Now this was a very important step to take because it gave statutory blessing to the principle of separating the right to grow a commodity from a particular parcel of land.

In this way the rice allotments, which already could be carried around in the farmer's pocket, could be willed to anyone and in some circumstances sold to other rice producers.

At this point, I might call attention to the situation in tobacco land or at least the situation in tobacco land that existed prior to the announcement of the past weekend. Here, too, was a commodity under very careful and strict Government control intended to benefit the tobacco farmer. Under this program, the right to grow tobacco was parceled out and attached to land and it became a matter of great dollar value. Tobacco land in some areas will sell as much as \$3,000 an acre more than the same land without a tobacco allotment.

So you can see that Government action in establishing acreage control programs has the effect of building into the soil itself a brandnew value—a thing of considerable value—representing the right to grow the commodity.

I think it is wise for us to bear in mind that those who have sponsored a bill in the past 2 or 3 years under which tobacco allotments could be leased, very stoutly insisted they would never permit tobacco allotments to be sold. They saw a danger in the selling of tobacco allotments. Yet, here in rice allotments we are giving legislative stature to this principle permitting the sale of the right to grow

a commodity independently of the commodity itself.

If the trend indicated in this bill continues, we could soon expect to see the selling of rice allotments, with Uncle Sam acting as the chief broker. To me that is a strange development in this land of freedom.

Mr. JONES of Missouri. Mr. Chairman, will the gentleman yield?

Mr. FINDLEY. I am glad to yield.

Mr. JONES of Missouri. The gentleman does not mean to leave the impression with this House that what he is talking about does not exist in the law today, does he? In other words, this bill would not change that part of the law.

Mr. FINDLEY. This bill would apply only to the rights of people who own land to which rice allotments are attached.

Mr. JONES of Missouri. But the person who does own some land can sell an allotment now, is that correct?

Mr. FINDLEY. The gentleman is quite correct.

I pointed out earlier that rice is handled in a manner different from tobacco, but there are similarities. One of the similarities involves the fact that the Government in both cases has attempted to establish an allotment program.

In the case of rice the allotments have been granted in some circumstances and in some States to the individual, but in other circumstances and in the same States the allotments also have been made a part of the land itself. Were it not for this fact, we would not have the bill before us today.

Mr. JONES of Missouri. Will the gentleman inform the House that none of the allotments we are speaking of today are attached to the land at all? These allotments are not to be attached to the land, and we are proposing nothing in the bill which would affect an allotment attached to the land. We would deal only with an allotment given to the individual.

Mr. FINDLEY. We are dealing here with allotments which attach to the land in the respect that they are in the hands only of landowners.

I believe the distinction the gentleman makes is not to the point of this bill, because were there this distinction which he seeks to make, we would not have a need for the bill before us today.

Mr. JONES of Missouri. I believe the gentleman is confused, himself, if he will yield for a minute.

Mr. FINDLEY. I am glad to yield.

Mr. JONES of Missouri. What we are talking about are rice allotments in Texas which are given to the individual. It happens that some individuals who have rice allotments do own land. What we are trying to do is to give the fellow who happens to own land the same privilege to do with his rice allotment what the tenant may do with his. That is all the bill would do.

Mr. FINDLEY. What the tenant was granted the right to do in the bill of 2 years ago.

That is why I say it is unwise for us to compound a legislative error. What

we should be doing today is rescinding the action of 2 years ago, so that no rice allotment owner could sell or will or otherwise dispose of the right to grow rice independent of the land itself.

Mr. JONES of Missouri. If the gentleman will introduce a bill to do that, we can consider it on its merits. That has not been considered in the committee. No amendment to do that was offered to the committee. No legislation to do that has been proposed.

What we are arguing today is to provide equity in the situation.

We can save a lot of time if we confine our arguments to the bill before us and not get into the general area of what the gentleman is talking about. The gentleman is talking about something not in the bill, which cannot be in the bill.

Mr. FINDLEY. I say to the gentleman that he will have an opportunity, along with other Members of this body, to vote for or against an amendment which I shall offer. The effect of the amendment would be to rescind the action of 2 years ago, which clarified the right of tenants holding rice allotments to sell the right to grow rice.

Mr. RIVERS of South Carolina. Mr. Chairman, will the gentleman yield?

Mr. FINDLEY. I yield.

Mr. RIVERS of South Carolina. I should like time to ask the gentleman whether he contends that any rice allotment which is attached to land by reason of a person being the owner of that land should remain with the land in perpetuity and never be transferred.

Mr. FINDLEY. If the gentleman will permit me to reply, I personally believe our whole allotment program is unwise. It is unfortunate that we have ever had this development in our country of assigning the right to grow commodities either to land or to individuals. If we are to have assigned a right to grow, I believe it would be wise for us to keep it as a part and parcel of the land and not to separate it from the land.

In other words, I think it is unwise for us to see the right to grow a commodity become a thing of value separate and distinct from real estate and bought and sold just like the real estate or the commodity itself.

Mr. RIVERS of South Carolina. Mr. Chairman, will the gentleman yield?

Mr. FINDLEY. I yield to the gentleman from South Carolina.

Mr. RIVERS of South Carolina. I do not want to discuss the allotment philosophy with you. I am not qualified for this. But I am qualified on a discussion of rice, because the first place in America a row of rice was ever grown was South Carolina. It is the most romantic story you every heard—"How rice began in America." It is a fantastic story. We want to revive our industry down there. If we permit this rice to die with ownership of the land, the industry will never be revived. It will disappear from the face of the earth and you will not have any diversification. The philosophy of diversification is that of my farmers and yours going from cotton to soybeans or whatever it is. Under your reasoning, we

could not have this. But to permit an industry to continue is what I am talking about. This is an industry that has been going on from time immemorial, and according to your line of reasoning we would be destructive of this industry. As families die out and land changes hands, the rice culture would go too. I am sure the gentleman does not want to do this.

Mr. FINDLEY. The people in the tobacco areas are not complaining about that.

Mr. RIVERS of South Carolina. I am not talking about tobacco. I never use tobacco.

Mr. FINDLEY. If the gentleman will yield and permit me to respond to his comments, the effect of these bills such as we passed 2 years ago and this one which is before us now is to weaken the controls of the rice program. To that extent the objectives of the program and indirectly the rice farmers themselves and the rice industry are not in as healthy a condition as one might like to have it. For example, I believe the gentleman will agree with me when I state this as a fact, that approximately 75 to 80 percent of all the U.S. rice exports are given away and disposed of under the Public Law 480 program. We have no real substantial cash market for rice abroad. Perhaps one of the reasons for that is the same reason that cotton is today in trouble. Our control program caused an artificially high price and priced rice out of the world market and, to some extent perhaps, out of the domestic grain market and caused it to get into deeper and deeper problems.

Mr. RIVERS of South Carolina. This is a very involved thing and it may well have something to do with world markets and gold balances, but you may well destroy rice in an area, and I know you would not want to do this. Rice is the most wonderful food you can eat next, of course, to grits. Rice is the finest thing on earth to eat. I know what I am talking about, because we eat more rice in my district than in any place on earth this side of China. I know something about it. We want to revive it in our area, and according to your line of reasoning we could never revive it. The Agriculture Department is not going to increase the amount but if you have a piece of paper in your pocket and do not want to plant, then let some one who does, that would be beneficial. The gentleman from Texas [Mr. THOMPSON] thinks this amendment will keep this thing going. I respectfully submit you are just a little bit wrong on this.

Mr. FINDLEY. The gentleman ought to back up and make sure he is seeing the forest as well as the trees and seeing what is happening to the rice industry in this country. Perhaps as an example we could take soybeans and corn. Producers of these crops have said clearly they do not want mandatory controls.

Mr. RIVERS of South Carolina. You can say the same thing about butter and cheese if you wanted to.

Mr. FINDLEY. Yes. The effect of the Government program of price supports has gotten us into trouble.

Mr. RIVERS of South Carolina. But you are picking on an infinitesimal crop today and I know you do not mean to hurt us. All we want is to get along the best way we can.

Mr. FINDLEY. To tell you the truth, I am trying to represent the best interests of the rice farmers and the taxpayers as well, because this is a program carried on at considerable Government expense. If we are going to have a control program, we ought to restrain those who have a self-interest involved from seeking these little loopholes that tend to defeat the effect of the program.

Mr. RIVERS of South Carolina. The allotment stays there.

Mr. FINDLEY. I am sure the gentleman will agree with me if allotments become more freely transferable and pass from one pocket to another, so to speak, they acquire a greater value and are more apt to be utilized to the fullest extent.

Mr. Chairman, I yield 5 minutes to the gentleman from Kansas [Mr. DOLE].

Mr. DOLE. Mr. Chairman, I take this time to obtain information, I understand the difference between the rice allotment, and the wheat and tobacco allotments is that the wheat allotment goes with the land, while the rice allotment is more or less a personal thing and goes with the person. If we can separate the allotment from the person in rice areas why cannot we do it in wheat areas by separation of the allotment from the land. Is there any practical reason why this should not be done?

Mr. JONES of Missouri. Mr. Chairman, is the gentleman addressing that question to me?

Mr. DOLE. Yes.

Mr. JONES of Missouri. I do not profess to be an authority as contrasted to the gentleman from Kansas. I am sure he is more familiar with wheat legislation than I could ever be. But I would like it if we could confine our arguments today to this particular bill. We are not dealing with wheat here. We are not dealing with tobacco, we are not dealing with any other crops. We are dealing with a very simple thing that is confined to a very small area. I was hoping that we could close the general debate very shortly, have the amendments offered if there are any to be offered, debate those on their merits, and confine our arguments to the bill. This bill is important only to a very small area. It is, of course, an important bill.

I am not going to argue whether we should do this or that for some other crop. That is not what we are discussing here today. We are only talking about one thing, the personal rice allotment that is confined to the farm. We want to be consistent and have the same law apply in the same area. That is all we are trying to do with this bill.

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

Mr. DOLE. I yield to the gentleman.

Mr. FINDLEY. Mr. Chairman, I would like to correct a misstatement of fact that I made a minute ago. I suggested that about 75 or 80 percent of our total U.S. exports of rice went out under

Public Law 480 program. My figure was a little bit high. In the fiscal year 1963, 58 percent or approximately 60 percent of our rice exports went out under Public Law 480. But it does underscore the point that I was trying to make, that we do not have a healthy export market in rice despite the fact that we subsidize exports. Also I would like to add a fact or two about the cost of the rice program to the taxpayers and relate that cost to the value of the rice crop in this country. It is a small item. It involves few farmers. But the fact is that very few people know what is going on and I think this is a good time to bring out a few facts. In the fiscal year 1963, for example, the cost of the rice program was \$159 million. The value of the rice crop for that same period was \$350 million. So the cost to the taxpayers was approximately one-half of the total value of the crop. Definitely this is of importance to every American taxpayer.

Mr. DOLE. Mr. Chairman, I thank the gentleman. I think this is important because, as I understand, rice is one of the five basic commodities. I understand, too, that only around 1,500 people are interested in rice production and something like 1.5 million acres are involved. Nevertheless, it is important to farmers in Louisiana, Texas, Arkansas, California and, perhaps, other States. The gentleman from South Carolina [Mr. RIVERS] just mentioned how important it was to his area. I want to point out to the gentleman that this is the only crop to have this type of allotment; is that true?

Mr. JONES of Missouri. That is true. The gentleman talks about the cost of the program and all of these other matters which have nothing at all to do with this bill, because the passage or the failure of this bill will not affect the cost of the program one iota. Let us try to confine ourselves to the bill. Let us get it over with, one way or another.

Mr. DOLE. I thought the gentleman might have some estimate of the value of an acre allotment compared with the value of an acre of land.

Mr. JONES of Missouri. I do not think that has anything at all to do with the bill we are talking about. The value of the allotment does not enter into this at all. What we are talking about is the fact you have allotments to individuals who own land. We are saying that all of the allotments to individuals should be treated the same way. That is all we are trying to do.

Mr. DOLE. The gentleman will recall that last year we had up for consideration House Joint Resolution 192 before the committee. I supported that proposition. At that time we were concerned about traffic in rice allotments. In fact, that bill took several farmers off the hook, as they were involved innocently in something that caused them considerable trouble.

The Secretary of Agriculture wrote a letter to the chairman of the Committee on Agriculture, the gentleman from North Carolina [Mr. COOLEY], in which he stated:

In order to prevent traffic in producer rice acreage allotments, the regulations govern-

ing the determination of farm rice acreage allotments have always provided that a producer may not allocate his producer allotment to a farm unless he will be engaged in the production of rice on the farm.

That letter is dated March 25, 1963. This is only January 1964. So less than a year ago there was some importance attached to whether this sort of a "floating" allotment or a hip pocket allotment, and what the value of the allotment was, we had evidence before our committee that some farmers had made deals with ASC personnel. They acquired acreage allotments illegally in some instances for just one or two reasons. The reasons were to speculate or produce more rice. The value does have a direct effect then in this bill before us today. I supported the bill last year and would like to support this one, but do feel we are entitled to know what the value of a 1-acre allotment is compared to the value of an acre of land—the value of the allotment compared to the value of the land.

Mr. THOMPSON of Texas. I have no information on that at all.

Mr. DOLE. Another measure enacted 2 years ago provided a tenant could sell his allotment if he retired from rice production. He could sell the equipment. Does this one provide the owner of the land can retire and sell his allotment.

Mr. THOMPSON of Texas. I think the gentleman is confused on the whole thing. The ownership of the land on which the hip-pocket allotment is being sold has nothing to do with this. What we are trying to do is straighten out that very confusion in the basic legislation. They required the sales of land on which the history acreage may be ascribed. This acreage history is not ascribable to the land, that which was found in a bill pertaining to the farming of cotton, as I remember it. It would apply to that and, rather than to get into a hassle over that verbiage we left it in, but with the understanding it would not complicate the bill before us today.

The lawyers, however, after they began to operate under the law of 2 years ago, got into a difference of opinion among themselves and they said that we ought to pass the bill which is before us in order to clarify it.

May I invite to your attention that all that would be done by this bill and its predecessor would be to give statutory effect to something that has been going on administratively for many years. So we change nothing here. It does not cost anybody 5 cents. It will not increase the production of rice. We are clarifying a misunderstanding as to this matter. That is all there is to it. All of these other things may be taken up at a proper time, but I cannot feel that this is the time.

Mr. DOLE. The gentleman does not believe value has any direct relationship to the bill before us? In other words, the value of the allotment is meaningless so far as this bill is concerned?

Mr. THOMPSON of Texas. I feel very strongly it is irrelevant.

Mr. DOLE. Not pertinent to this subject matter?

Mr. THOMPSON of Texas. Yes.

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

Mr. DOLE. I yield to the gentleman from Illinois.

Mr. FINDLEY. The fact there has been confusion between ownership of the land and ownership of the allotment has resulted in this bill, so the fact the confusion exists shows at least in the minds of some people that a relationship between the allotments and real estate does exist. Therefore, we have the bill before us today. It gives a valuable opportunity to help clarify this. That is why I intend to offer an amendment which would rescind the unwise action taken 2 years ago.

Mr. DOLE. It is my understanding this would place the owner-operator who retires from the production of rice on the same footing we thought was provided for the tenant who retires from the production of rice. Is that not right?

Mr. JONES of Missouri. That is not exactly correct. I think where the whole difficulty and misunderstanding lies is this. The gentleman from Illinois has stated the question correctly when he said that we are trying to correct the misunderstanding. When we read the present law, it says the transferee must acquire the entire farming operation pertaining to rice, including all production and harvesting equipment, any irrigation equipment not permanently attached to the land, and any land owned by the transferor to which any of the transferred rice history acreage may be ascribed.

Actually, there is no rice history ascribed to the land in Texas, which we are talking about, so therefore it should not be necessary for the man transferring the rice allotment to have to transfer his land with it. That is all this bill seeks to do. That is the whole problem here today.

I think if the gentleman will read the present law and will read the report it will be clear that we are merely trying to interpret this law. Some lawyers would interpret this by saying there is no rice history ascribed to the land so he is not affected. Some other lawyers might say about this man who has the rice allotment and who owns the land that he has been growing this rice on the land he owns, therefore, he has to sell his land with the machinery. That was not the intention of the law at all. That is all this bill attempts to do. It affects very few people. It is merely a matter of equity. That is all we are trying to provide here.

Mr. FINDLEY. If the arguments of the gentleman from Missouri are sound, there is absolutely no need for this bill today.

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

Mr. DOLE. To clear up the confusion, I yield to the gentleman.

Mr. GROSS. I do not know about that, but in 1915, 1916, and 1917 when I was in the Army they fed me so much rice that I have not had the heart to look at any rice since. Will this affect the production of rice?

Mr. DOLE. It is comparable to the boiled peanuts question. Eat at your own risk.

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

Mr. DOLE. I yield to the gentleman from Minnesota.

Mr. QUIE. I should like to ask the gentleman from Missouri [Mr. JONES] a question. On page 2 of the report there is a letter from the Department of Agriculture. I was wondering who this anonymous character is who wrote the letter but did not sign the letter.

Mr. JONES of Missouri. I am sorry I cannot answer that question. I would say this, that we had the Department at the hearings. This letter also appeared in the hearings. It was endorsed and referred to by the gentleman representing the Department.

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

Mr. JONES of Missouri. Mr. Chairman, if it is agreeable to the other side, I am willing to call the general debate concluded and have the bill read for amendment at this time, unless there is any objection.

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

Mr. THOMPSON of Texas. Mr. Chairman, the legislation before us seeks only to right what has proven to be a legislative misunderstanding. It should be attractive to the Congress if for no other reason than that it costs no money, adds no acreage and no production. It has the blessing of the Department of Agriculture.

The basic legislation was passed in this body by unanimous consent; and this corrective legislation which is before you today passed the other body by unanimous consent some months ago.

When the committee was considering it, there was no objection raised; and as I read the report of the committee and as I note the opposing views, it impresses me that the opposition is to the farm program as a whole rather than to this measure which seeks only to cure an inequity and which applies to a small segment, perhaps not over 10 percent, of the rice producers in California, Texas, South Carolina, and parts of Louisiana.

The basic legislation which passed in 1962 provides that if a rice producer permanently withdraws from the business, he may transfer his acreage history to another producer or producers provided he sells his entire rice farming equipment and any irrigation not permanently attached to the land. The difficulty arises over the further provision that he must sell any land to which the production of rice is ascribed. In the States concerned, the allotment is not ascribed to the land and so confusion exists over the wording which found its way into Public Law 412 of the 87th Congress.

To give you an example of just one inequity which the present situation has developed, let us take the example of a farmer who owns 1,000 acres of rice land and who has, himself, a 100-acre allotment to which he has become entitled to farm on some piece of land other than his own. Then suppose he decides to

move this 100 acres on to his own property and to rent to 9 other farmers 100 acres each. Any one of the nine others can go out of the rice business merely by disposing of his allotment according to Public Law 412 but the man who happens to own the piece of land involved has to sell the land.

This was never intended in the original legislation. It is not the wish of the Department of Agriculture. It creates a manifest hardship on the landowner; and should most certainly be corrected.

That is all that is involved in this legislation—simply the correction of an error.

Mr. RIVERS of South Carolina. Mr. Chairman, I rise today to give my wholehearted support to H.R. 3742. This bill would return an element of free enterprise to the field of rice production. It would permit producers no longer interested in raising rice to transfer their allotments to persons who do wish to raise rice, but would no longer require them to also sell the land involved with these allotments. In effect, the land and the allotment would no longer be indelibly attached to each other.

This bill is of great significance to the South Carolina low country. At one time, Charleston was the rice center of the Nation. Indeed, rice production began in Charleston. The first field of rice in America was planted there and, for many years, rice planting was an eminently successful business in that area.

In later years, other businesses replaced rice in the low country. But the potential remains. There are those in my district who wish to revive rice planting near Charleston; they feel that it will be a million-dollar business. But first, they must be able to purchase these now-unused rice allotments—allotments which are presently attached to lands which the owners do not wish to sell and the prospective producers do not wish to buy. H.R. 3742 would remedy this situation to the satisfaction of all concerned.

I am sure the problem I have just outlined is not confined to the Carolina low country alone; it is found wherever rice is—or was—raised. H.R. 3742 is the answer. I urge all Members to support its passage.

Mr. LEGGETT. Mr. Chairman, the bill before you authored by the distinguished gentleman from Texas [Mr. CLARK THOMPSON], should generate no debate because it is a measure that helps the little man and costs the Government and taxpayers nothing.

If you are going to assume the unrealistic attitude that you disfavor all supply-management programs and you do not want any program improved to give growers more freedom at no taxpayers' expense, then close your ears and vote against this bill.

On the other hand if you think it was right back in 1938 that rather than give an allotment to a feudal rice landlord that the allotment in fact be given to the tenant, then you should support this bill.

As you recall we are currently supporting six crops: Feed grains, wheat, cotton, tobacco, peanuts, and rice.

CCC losses for the period 1954 to date: Corn, \$2.2 billion, CCC losses, 10 years. Wheat, \$1.4 billion, CCC losses, 10 years.

Grain sorghum, \$604 million, CCC losses, 10 years.

Cotton, \$1.3 billion, CCC losses, 10 years.

Rice—rough, \$964,000, CCC losses, 1962-63.

Projected losses on all commodities for the current year are \$995 million.

In rice we determined in 1938 that it was to the advantage of the entire country that we not overplant this commodity.

Rice represents a potentially surplus commodity when supply management has been successful.

First. Costs have been minimal.

Second. We are planting 98 percent of the allotments.

Third. We have protected the little tenants.

The current bill would further protect the tenant because it would allow him to buy an allotment without being saddled with an expensive land purchase. (Rice land is extremely expensive.) Twenty-five years of operation has set no precedent for other commodities.

Today, as a result of the 87th Congress legislation, if a landowner-producer wants to get out of rice production he can first, die and his allotment is severed from the land and goes to his family; second, he can sever a portion of his allotment and give it to members of his family; third, he can break up a partnership; or, fourth, he can sell his whole allotment, his equipment, and land.

If he has no family he cannot retire from rice unless he dies or gets rid of his farm. A tenant has this flexibility and so should the landlord. Many landlords have two kinds of allotments—some affixed to the land and some not so. The rules should be made uniform.

As a practical matter it is better many times to rotate rice land, and this is another reason to support this bill.

At the present time in my State the only way for a new farmer to get into rice is to: first, buy a whole farm; second, buy a tenant allotment and lease; and, third, obtain a new farmer 30-acre allotment. I believe farmers in the last two categories should be encouraged and thus I would ask your support for this legislation.

The CHAIRMAN. The Clerk will read.

The Clerk read as follows:

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That subsection (f) of section 353 of the Agricultural Adjustment Act of 1938, as added by Public Law 87-412, is amended in paragraph (3), clause (1) thereof by adding immediately following the word "acquire" the language "except for land," and by striking out the language "and any land owned by the transferor to which any of the transferred rice history acreage may be ascribed".*

AMENDMENT OFFERED BY MR. FINDLEY

Mr. FINDLEY. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. FINDLEY: On page 1, line 5, strike lines 5 through 9 and insert in lieu thereof the words "is hereby repealed".

Mr. JONES of Missouri. Mr. Chairman, I make a point of order against the amendment on the ground that it is not germane to the bill.

The CHAIRMAN. Does the gentleman from Illinois desire to be heard on the point of order?

Mr. FINDLEY. Yes; I do, Mr. Chairman.

Mr. Chairman, the title of the bill makes it clear that it is to amend the provisions of the Agricultural Adjustment Act of 1938, as amended, relating to the transfer of producer rice allotments. The amendment that I have offered simply changes the subsection which is a part of the section dealing with the transfer of producer rice acreage allotments.

The CHAIRMAN (Mr. DAVIS of Tennessee). The Chair is ready to rule.

According to section 2949, volume 8, Cannon's Precedents of the House of Representatives, I read:

To a bill amending a law in one particular, an amendment repealing the law is not germane.

The Chair rules that the amendment is not germane.

The point of order is sustained.

Mr. RYAN of New York. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, as a city representative I am somewhat lost in this maze of Alice in Wonderland farm legislation. But something struck me as I read on page 2 of the report on H.R. 3742 the letter from the anonymous representative of the Department of Agriculture in which it appears that one reason for this bill is to permit some owners of rice producing land to sell their land for urban expansion for which it is more valuable. At the same time the owner would be able to sell his rice acreage allotment and put other land into the production of this commodity. I just wonder if by the great expansion of the Space program in the State of Texas we have not twice enriched the rice producers. Does this mean mounting surpluses at the expense of the taxpayers when the sale of land for nonfarm purposes could otherwise curtail production?

Mr. Chairman, I have very serious questions about the whole philosophy of this program.

The CHAIRMAN. Under the rule, the Committee rises.

Accordingly the Committee rose, and the Speaker having resumed the chair, Mr. DAVIS of Tennessee, 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. 3742) to amend the provisions of the Agricultural Adjustment Act of 1938, as amended, relating to the transfer of producer rice acreage allotments, pursuant to House Resolution 570, 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, and 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.

Mr. JONES of Missouri. Mr. Speaker, pursuant to House Resolution 570, I ask for the immediate consideration of the bill (S. 1604) to amend the provisions of the Agricultural Adjustment Act of 1938, as amended, relating to the transfer of producer rice acreage allotments.

The Clerk read the title of the Senate bill.

The Clerk read the Senate bill, as follows:

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That subsection (f) of section 353 of the Agricultural Adjustment Act of 1938, as added by Public Law 87-412, is amended in paragraph (3), clause (1) thereof, by adding immediately following the word "acquire" the language ", except for land," and by striking out the language ", and any land owned by the transferor to which any of the transferred rice history acreage may be ascribed".*

The Senate bill was ordered to be read a third time, was read the third time and passed, and a motion to reconsider was laid on the table.

A similar House bill, H.R. 3742, was laid on the table.

#### GENERAL LEAVE TO EXTEND

Mr. JONES of Missouri. Mr. Speaker, I ask unanimous consent that all Members have 5 legislative days to extend their remarks on the bill, H.R. 3742, to amend the provisions of the Agricultural Adjustment Act of 1938 relating to the transfer of producer rice acreage allotments.

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

There was no objection.

#### EMERGENCY COMMITTEE FOR DISASTER RELIEF TO CUBA

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

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

There was no objection.

Mr. WILLIS. Mr. Speaker, on December 16, 1963, shortly before the first session of the Congress adjourned, a two-column, page-length ad in the Washington Post appealed, "in the spirit of Christmas," for contributions to the Emergency Committee for Disaster Relief to Cuba, with offices at 41 Union Square West, New York City.

The ad revealed that the chairman of the organization was Sidney J. Gluck and the medical director, Dr. Louis Miller. The contribution coupon in the ad stated that checks should be made

payable to Elizabeth Sutherland, treasurer of the group. The ad further revealed that the three initiating sponsors of the appeal were Mrs. Ava Helen Pauling, Carleton Beals, and Waldo Frank. The names of 80 cosponsors of the Emergency Committee for Disaster Relief to Cuba were listed in the ad. Among them were 20 clergymen, 7 professors, a judge, 10 doctors—medical or Ph. D.'s—a painter, a sculptor, and some attorneys and writers.

It was quite an impressive display. And this display, coupled with the statement in the ad that the Emergency Committee for Disaster Relief to Cuba "is a nonprofit organization formed by a group of U.S. citizens for the purpose of carrying out a humanitarian, nonpolitical mission," probably succeeded in eliciting large contributions from readers of the Washington Post who thought they were helping a worthy cause.

I wish that the full facts about this organization and its appeal could have been made public the very day the ad appeared in the Post, or within a day or so after its appearance. Unfortunately that could not be done, but it is still important that the facts be given, that the public knows who is behind this organization, how and for what purpose it was formed.

The fact of first importance is that the appeal in the ad was a hoax, a phony. It was completely unnecessary. It was made to serve not the suffering Cuban people, but the evil designs of their oppressors, the enemies of freedom and humanity in this hemisphere and the entire world.

Before I spell out the hoax in this ad, however, I would like to state for the record some of the facts about the people who are the initiators and leaders of the committee and thus responsible for placing this Communist-serving ad in the Washington Post.

Sidney J. Gluck, chairman of the organization, was identified as a member of the Communist Party by Mrs. Mildred Blauvelt, an undercover informant for the New York City Police Department, when she testified before the Committee on Un-American Activities on May 3, 1955. She stated that he was a member of the Flatbush Club of the Communist Party and, in 1944, was credited with recruiting 54 new members for the party. Gluck has served as an instructor in the Communist Party's major training institution in the United States, the now defunct Jefferson School of Social Science. As treasurer of the Medical Aid to Cuba Committee, he was subpoenaed to testify before the Committee on Un-American Activities on November 14, 1962, in the course of the committee's investigation of that group. During his appearance, he invoked the fifth amendment when questioned about present as well as past Communist Party membership.

Dr. Louis Miller, medical director of the Emergency Committee for Disaster Relief to Cuba, was also medical director of the Medical Aid to Cuba Committee. The Committee on Un-American Activities was unsuccessful in its attempts,

made over a period of many weeks, to locate Dr. Miller so he could be subpoenaed to testify in its hearing on the Medical Aid to Cuba Committee.

Testifying before the Committee on Un-American Activities in executive session in 1951, Louis Budenz, former member of the Communist Party's national committee and managing editor of the *Daily Worker*, stated that he had met Dr. Miller during the 1940's at enlarged meetings of the Communist Party's national committee. A 1948 report of the Committee on Un-American Activities stated that during the 1940's Dr. Miller was one of the "principal New York contacts" of Soviet espionage agent, Arthur Alexandrovich Adams, who is known to have had information about the atom bomb in his possession when he escaped from the United States.

Dr. Miller began his "medical aid" role in the Communist movement during the 1930's when he served as chairman of the Medical Aid Bureau of the American Friends of Spanish Democracy, a cited Communist front.

Elizabeth Sutherland, a senior editor for the publishing firm of Simon & Schuster and treasurer of the Emergency Committee for Disaster Relief to Cuba, was also treasurer of the Medical Aid to Cuba Committee. Miss Sutherland was subpoenaed to testify before the Committee on Un-American Activities last year in the course of its investigation of illegal travel to Cuba. She admitted in the course of her appearance that she had been a member of, and had made a number of speeches at meetings of, the Fair Play for Cuba Committee. She also admitted having signed an appeal to Great Britain to grant asylum to the late Dr. Robert A. Soblen, who had jumped bail and fled the United States after being convicted of spying for the Soviet Union and sentenced to life in prison.

Miss Sutherland, who had been granted validation by the State Department for travel to Cuba, testified that she had seen a number of other Americans at the Cuban Writers and Artists Congress which she had attended while in Havana in August 1961. She refused, however, to identify these persons for the committee.

Basll Pollitt, legal counsel for the Emergency Committee for Disaster Relief to Cuba, was also legal counsel for the Medical Aid to Cuba Committee. Over the years, he has been active in various Communist fronts and has served several terms as a member of the board of directors of the New York City chapter of the National Lawyers Guild, cited by the Committee on Un-American Activities as the "foremost legal bulwark" of the Communist Party. Years ago he admitted to an investigator for the Committee on Un-American Activities that he attended meetings of the Young Communist League while a student at Harvard. He denied, however, that he was actually a member of the group.

Mrs. Ava Helen Pauling, like her husband Linus who was one of the cosponsors of the ad, has been active in Communist-initiated peace agitation for a

considerable number of years. Some of the well-known Communist fronts with which she has been associated are the American Committee for the Protection of Foreign Born, the Emergency Civil Liberties Committee, the American Continental Congress for Peace, Everybody's Committee to Outlaw War, and the Conference of Greater New York Peace Groups.

Waldo Frank, one of the initiating sponsors of the Emergency Committee for Disaster Relief to Cuba, was the original chairman of the Fair Play for Cuba Committee and also a sponsor of the Medical Aid to Cuba Committee. He has been active in Communist fronts since the late twenties and early thirties when he was a contributor to the Communist magazines, *New Masses* and *Soviet Russia Today*, and also a backer of the Communist Party's candidates for President and Vice President of the United States. At one time, he served as special correspondent for the Communist Party's official newspaper, the *Worker*. In 1955 he was invited to Red China. The State Department denied him a passport and was upheld in this action by the Supreme Court.

Frank has admitted to the Senate Internal Security Subcommittee that he was paid \$25,000 by Castro's government to write a book about Cuba.

Carleton Beals, another initiating sponsor of the Emergency Committee for Disaster Relief to Cuba, was cochairman of the Fair Play for Cuba Committee at the time of its formation. He has been active in Communist-front groups since the late twenties when he was a contributing editor for *New Masses*. Recently he has written for the blatantly pro-Communist newspaper, the *National Guardian*.

I mentioned before that the display of names in the ad—the 80 cosponsors—was quite impressive. I should also point out that a few of those persons have been identified as Communist Party members and that a large number of them are well known to students of the Communist movement in the United States. They have, for years, been among the foremost fellow travelers in the country.

Now, what are the facts about the need or desirability of any American contributing to this obviously Communist-serving relief organization? In other words, what was the validity of the appeal? Was it an honest one or a fraud?

Hurricane Flora struck eastern Cuba on October 4 and lashed large parts of the island for 4 days. It did tremendous damage to crops, cities and towns, and took hundreds of lives. Immediate offers of relief came from all over the world—from non-Communist nations as well as those under Red control.

The United States did not hold back despite the fact that it had severed diplomatic relations with Cuba, the island is serving as an oversea center for Soviet subversion of all of Latin America and an advance Red military base for future use against this country. The American Red Cross and other welfare agencies, with the knowledge and con-

sent of our Government, offered to send medical supplies, food, emergency equipment, and relief and disaster specialists to Cuba—just as they did to Haiti, Tobago, and other Caribbean areas devastated by Hurricane Flora.

What happened?

Castro's Communist regime accepted the relief offered by all Communist countries and organizations and also the relief offered by non-Communist sources—except for the United States. The American Red Cross offer of assistance was turned down.

Castro had decided that he would deny to his suffering people the benefit of the funds, equipment, and know-how of the American Red Cross which, over a period of many years, has chalked up an outstanding record of speedy, effective, and massive relief to victims of disasters in all parts of the world. Castro had a Communist card up his sleeve, and he was going to play it no matter how much it hurt the Cuban people.

He was going to use the disaster as a vehicle for anti-U.S. propaganda in Cuba and throughout the world.

He was going to use the disaster in an attempt to divide the American people from their Government.

He was going to use it—and this was his primary objective—to break the U.S. economic blockade of Cuba and bring about a reversal of our Cuban policy.

Worldwide, this is a major Communist objective today because the blockade has hurt not only the Communist regime in Cuba but all Communist nations. All are economically hard pressed, yet they must keep Cuba going—the Cuba whose economy was wrecked by the bungling, waste, and mismanagement of Castro's Red regime even before Hurricane Flora struck. Cuba is a drain on the international Communist economy. The U.S. economic blockade intensifies the drain.

Castro's first step, following his rejection of U.S. aid, was an attempt to justify his action in the eyes of the Cuban people, the American people, and the world. In typical Communist fashion, he claimed that his decision was based on his concern for world peace. On October 11, a Havana broadcast in English made the following statement:

The Cuban representatives in the United Nations in rejecting the offer of help used harsh words not just for the sake of calling names, but in order to alert the world to the dangerous role that the U.S. Government is playing, for it is an admitted fact that the warmakers are trying to do exactly what the hurricane did. \* \* \* Is it not hypocrisy and a fake gesture of generosity to offer help under such conditions? What is behind this deception? Is it not to blind the peace forces to the real nature of the warmaker's intentions, to dress up the beast of imperialism and make it look like a sweet kitten?

In refusing to cooperate with a lie, Cuba may be passing up some food and clothing and medicines that might have come through the Red Cross, but it is also preventing the warmakers from putting over a bluff. In that sense Cuba's rejection of the hypocritical or demagogic offer is a sacrifice that it is making in order to safeguard the peace of the world, and of course that is for the benefit of the people of the United States also.

Another English language broadcast to the United States on October 14 quoted from an editorial in the Cuban Communist newspaper Hoy of October 11, in explanation of why the U.S. offer had been rejected. This editorial claimed that the U.S. aid offer was "nothing more than a cheap way to confuse international public opinion about the policy of the United States toward Cuba" and a "trick to throw the world off guard, through which the imperialists hope to be able to carry out their war plan even more effectively."

Castro wanted to do more, however, than simply brand the United States as a hypocritical, warmaking imperialist nation. He wanted to use as many Americans as he could against their Government. He wanted, if possible, to split American opinion on the question of U.S. Cuban policy. For this reason, the October 11 broadcast, from which I have already quoted, directed an appeal for assistance to the American people, as distinguished from the U.S. Government.

The broadcast reviewed aid that had been given to foreign Communist causes in the past through Communist fronts operating in the United States. It mentioned, as examples, the work of the North American Committee To Aid Spanish Democracy during the thirties and the World War II operations of Russian War Relief. The broadcast stated:

The common people in the United States have proved by their past action \* \* \* that they will respond to calls for help just as generously as the people of France, Israel, the Soviet Union, or any other country, provided that an organization is present to help them channel their sentiments.

The last part of that quotation is most significant and bears repetition: "Provided that an organization is present to help them channel their sentiments."

Then the appeal for help was made to the American people. The Cuban broadcast said:

Let us remember that, at the same time that Cuba's United Nations Ambassador rejected an offer of aid from the United States, he also said, "However, we will accept any offer of help from the North American people, from any U.S. citizen who wishes at this time to express solidarity with us in any way he sees fit." Those are the words of an official spokesman of the Cuban Government.

In another English language broadcast on October 14, Havana radio stated that though Cuba had rejected American Red Cross assistance:

The first thing to notice is that the Cubans have not turned their backs on an offer of help from the people of the United States, but only on official or semiofficial agencies of the U.S. Government. We cannot repeat this too often.

This broadcast again quoted the words used by the Cuban Ambassador to the United Nations in rejecting the U.S. offer of assistance:

However, we will accept any offer of help from any U.S. citizen who wishes at this time to express his solidarity with us in any way he sees fit.

The Havana radio broadcasts did not fall on deaf ears. On October 18, a "Dear Friend" letter was mailed from the post office box of Dr. Louis Miller in

New York to persons who had been on the mailing list of the Medical Aid to Cuba Committee when it was functioning. The letter told of the damage Hurricane Flora had done to Cuba. It announced that the signers of the letter "are working to dispatch shipments of medical and relief supplies directly through hospital institutions as we did with medical aid before." It closed with an appeal for contributions and word that checks should be made payable to Dr. Miller. The letter was signed by Dr. Miller, as former medical director of the Medical Aid to Cuba Committee; Sidney J. Gluck, as the former treasurer of the organization; and Basil Pollit, as its former legal counsel.

The Fair Play for Cuba Committee also acted. A few days later, Vincent Theodore Lee, the FPCC's national director, mailed a letter in support of the Communist-promoted relief for Cuba drive to those on his group's mailing list. Lee, by the way, appeared before the Committee on Un-American Activities last year in the course of its investigation of illegal travel to Cuba and invoked the fifth amendment on present Communist Party membership. Here are a few excerpts from the two-page appeal that was mailed from the Fair Play for Cuba headquarters in New York City over Lee's signature:

Already an independent ad hoc committee of persons with various attitudes toward the Cuban revolution has been formed to conduct such a [Cuban relief] program. It is called the Emergency Committee for Disaster Relief to Cuba.

It is the will and the desire of the Fair Play for Cuba Committee to use every one of our resources to see that this committee successfully achieves its goal of raising the funds needed to buy medical supplies and food items such as powdered milk for children in hungry Cuba. \* \* \*

We ask you to open your hearts and send a check for this cause immediately. \* \* \* Please, this is not for the Fair Play for Cuba Committee, send all moneys for the Cuban relief to the Emergency Committee for Disaster Relief to Cuba or its treasurer.

Until this new committee obtains an office of its own we will accept checks at the national office of Fair Play but they should be made out to the aforementioned organization for their use only.

Mr. Speaker, the Fair Play for Cuba Committee has been the major pro-Castro front in the United States since its organization in the spring of 1960, a few months after the bearded dictator seized control of Cuba. Lee Harvey Oswald, accused assassin of President Kennedy, was head of the New Orleans chapter of this group.

The U.S. Communist Party, of course, did not remain idle. It did just what we would expect it to do. Within a few days it, too, had issued an official statement on the Cuban disaster. Havana Radio played up the statement in an October 23 broadcast. The full text of it was published in the party's newspaper, the Worker, of October 27. The statement read in part as follows:

We call upon the members and friends to be in the forefront of this activity [the collection of relief for Cuba] and to spur their organizations for the collection of urgently needed aid.

It ended with these words:

We call upon each and every Communist to look upon the mobilization for immediate disaster aid to Cuba as a sacred duty in the cause of common humanity as well as an act of solidarity binding all those sharing a common ideal.

Significantly, this official Communist Party statement pointed out that "a number of people's organizations are already moving to collect funds, food, clothing, and urgently needed medicines."

"People's organizations," in Communist parlance, means Communist front or fellow traveling groups.

The issue of the Worker which carried the full text of the above statement also featured an article about the formation of the Emergency Committee for Disaster Relief to Cuba—and noted that contributions were to be made payable to Dr. Miller at his New York City post office box.

No Communist or fellow traveler who reads the Worker could fail to get the message. Havana radio summarized the Communist Party statement in these words:

The communique also asks all members and Communist Party sympathizers to head movements of aid for Cuba. \* \* \* The communique concludes by asking each North American Communist to consider an immediate mobilization to help the people affected by the disaster \* \* \* as an act of solidarity which is binding on all those who share a common ideal.

The Communist Party fully understood the political move Castro was making in rejecting the American Red Cross offer of help. It knew that Communist front aid to Cuba was only a secondary aim and that breaking the blockade was the major one. The statement therefore made this point:

Today when the heroic people of Cuba, under the leadership of Premier Fidel Castro, are undergoing such untold hardships, it must become the immediate duty of every decent American to demand that the criminal blockade be lifted forthwith in order to allow the fullest expression of solidarity and humanity by the people of our country to the people of Cuba.

There must be renewed and concerted effort on the part of all peace-loving and democratic-minded Americans to demand that the Kennedy administration put an end to the present Cuba policy and embark upon a new policy of peace and friendship and normal trade and diplomatic relations. This is essential in the interests of our own people as well as Cuban people and for world peace.

The Worker followed this up with an editorial in the issue of October 29 demanding an end to the embargo and calling on its readers to write letters to the President and the State Department urging such action.

Meanwhile what was the Emergency Committee for Disaster Relief to Cuba doing? By November 1, it had an office and printed stationery on which, under that date, it mailed out a second appeal for contributions. This letter was signed by Gluck as chairman of the new organization, Elizabeth Sutherland as treasurer, and Dr. Miller as medical director, checks to be made payable to him.

Various Communist groups in the United States which, despite their ideological differences, have been united in their support of Castro, went to work on behalf of the Emergency Committee for Disaster Relief to Cuba. Favorable items about the formation of the group and its activities appeared not only in the Worker, its west coast counterpart, the People's World, and the National Guardian, but also in the Militant, official organ of the Trotskyists, and the Workers World, the publication of another Communist splinter group.

The Communist Party's monthly magazine, New World Review, in its issue of December 1963, told its readers that they should support the Emergency Committee for Disaster Relief to Cuba and called for an end to the "inhuman embargo whereby our Government seeks to strangle Socialist Cuba."

The committee was also helping itself. It had sufficient funds to place a half-page ad in the National Guardian of November 7 and to pay for a full-page, back cover ad in the November 30 issue of the Nation magazine. The Washington Post ad of December 16, which cost approximately \$800, was apparently the high point in its advertising campaign.

I believe the facts make it incontestably clear that the Emergency Committee for Disaster Relief to Cuba is a Communist agency—Communist in its inspiration, Communist in its operation, Communist in its aims.

Contrary to its claim in the Washington Post ad, it is not carrying out "a humanitarian, nonpolitical mission." The ad was a fraud and a hoax. The committee is designed to exploit the suffering of the Cuban people in order to play on the generosity and gullibility of non-Communist Americans to aid Castro and Khrushchev in their efforts to break the U.S. embargo on Cuba, to undermine this country's overall policy toward Cuba, to strengthen Castro, and thus to aid Communist subversion throughout Latin America. Its purposes, to put it bluntly, are primarily anti-United States.

Even as this committee and other Communist organizations throughout the world are pleading for funds to help the Cuban people, Castro is attempting to round up 500 Americans who will defy their Government by visiting Cuba this summer—with all expenses paid by his Red regime. This will cost hundreds of thousands of dollars—a sum which would pay for extensive relief for the Cuban people if Castro were at all interested in their welfare.

But, no, Castro is not concerned with the welfare of his slaves. He wants only the expansion of Communist power. And, unfortunately, there are people in this country who are all too ready to help him—and there are newspapers which, for the money, will assist Communist operations of this type.

Some people wonder about how Communist fronts get started, how they function, the disguises they use to conceal their true purposes—and what those purposes are. The facts about the Emergency Committee for Disaster Relief to Cuba go far toward answering all ques-

tions of this type. This organization is one that no American loyal to his country and the principles on which it is founded would touch with a 10-foot pole.

#### PRESIDENT JOHNSON AND THREAT TO CANAL ZONE

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

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

There was no objection.

Mr. DORN. Mr. Speaker, President Lyndon Johnson issued the following statement this morning at 12:30 a.m. after a 2½-hour conference on the Panama crisis:

The United States tries to live by the policy of the good neighbor and expects others to do the same.

The United States cannot allow the security of the Panama Canal to be imperiled. We have a recognized obligation to operate the Canal efficiently and securely, and we intend to honor that obligation in the interest of all who depend on it.

The United States continues to believe that when order is fully restored, it should be possible to have direct and candid discussions between the two Governments.

I commend President Johnson for his strong and reassuring statement.

Over the years the American people have been gravely concerned about Communist agitation, mob violence, and disorder, all aimed at American ownership of the Panama Canal. Communist agents, subversives, and saboteurs from Red Cuba, Russia, and China are constantly at work to undermine U.S. sovereignty over the Canal.

I joined the distinguished and able gentleman from Pennsylvania [Mr. FLOON] and the distinguished and able gentleman from Alabama [Mr. SELDEN] and others in opposing the flying of the Panamanian flag over the Canal Zone beside the U.S. flag. We knew then that U.S. acquiescence to this demand would lead to further demands and eventually would lead to a demand that the United States withdraw from the Canal Zone entirely, placing the Canal under international control or under Panamanian control. It is now imperative that we make no further concessions to Communist-inspired mob violence and the wild demands and ridiculous charges in Havana, Peiping, and Moscow.

Mr. Speaker, I again commend President Johnson for assigning to the Panama crisis the proper priority and for immediately realizing the grave threat to the security of the Canal Zone and thus the security of the United States and the Western World.

#### THEIR PRESCRIPTION: INTEGRATION—U.S. NURSES ASKED FOR "QUIET, PLEASE"

Mr. THOMSON of Wisconsin. Mr. Speaker, I ask unanimous consent that the gentleman from Ohio [Mrs. FRANCES P. BOLTON] may extend her re-

marks at this point in the RECORD and include extraneous matter.

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

There was no objection.

Mrs. FRANCES P. BOLTON. Mr. Speaker, as you know, my interest in nursing goes over many, many years, and I have been particularly interested in the very effective and quiet way in which the Negro nurses have been taken into the American Nurses Association.

The Association for Colored Graduate Nurses was the first group to amalgamate with another organization. This was due very largely to the consecrated work of Estelle Riddle and Mable Keaton Staupers. To my mind, there is no group in this country who make better nurses than our colored people. They seem to have an intuitive capacity for it. Now that it is possible for them to get the best training there is, they are able to project themselves into the work with their minds and their hands trained—their hearts already working for the best for the patient.

The Washington Post on January 5, published a very interesting article about Mrs. Staupers and her work. I have taken the liberty to edit it a little that it may not be too long, but I feel sure that all House Members will want to know what is in this interesting article:

#### U.S. NURSES ASKED FOR "QUIET, PLEASE" (By Louise Durbin)

"Integration in the nursing profession? We did it quietly. The nursing leaders thought the quiet way was the best way." It was Mabel Keaton Staupers, former president of the National Association for Colored Graduate Nurses which merged with the American Nurses' Association, talking in her Washington home.

Though she undertook it quietly, the sprightly, 73-year-old Mrs. Staupers thoroughly accomplished her purpose and achieved equality for members of her profession.

Today, the State nurses' associations in every one of the 50 States are integrated—Georgia was the last to lower the barrier in 1962.

The American Nursing Association itself is a smoothly operating and integrated organization that has a full-time department devoted to intergroup relations.

More and more Negro nursing schools are closing their doors as qualified Negro students are attending integrated schools of nursing.

All six District of Columbia schools of nursing—Capital City at D.C. General Hospital, Catholic University of America, Freedmen's Hospital, Georgetown University, Lucy Webb Hayes at Sibley Memorial Hospital, and Washington Hospital Center—accept Negro nursing students. The number who enroll is small—as reflected in the 5 Negro girls out of the total 131 students who are seeking to become R.N.'s at Capital City School of Nursing.

Of 178 collegiate nursing programs throughout the country, 163 had accepted qualified Negro students by 1961. \* \* \*

Today, several of these 12 colleges already have changed their policies and now admit Negro students. \* \* \*

Negro R.N.'s are accepted as officers in all branches of the Armed Forces.

More and more hospitals are employing Negro nurses as members of the staff in all

departments that require R.N.'s. Of the hospitals in the District of Columbia, only Doctors Hospital has not employed Negro registered nurses to date.

Typical of area hospitals is George Washington University Hospital, where 34 of the 174 full time R.N.'s employed on the staff and in administrative positions are Negroes.

But in 1934, when the NACGN opened its office in the same New York building with the other nursing organizations, things were tough, though the ANA had, since its beginnings in 1896, offered membership to all qualified nurses.

"You must remember that at the age and time we started, people definitely believed in segregation," said Mrs. Staupers.

"Frequently I had to send a girl, who came to my office, back to prepare herself before she could even be accepted by a good school of nursing. The dual educational system in Southern States didn't provide adequate high school training. And of course we had to work to get the good nursing schools to accept Negro students.

#### PEOPLE IN HIGH PLACES DID THE FRONT-RUNNING

"How did we get nursing schools and hospitals to accept Negro students and R.N.'s? You can't do it all alone. The most important thing is that you have to get people in high places to understand the problems and do the front-running," explained the remarkable pioneer.

"For years Catholic University didn't accept Negroes though it was the only place in Washington where nurses could take graduate work. In 1936 we appealed to the Catholic Interracial Council and asked them to change the situation themselves. They did."

Mrs. Staupers recalled another incident:

"A Negro who had applied for admission to Yale Graduate School of Nursing was told she would be happier in a Negro school.

"I wrote her and told her nursing at its best was a lot of hard work and the most important thing was to get the best qualifications—you didn't go to nursing school to be happy.

"Then we appealed to a member of the Yale board, Dr. Anson Phelps Stokes. He understood the problem. In 1946 the first Negro nurse graduated from a Yale collegiate nursing course.

"One of the greatest champions we ever had is Representative FRANCES PAYNE BOLTON, Republican, of Ohio. She spearheaded the opening of the Western Reserve University school of nursing—which is named for her—to Negro students in 1945."

The Barbados-born and Harlem-bred Mrs. Staupers recalled other parts of the NACGN nursing history of her time.

"Only four of the some 200 hospitals in the New York metropolitan area employed Negro nurses in 1937—Lincoln, Harlem, Seaview, and Riverside.

"And in the few hospitals in the North where Negro R.N.'s were employed there were subtle ways to differentiate—if a Negro nurse was given a supervisor's job, she wasn't given the title or pay that went with it."

When Mabel Staupers went to bat for the NACGN, she put her appeal for equal pay for Negro nurses to hospital boards strictly on an economic basis.

"We pointed out that a Negro nurse had to pay just as much for her uniform and shoes as a white nurse did," she explained.

"We were trying to win our fight for the nursing profession and policies—to give the best patient care—not just for Negroes. The most precious friends the Negro nurses had, in both the North and South, were the white nurses who took up the fight with us—and for us," she continued.

"When a person is ill, the average patient would never refuse a Negro nurse so long as he knows the hospital is responsible for the

nurse's qualifications. Qualifications are all-important," she stressed.

During World War II, a quota of Negro nurses were accepted in the Army—then relegated to serving prisoners of war or segregated Negro troops. The Navy refused to accept Negro nurses.

Then, after endless redtape and talk with generals and admirals, Mrs. Staupers was received in November 1944, by Eleanor Roosevelt, who listened carefully and sympathetically to the problems. By January 1945, the Navy Nurse Corps announced it would accept nurses regardless of race, and, at the same time, discrimination in the Army was on the wane.

The smooth blending of the NACGN into the ANA took place 12 years ago, in 1951, without fanfare or fuss. An intergroup relations department had been set up within the ANA in 1946 so that by the time the NACGN disbanded in 1951, the ANA and its predominantly white membership were well prepared for the merger.

"We dissolved our corporation, and turned our well-being over to the ANA," Mrs. Staupers said simply.

Ironically, it was the Negro girls who had to be prepared for integration when it came.

"We went all over the country urging the girls to join State nurses' associations when they did open their doors to qualified Negro graduate nurses. We told them if they didn't join and participate, we couldn't help them, for we were working for nursing and policies, not just Negroes," she explained.

Today, the nursing profession, represented by the ANA, is proud of the continuing campaign, unique among the professions, that it has conducted to eliminate discrimination in nursing education and employment.

And the remarkable Mabel Staupers has told her own story, of her tireless, unceasing campaign in her book, "No Time for Prejudice," which was published by the Macmillan Co. in 1961.

#### TIME FOR COOL HEADS

Mr. THOMSON of Wisconsin. Mr. Speaker, I ask unanimous consent that the gentleman from Massachusetts [Mr. KEITH] 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 Wisconsin?

There was no objection.

Mr. KEITH. Mr. Speaker, all of us are well aware that the situation confronting both the United States and Panama is ominous. Now as much as at any other time in the history of our relations, all sensible, diplomatic means should be used to reach an agreement and understanding which will be mutually satisfactory to both the United States and Panama. Our long-term interests and those of Panama are identical and demand the continued and efficient operation of the canal. In this connection, I would like to call an extraordinarily reasonable and farsighted editorial from the Standard Times of New Bedford of January 11, 1964, to the attention of my colleagues.

[From the New Bedford (Mass.) Standard Times, Jan. 11, 1964]

#### TIME FOR COOL HEADS

It would be a terrible tragedy if hot-headed young Panamanian leftists, and American students who should know better, were allowed to provoke a permanent break between the United States and Panama.

The situation in the Canal Zone is made to order for Fidel Castro. He is only too aware of the undercurrent of ill will against the United States in Panama and he fans the flame at every opportunity, hoping to force Washington to abandon the Canal Zone.

The United States has no intention of getting out. It is in the zone by mutual agreement between the two countries, pays substantial wages to those who operate the canal, and needs the zone as a lifeline between the Atlantic and Pacific Oceans.

The United States has been regularly granting new and more generous economic and political concessions to Panama. Last January, this country permitted Panama to claim titular sovereignty over the Canal Zone, and agreed that flags from both countries would fly side by side over 16 designated locations.

The agreement when into full effect January 1, 1964, but American high school students broke it this week when they raised the American flag at a nonauthorized spot in front of Balboa High School despite an appeal from Robert J. Fleming, Jr., U.S. Governor of the zone.

Young Panamanians, spurred on by Fidelistas, then attacked the U.S. Embassy, destroyed American property and fired on U.S. troops who were forced to return the fire. The result: At least 20 dead, about 200 wounded and the most serious disagreement yet between Panama and the United States.

Panamanian President Roberto Chiari has demanded a complete investigation of the flareup by the Organization of American States. The United States should have no objection to a fair and unbiased examination of the situation, and has ordered a full-scale inquiry on its own.

In the meantime, each side would gain by a return to normal operations in the Canal Zone. Anything less would permit Communist agitators to ply their trade and make Castro the big gainer.

#### ATTORNEYS SOCIALIZE

Mr. THOMSON of Wisconsin. Mr. Speaker, I ask unanimous consent that the gentleman from Virginia [Mr. POFF] 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 Wisconsin?

There was no objection.

Mr. POFF. Mr. Speaker, an item appeared in the December 20 issue of the Washington Star which may have escaped the attention of some lawmakers and in which, in my judgment, every lawmaker and law practitioner should take an interest. I quote herewith the news article which is datelined Warsaw:

Poland's 5,700 lawyers will be forced into collectives under a measure ending private legal practice in the Communist nation.

The bill was passed last night by Poland's Communist-dominated Parliament with only five opposing votes. Although a client may still select his own attorney, fees will be set by the Government and paid to the lawyers' association. Part of the income will be divided equally among all members of the collective and part in proportion to the work they do.

Sponsors of the bill argued that legal fees were too high for ordinary people.

Mr. Speaker, many lawyers seem unconcerned about the fact that some people in America would like to see the

medical profession socialized. Because they are not personally and immediately concerned, they have closed their eyes and ears to the threat. Lawyers would do well to come to the aid of their sister profession. Who can say that the next proposal might not be "Legal Aid to the Aged," and next "Medical and Legal Aid for Everybody."

#### MASSACHUSETTS CITIZENS FOR PRAYER

Mr. THOMSON of Wisconsin. Mr. Speaker, I ask unanimous consent that the gentleman from New York [Mr. BECKER] 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 Wisconsin?

There was no objection.

Mr. BECKER. Mr. Speaker, I am inserting herewith "A Challenge to American Democracy," by the Massachusetts Citizens for Prayer in Public Schools. This is a bona fide organization of good solid American citizens and I am certain anyone reading this, will be able to decide for themselves just what it is Americans want, and that they do not intend that Almighty God and prayer, be barred from our society, public and otherwise. This organization has been instrumental in calling discharge petition No. 3 to the attention of many of the Members of the House from Massachusetts as well as of other States. I commend this to your attention.

#### THE PRAYER AMENDMENT: A CHALLENGE TO AMERICAN DEMOCRACY

Once upon a time there was a country, a democracy, which had a Congress of several hundred Members. When the highest Court in that country banned prayer and Bible reading from its public schools, nearly 150 Congressmen filed proposals to amend the Constitution to return the longstanding practice of such prayer and to forestall further judicial inroads into other cherished instances of public reverence. This was a high percentage. At the same time many, though not all, of the religious leaders of the country denounced the Court's action as setting a dangerous precedent. Besides an opinion poll showed that that country's citizens were 3 to 1 opposed to the action.

One might have expected in this situation that something would happen in the Congress. But more than a year and a half after the Court's first prayer decision nothing had happened. Despite the fact that groups sprang up across the country in its churches, among its veterans' organizations, and elsewhere, to fight for amendment, very little appeared in the country's news media. Nor were any hearings scheduled in a committee whose chairman himself rose in the Congress to blast a fellow congressional chairman for blocking action on another bill.

It was not so much the opposition which troubled supporters of the prayer amendment. It was the silence, the apathy, the sheer disregard for the democratic process. It was the willingness of so many of their fellow citizens to accept without effective complaint such an apparent judicial termination of that public reverence which had once so distinguished their traditions as a people. It was also the inconsistency of some Congressmen which bothered those who cared. This inconsistency, they felt, consisted in filing an amendment pro-

posal and stating that they, the Congressmen, were in favor of amendment and then doing nothing whatsoever to see that an amendment was voted on in Congress and referred out to the people for final action.

There were even some in the country who saw in the whole matter not a triumph but a very tragedy for democracy. These some questioned whether many Congressmen's proposals meant anything more than lip-service to principles for which they were unwilling to fight when the going got a little tough. They questioned, too, how so large a part of the news media in their country could ignore so serious an issue. They wondered, again, how that widespread cry of indignation which supported an effort to move one proposal in civil rights out of a recalcitrant committee ought not also to have moved prayer amendment proposals out of another recalcitrant committee. They wondered, finally, if anything would ever be done. Or if history would have to conclude that despite the 100-plus prayer amendment proposals and the great weight of popular feeling democracy was simply inadequate to the task of reversing a Court ruling which they knew in their hearts was wrong.

But this story, thanks be to God, is not yet finished. The American people can still reverse its incredible implications.

More than half the necessary 218 signatures are now fixed to Congressman FRANK J. BECKER's prayer amendment Discharge Petition No. 3. To secure the remainder requires continuing action by every American, however he feels on the substantive issue, to support the democratic process and let the people decide in their several States whether or not public reverence shall survive, free from judicial encroachment, in the Nation.

Here is the text of the consensus amendment agreed to by 60 Congressmen and precised by constitutional lawyers:

#### "ARTICLE —

"SECTION 1. Nothing in this Constitution shall be deemed to prohibit the offering, reading from, or listening to prayers or Biblical scriptures, if participation therein is on a voluntary basis, in any governmental or public school, institution, or place.

"SEC. 2. Nothing in this Constitution shall be deemed to prohibit making reference to belief in, reliance upon, or invoking the aid of God or a Supreme Being in any governmental or public document, proceeding, activity, ceremony, school, institution, or place, or upon any coinage, currency, or obligation of the United States.

"SEC. 3. Nothing in this article shall constitute an establishment of religion.

"SEC. 4. This article shall be inoperative unless it shall have been ratified as an amendment to the Constitution by the legislatures of three-fourths of the several States within seven years from the date of its submission to the States by the Congress."

To move this amendment, one letter is not enough. One resolution is not enough. One sermon, one protest is not enough. A continuing barrage of protest must be mounted until the Congress releases it to the people for action in the States.

We recommended before and we recommend again:

1. Action at the local level: Every school board, school-affiliated organization, veterans' unit, council and board of selectmen in the United States should place itself on record at least for the right of the people, through their State legislatures, on a prayer amendment. Nor is one simple resolve sufficient. Again and again, local protestors must return to the fight until the Congress acts.

2. Action at the State level: Every State legislature in the United States should be petitioned by citizens of that State to put itself on record at least for the right of the

people to vote, through it, on a prayer amendment. Once again, words are not enough. A constant effort must be maintained until the legislatures' resolution is translated into congressional action.

3. Action at the national level: Some Congressmen, understandably, are reluctant to sign a discharge petition. But this is no ordinary discharge petition. Already it bears the signatures of men of both parties and of various religious background. Congressmen who do not choose to sign are, in effect, saying to their constituents—we may agree with you, but there is nothing we can do. Americans in each congressional district must then ask—but we want you to do something. If you will not sign a discharge petition, how then will you secure to us in our State legislatures the right to make up our own minds on a prayer amendment?

Whatever you may think on the issue itself, the present status of prayer amendment proposals is a clear challenge to American democracy. Will you join us in the fight to meet that challenge?

CARL R. GRIFFIN, Jr.,

*Chairman.*

MRS. CHARLOTTE JUDKINS,

*Cochairman.*

#### The LAST OF THE MOHICANS

Mr. THOMSON of Wisconsin. Mr. Speaker, I ask unanimous consent that the gentleman from Illinois [Mr. ARENDS] 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 Wisconsin?

There was no objection.

Mr. ARENDS. Mr. Speaker, when we enacted the Legislative Reorganization Act in 1946 it was our intention to have each committee of the House and Senate establish for itself a professional staff of technicians and advisers who would serve the committee, both Democrats and Republicans, whatever the committee's political composition and whoever may be the chairman. There would thus be attached to each committee a group of "experts" with no other function except to assist the committee members in gathering, assimilating, and evaluating facts with respect to matters under the jurisdiction of the committee.

Our Committee on Armed Services carried out this concept to the letter. From the beginning we determined that our staff would be selected solely on a basis of their professional training, experience, and ability and not upon a basis of their partisan political philosophy. It has been understood that once selected as a staff member of our committee you serve without regard to party. Our staff members also understand that their tenure on the staff is not dependent upon which political party controls the committee, thus enabling our staff not to concern themselves with the vicissitudes of politics but simply view all matters objectively.

I take personal pride in the high quality of our entire committee staff, and I call attention to the following editorial that appeared in the January 15 issue of Navy Times:

#### THE LAST OF THE MOHICANS

One of the great modern achievements of our much maligned Congress was bringing in

the concept of professional committee staffs in 1947. Both the House and Senate Armed Services Committees brought in brilliant staffs that year.

But time has brought changes and makes those of us who knew the original 1947 staff conscious of our years. The brilliant Senate committee staff of 1947—Marine Reserve Col. Joe Chambers, a Medal of Honor winner; Maj. Gen. Verne Mudge, leader of the 1st Cavalry Division, and Army Col. Mark Galusha—have long since departed the scene. One of their replacements, Kenneth BeLieu, in turn left to become Assistant Secretary of the Navy. But the tradition of professionalism continued and today the committee has an outstanding staff in William H. Darden, T. Edward Braswell, Jr., and Gordon A. Nease.

On the House side, too, there were changes. One of the original staff members, Bryce Harlow, became a trusted White House aid of President Eisenhower.

Now, with the close of the 1st session of the 88th Congress, Robert Smart, long the chief counsel of the House Armed Services Committee, has also left Capitol Hill. That leaves only John R. "Russ" Blandford of the original counsel on either committee.

The first Congress in which the professional staffs functioned had an unparalleled record of achievement on military legislation: unification; the Officer Personnel Act; WAVE, WAC and nurse legislation; military justice reform and many others.

For 16 years since 1947 Smart and Blandford have made substantial contributions to countless bills that have strengthened our Armed Forces and made life better for the members of the forces. We are sorry to see Bob Smart go. He had a genius for achieving good compromises in political areas and did a great deal to help his committee achieve a reputation of being above politics. We wish him well in his new industrial career.

But Russ Blandford remains. No one can match him in his grasp of military law or in his capacity to handle detail. He has one more attribute that helps account for his notable achievements: he cares. He cares deeply about the men and women in the Armed Forces. He knows the importance of all the little things his committee does in the lives of service personnel. His remarkable record would not have been possible without this dedication. We hope he stays another 16 years.

It remains to be said that the House committee, too, has continued the tradition of outstanding professionalism. One of the House replacements, Charles Ducander, has gone on to be chief counsel of the Space Committee. The committee gets unusual service from Counsels Philip W. Kelleher and Frank Slatinshek and new men now joining the staff will, we are sure, live up to the standard of excellence that has been set. It has become a tradition.

#### A REPORT ON INDUSTRIAL DEVELOPMENT AND ECONOMIC GROWTH IN PENNSYLVANIA DURING 1963

Mr. THOMSON of Wisconsin. Mr. Speaker, I ask unanimous consent that the gentleman from Pennsylvania [Mr. JOHNSON] 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 Wisconsin?

There was no objection.

Mr. JOHNSON of Pennsylvania. Mr. Speaker, the Department of Commerce of the Commonwealth of Pennsylvania under the leadership of Hon. John K.

Tabor, of Pittsburgh, has completed a very active year in the industrial development and economic growth of Pennsylvania. Secretary Tabor's report to Gov. William W. Scranton reveals the marked progress made in 1963 in promoting economic growth and relieving unemployment in Pennsylvania. A copy of Secretary Tabor's report follows:

#### YEAR 1963: A YEAR OF ACCOMPLISHMENT AND PROGRESS IN INDUSTRIAL DEVELOPMENT AND ECONOMIC GROWTH IN PENNSYLVANIA

(By John K. Tabor, Secretary of Commerce, Commonwealth of Pennsylvania)

On March 5, 1963, Gov. William W. Scranton called his program to bring jobs and economic growth to our Commonwealth "the heart of the matter."

I believe it is fair to say that no single program has received more effort, concern, or support from the Governor, his entire administration, and great numbers of citizens in the State, than this program. This is as it must be—for the creation of enduring jobs is essential not only to the economic health of the State, but to the dignity and self-respect of our people.

What has been achieved to date? Fortunately, we can say "much." Unemployment is down markedly, and machinery has been established on many fronts, in both the public and private sectors, which equips Pennsylvania, in my opinion, with the best program in the United States today to retain and attract industry.

First, let's look at "results accomplished"—the statistics: In November, there were 294,000 unemployed (6.4 percent of work force), as compared with 430,000 (9.3 percent of work force) in January of this year. The November unemployment was reduced 48,000 from a year ago (November 1962, 7.4 percent of work force unemployed) and 80,000 from 2 years ago (November 1961, 8 percent of work force unemployed). October 1963 showed the lowest unemployment level and rate (6 percent) in the past 6 years.

The business index for the State reached a new high in the second quarter of 1963.

Seven hundred companies will have announced the start of operations or the expansion of existing operations in Pennsylvania during 1963, according to preliminary estimates by the Department of Commerce. This compares with 685 in 1962, and 516 in 1961.

Among the major new and branch plants to be constructed are: Masonite Corp., a \$12 million plant at Towanda, Bradford County, for production of building board; National Standard Co., a new 128,000-square-foot plant at Mount Joy, Lancaster County, for production of steel wire; International Resistance Co., a 72,000-square-foot plant in Worcester Township, Montgomery County; Sekisui Plastics, a Japanese plastics manufacturer, constructing an \$850,000 plant at Hazleton with assistance of the Pennsylvania Industrial Development Authority.

Major companies constructing expansions at their existing plants are: Smith Kline & French, \$4 million expansion; Scott Paper Co., \$5 million expansion; RCA at Lancaster, \$11 million.

Included in the industrial development summary and research facilities for the American Institute of Research at Pittsburgh, a \$1,750,000 plant; and American Glass Research, Inc., at Butler, 260,000 square feet; these are projects of the PIDA.

A major electric utility has reported that 149 new industries have located in their 23-county area during the first 11 months of this year, as compared to 133 for the same period in 1962. They also reported a net increase of employment of 7,764—double that of 1962.

The Pennsylvania Industrial Development Authority approved more projects this year

than in any previous year. Preliminary figures for 1963 show that 77 projects were given approval for loans totaling \$10,266,903. The total cost of the projects is estimated at around \$25 million with planned employment of over 8,300 and an expected payroll of around \$33 million.

While Pennsylvania's share of the Defense Department budget was a disappointing 3.3 percent our share of military prime contracts for research and development rose to 4.1 percent, as compared to 3.8 percent last year. The Commonwealth's share of funds spent by the Agency for International Development was 8.3 percent of the total, as compared to 3.9 percent in 1962.

Pennsylvania continued to lead the Nation in redevelopment projects and expenditures for redevelopment—136 redevelopment projects, involving 78 communities in 34 counties are underway. This compares with 107 in 1962 and 84 in 1961.

Urban planning continued to grow in 1963. With the addition of 143 communities, of this group 129 communities entered the planning process for the first time.

Ninety-eight new planning studies were started this year—more than the total number from 1960 through 1962—and nine new county planning programs were started—equal to the total from 1960 through 1962.

The formation of 5 new tourist promotion agencies (Allegheny, Berks, Chester, Mercer, and Montgomery Counties) during the year brings the total to 47 agencies, covering 52 counties, working at the local level to increase the flow of tourist dollars in Pennsylvania.

All of this good news does not obscure the fact that there is still much to be done to uplift our State economically. Hence, even while those former programs which were good were continued, we have added a number of new tools with which to attack unemployment in Pennsylvania.

Thus, the competitive tax climate was further improved through actions of the legislature.

The Pennsylvania Industrial Development Authority was expanded to include research and development firms and distribution facilities with a special incentive for research and development. And, an industrial mortgage guarantee program was enacted to provide financing aid, statewide.

Privately financed business development credit corporations are being established to provide financing for working capital, machinery, and equipment throughout the State.

A quarter of a billion dollars was authorized for the single biggest highway construction program in the State's history, with high priority being given to industrial development needs.

A 12-point program was enacted to improve and expand the State education system at all levels, including technical training, to provide the skilled workers required by modern industry.

State government, itself, has been mobilized to provide more useful, courteous, prompt, and fair service to business and industry, as well as to our citizens. A prime example is the new interdepartmental clearing council, which has already been cutting red tape in several dramatic instances and aided in the retention, expansion, and attraction of industry. A new federal procurement division in the department was established, and is working with a united congressional delegation and the Governor's Washington representative to secure a greater share of Federal contracts for Pennsylvania industries and educational institutions. A foreign trade division of the department of commerce was created, and is working to increase the export of Pennsylvania products, as well as to attract foreign investment to our State.

Our advertising program for both industrial development and tourist promotion has been improved and expanded. The results of our efforts to tell the Pennsylvania story and our State's advantages for business and travel to prospects throughout the Nation have been most encouraging thus far.

One of the most important facets of our total program to bring new jobs and economic growth to Pennsylvania has been the mobilization of the private sector of our Commonwealth. The development credit corporations are one example. In addition, the Governor has recruited some of the best talent available in the State to participate in five major undertakings. The Council of Business and Industry, composed of 21 top Pennsylvania business and industry leaders, has already provided invaluable assistance in the planning and implementation phases of the program. The Governor's Council of Science and Technology, with its membership of outstanding scientists, educators, and technically oriented businessmen, is now at work on its assignment of expanding Pennsylvania's role in space age activities. Key labor leaders and management representatives are cooperating in the establishment of labor-management councils throughout the State to provide a common meeting ground for the discussion and resolution of broad problems affecting the economic health of the State. A Tax Administration Review Committee has been set up to seek solutions to delays, confusion, and redtape wherever they exist in the administration of our tax laws.

The fifth undertaking relates to the massive sales effort on behalf of Pennsylvania that must be mounted in order to meet our competition and capitalize on our full potential. This is the "100,000 Pennsylvanians for the Promotion of Economic Growth." To supplement the year-round sales efforts of our department's trained plant location specialists and our local industrial development and travel promotion groups, our utilities and industrial realtors, all Pennsylvanians are being asked to join in an all-out campaign to tell the world of our advantages for business and travel.

These groups have contributed, invaluable, brainpower, manpower, and money power to our drive to create more jobs in Pennsylvania.

All of these programs and activities hold special promise as we look ahead: 1964 promises to be a year of continuing high economic activity. The year's automobile production, it is predicted, will again exceed 7 million units. Even more important for industrial development, the best economic analysts are predicting that 1964 will be the biggest year for capital investment in new plants and expansion and modernization of old plants since 1957.

Hence, 1964 offers Pennsylvania a special opportunity, one that may not come again soon.

We Pennsylvanians have a lot going for us in the quest to get these plants: Good location, productive labor, an abundant labor supply, taxes quite competitive with surrounding States, and good livability. Because of these assets and what has been done to provide strong programs for highways, education, human services, tax revisions, and industrial development, we believe that with any reasonable national economic activity, Pennsylvania's overall economic health will improve even more in 1964.

#### INDEPENDENCE OF CYPRUS

Mr. SCHADEBERG. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

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

There was no objection.

Mr. SCHADEBERG. Mr. Speaker, there are two kinds of friends: Fair weather friends and those who stand with us when the weather is stormy. Turkey has proved itself a real friend. Turkish troops fought effectively, gallantly, and in a most signal manner by our side in the worst days in Korea.

This week there is an international meeting in London to discuss the future of the key Mediterranean island of Cyprus. Cyprus only became independent in 1960 when a solemn treaty was signed by Turkey and Greece which protected the rights of the Turkish minority. The Turkish Cypriots represent only about one-quarter of the population of Cyprus.

As an outcome of recent rioting, in which Turkish Cypriots were killed, the majority, Greek Cypriots are demanding 13 changes in the basic charter of Cyprus' independence. These changes would eliminate all protection for the minority, the Turks. We in the United States recognize the importance of protecting minority rights.

Sizable Communist elements on Cyprus had a major role in connection with the rioting. In fact, there is some reason to believe a deliberate attempt is being made to foster discord, if not conflict, between two NATO allies, Turkey and Greece. The fate of the eastern Mediterranean as a part of the free world is involved.

Mr. Speaker, I am confident the Congress will follow closely the current conference in London. I hope that our Government will use its not inconsiderable influence in order to make sure that discord, let alone hostilities, between two NATO members is prevented.

Too often have we kicked our friends and aided our enemies, or those leaning toward our enemies. Here is a chance to reverse the trend. The United States stands for international law and order. It is to its interest, as well as that of NATO to see that this matter does not become a major issue.

Mr. Speaker, I suggest this Communist-backed attempt to alter a solemn treaty entered into less than 4 years ago, is ridiculous. Cyprus is now independent. This status should be maintained and the rights and yes, the safety, of the minority should be protected.

#### THE PANAMANIAN CRISIS

Mr. RYAN of Michigan. Mr. Speaker, I ask unanimous consent that the gentleman from West Virginia [Mr. STAGGERS] 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 Michigan?

There was no objection.

Mr. STAGGERS. Mr. Speaker, the eyes of the world have focused these past few days on the crisis at the Panama Canal, a crisis which has claimed lives of

both Panamanians and Americans, and which has to be deplored. But I think these events need to be deplored in another light, and for more reasons than have thus far been brought into view. I find it hard to escape the belief that Communists infiltrated the demonstrations, and indeed, strived to capitalize on the disruptions there. We know this is their tactic throughout the globe. We have seen such happenings in the past, and we have learned from the past to watch out for such infiltrations wherever disturbances occur. Panama can be no exception.

I have stated before this body several times that the battle with communism is a life and death struggle. The forces of good; the forces of a religious nation cannot live complacently side by side with the Communist movement. Therefore, we must be careful to halt their movements on every front, never yielding to pressure, never moving an inch, never bowing to threats during crisis, for it is out of crises that communism makes its greatest inroads on freedom.

I call upon the administration to remain firm in our treaty with Panama. We do not go along with the Communist belief that "treaties are made to be broken." Rather, we feel treaties are made to be kept. The United States must, therefore, keep its treaty with Panama, and must not bow to demands from any quarter to make changes, especially while the Panama situation remains at such a high psychological peak.

The United States and Panama jointly signed their treaty shortly after the turn of the century. Let the United States declare, here and now, its intention to maintain that treaty to the fullest extent of the letter, and if there are to be any amendments or adjustments made to the treaty let them be made not under any threat of intimidation, but under the binding rules of a conference table.

Personally, I feel our financial contributions to Panama are adequate. If the Panamanians feel they are not, we should sit down—jointly—like men of good intellect and human understanding—and negotiate, hear grievances of both sides, discuss the problems, come to a mutual understanding and agreement which will benefit both sides. As the situation now stands, with emotions flared up by the unfortunate incidents of this past week, neither side will benefit. No one gains when decisions are hastily made to facilitate a particular incident. In the long run, such quickly reached agreements have proved impractical.

Order must be restored and maintained in Panama. That is our responsibility, our obligation under the treaty. It may even be necessary to send in more military troops, and I would not hesitate to support such a move. Troops to insure that American citizens will not be targets of snipers, troops to insure that more rioting is not permitted to take place, and troops to insure that Communist infiltrators in the demonstrations are not permitted to make inroads on

our historical friendship with the good people of Panama.

The situation in Panama may indeed be unique, as some have said. But in dealing with it, we must not overlook or ignore the role the United States has had in building and maintaining the canal. We must forfeit nothing in this critical period.

It will do no good for either side to go around placing the blame on one side or the other. The damage has already been done. But I do find it hard to believe the words of the Panamanian Ambassador over the weekend that Panamanian students were carrying out a "peaceful demonstration." I would hardly call attacking American citizens with rocks, overturning and burning cars, and burning and looting American buildings "peaceful."

Therefore, let us first restore order by force if necessary, and then let us take the Panamanian crisis to the negotiating table, and solve our differences there. That is where calm thinking prevails, and this is a time for calm thinking. This is a time for calm, deliberate, and steadfast decisions, especially on the part of the United States. Let us remember, too—when the United States protects her interests in the Panama Canal, she is protecting the interests of peace in the world.

#### EX-MAYOR OF PHILADELPHIA SPEAKS ON CIVIL RIGHTS

Mr. RYAN of Michigan. Mr. Speaker, I ask unanimous consent that the gentleman from Louisiana [Mr. WAGGONER] 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 Michigan?

There was no objection.

Mr. WAGGONER. Mr. Speaker there are certain truths being spoken around the country today about the so-called civil rights issue which, if I or some other Member from the South said, would bring down on us the same old cry of "racism" which the race-mixing advocates have used for years to smear anyone who advocates the orderly separation of the races. One such statement was made last week by Richardson Dilworth, former mayor of Philadelphia.

Certainly, in every sense of the word, Mr. Dilworth is an advocate of "civil rights." But, like every other man whose commonsense rules over his thinking, Mr. Dilworth knows that unconstitutional laws, mob demonstrations, civil disobedience, demagoguery and incitement to riots are not the answer to the problem which professional agitators and Communist-fronters from CORE and the NAACP keep fomented. In the speech to which I refer, Mr. Dilworth, and he is one of the few who did so, pointed up the ridiculousness of the recent court ruling concerning the Mummers Parade in Philadelphia.

Mr. Dilworth's call for the Negro to shun the demagog leaders they are following and, instead, show initiative and

commonsense, is worth reading by every Member of this body before the day comes when we must cast our votes on the unconstitutional civil rights bill which will be before us.

His statement is included in the syndicated column of David Lawrence which appeared in the Washington Star of yesterday, January 13 and is reprinted below:

AFTERMATH OF THE MUMMERS: EX-MAYOR  
DILWORTH CALLS ON NEGROES TO SHUN  
DEMAGOGS, USE INITIATIVE

(By David Lawrence)

Sometimes a prominent man known best in his own city or State makes a speech that deserves the attention of the whole country—especially when it concerns what has been called the social revolution in America.

Richardson Dilworth, a former mayor of Philadelphia who was the unsuccessful Democratic nominee for the governorship of Pennsylvania in the 1962 election, is unquestionably an ardent advocate of civil rights. Yet if the same things which he has just said had been spoken by Governors Barnett of Mississippi, Wallace of Alabama, or Faubus of Arkansas, there would have been a tirade of criticism leveled in their direction, and they would have been called racists and enemies of the Negro.

Mr. Dilworth, however, happened to be inspired to talk plainly and bluntly on delicate issues that have rocked the peace of his city. He had prepared the other day a speech on transportation for a seminar of 300 business executives of the Chamber of Commerce of Greater Philadelphia. He suddenly asked for more time and, in an impromptu manner, supplemented his remarks. He declared that the time has come for the Negro to stop following demagog leaders.

Mr. Dilworth added that he believed the furor recently over the use of blackface in the annual Mummers Parade in Philadelphia was unfortunate and that it "set the Negro community back 10 years." He added: "It's these inconsequential things that cause the whites to be set against the blacks."

Mr. Dilworth pointed out the Negroes are being left to swelter in cities around which the suburbs are drawing a noose. He continued: "I recently went on a nine-square-block tour of an area comprised of mostly low-income Negro groups that took a whole day.

"When we wanted to question them, we couldn't find a sober man or woman to talk to. They just have no hope. That's the kind of rot that is going to spread if we don't get employment and education for those people. We cannot support 20 percent of the Negroes in the North on relief and hope to survive.

"And the time has come for the Negro to stop feeling so damned sorry for himself. Some of their leaders are demagogos \* \* \* but they've got to learn to help themselves, and not take an attitude that just because they are a minority they can get nowhere here.

"That's just not true. Look at the Irish and Italians of years past. One of them even went on to become President of the United States. They (the Negroes) have got to get some of the same kind of spirit that these people had.

"They get the feeling they can't win, and they can't. There are six whites to every black. They just can't win unless something is done on a basis of courage and human intelligence."

What Mr. Dilworth said is not surprising. The same point of view has been expressed before in local communities by conscientious persons who really would like to help solve the racial problems. But the sensitiveness about giving advice to the Negroes has risen

to the point where even prominent Negroes themselves are reluctant to speak out because they are promptly attacked by Negro leaders in the demagogic category.

The use of the technique of street demonstrations, moreover, has not been of as much assistance to their cause as some of the Negro leaders had hoped. Too often these demonstrations have produced a bitterness between Negroes and whites which did not prevail before. Incitement to violence has occurred. It's true that race relations have long been unsatisfactory from the Negroes' viewpoint, but it will be recalled that Negro leaders, trained in the law and anxious to assert constitutional rights, persisted for many years in their legal battle and resorted solely to methods of legal procedure.

Thus, the biggest victory won in 100 years by the Negroes was the "desegregation" decision of the Supreme Court of the United States in May 1954. There were no public demonstrations in and around Washington before that time, nor were there similar manifestations anywhere else. The court case was won solely by the arguments advanced by the lawyers, including Negro attorneys, through the lower courts and finally in the Supreme Court itself.

The moral in all this is simply that more progress can be made by the use of the voice of reason at the conference table in the local communities and by resort to legal procedures than can be achieved by demonstrations. Additional improvement will come in racial relations in America when the Negro leaders themselves begin to speak out plainly against the demagoguery and misguided advice that so many of their brethren have been giving, only to stir up resentments and bitterness in many a community—which is exactly what former Mayor Dilworth pointed out in his recent address.

#### COAL MINE SAFETY

The SPEAKER. Under previous order of the House, the gentleman from California [Mr. ROOSEVELT] is recognized for 30 minutes.

Mr. ROOSEVELT. Mr. Speaker, the Committee on Education and Labor on November 19, reported favorably H.R. 9000 (Rept. No. 936), a bill to amend the Coal Mine Safety Act, Public Law 552, passed in 1952. This bill amends the Coal Mine Safety Act to further prevent accidents in coal mines.

I am particularly proud of this bill for I honestly think it provides for further protection of the Nation's coal miners. The 82d Congress, in passing Public Law 552, provided an exemption from the law for mines employing less than 15 men. Why any miner who happens to work in a mine designated as a title I mine—14 or less—should not be afforded the same safety regulations as a miner working in a title II mine—15 or more—was never clarified.

Mining is a dangerous occupation under the best of conditions and to my way of thinking the same standards of Federal inspection and enforcement should apply to every coal mine in the country, large or small. A title I mine should be just as safe as a title II mine. I am sure that life is just as valuable to an employee of a title I mine as it is to an employee of a title II mine. It certainly is as precious to the family of such a miner.

Since the passage of Public Law 552 many bills have been introduced year

after year by various Members of Congress both from coal and noncoal producing States seeking to correct the inequities in the act. Many Members of Congress from the coal producing States were fed up with the tragedies enacted in their districts and the spectacle of women and children at the scene of a mine accident that might have been prevented had the laws governing mine inspections been extended to every mine in the United States.

Proponents of legislation to broaden the scope of the Federal Coal Mine Safety Act have been accused of trying to force the operators of title I mines out of business. This to the majority of our committee seems inaccurate and unfair. Furthermore, though such allegations were made they were never substantiated. It is going pretty far to say that any operator must be exempted from the mine safety law so that he can operate his mine profitably. It is flying in the face of providence to say that measures that make for the safety of men who work underground, that are recognized by all the mine safety experts as being necessary to the conduct of safe mining practices, must be sacrificed because a coal operator cannot make a profit if he lives up to these recommendations.

During the hearing and deliberations on this legislation which were conducted by the general Subcommittee on Labor, statistics of all sorts and types were submitted. Figures dealing with man-hours of exposure, production figures in ratio to accidents, and percentages of accidents between title I and title II mines, all were presented and taken into consideration. Charges were made that human error played a major part in these accidents. Yet in spite of statistics, in spite of the charges hurled back and forth by the opponents and proponents of this legislation, the fact remains that the fatalities and accidents are still there year after year.

We will never know how many coal miners might be living today, if they had had close inspection. Mr. Speaker, there cannot be too much inspection. Since the passage of the original Coal Mine Safety Act fatalities and accidents have decreased to a remarkable degree. From an industry that once counted its dead in the thousands and its casualties in the tens of thousands, it now counts its dead in the hundreds, still far too many but a far cry from the old days of haphazard, unenforced inspection. We need both Federal and State inspection if only to keep these departments on their toes and doing a good job.

Therefore, Mr. Speaker, after much deliberation the general Subcommittee on Labor decided that all mines, be they large or small, should be covered by the Federal Coal Mine Safety Act and amended Public Law 552, by striking from the act that section which had exempted mines employing 14 or less men from the enforcement sections of the act.

The so-called economic factors which had been injected into the hearings on this bill by the opponents of the legislation have been taken care of by various new sections of the amended bill. The Coal Mine Safety Board of Review has

been increased to five men, by adding a representative of the employers and employees from title I mines. This Board must travel into the field to hold hearings on appeal cases. The Board is required upon request by an operator to hold proceedings at either the county seat of the county where the mine is located or at any place mutually acceptable.

A 6-month period of grace is provided for newly covered mines before the withdrawal order authority of section 2 becomes operative.

It requires the Director of the Bureau of Mines to affirmatively and diligently seek to cooperate with the appropriate agencies of the several States.

It requires the Secretary of the Interior to conduct a special 1-year study into the sufficiency of existing Federal coal mine safety standards.

The Department of the Interior has recommended that all title I mines be covered by the Federal Coal Mine Safety Act. They have also recommended that the present methods of dealing with roof supports, ventilation, and electric equipment be changed. The present bill offered by the Committee on Education and Labor recommends that a further study be made of these requirements and that a report be made to Congress on the results of this study within 1 year.

The last section of this bill allows the Secretary of the Interior to enlarge and intensify the educational programs of the Bureau of Mines with respect to the advancement of health and safety in the coal mines of this Nation.

Our late President, John F. Kennedy, who directed the Secretary of the Interior to make the study of mine safety legislation leading to this measure, stated his great concern over coal mine disasters and his deep sympathy for the families and friends of those who perished. He asserted:

It is imperative that we take every necessary step to avoid such accidents in the future.

It is my belief that H.R. 9000 is a good and necessary bill and it is my hope that it will be accepted and passed by the 88th Congress. To assure early passage of this measure, I urge all Members of the House who are interested in the safety of coal miners to contact the Members of the Rules Committee to secure early consideration of this important bill.

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

Mr. ROOSEVELT. I am happy to yield to my friend from Pennsylvania [Mr. SAYLOR].

Mr. SAYLOR. Mr. Speaker, I want to take this opportunity to congratulate our colleague from California on the fine statement he has just made. We who come from coal-producing areas sometimes have been accused of making statements which probably are a little farfetched. However, the gentleman from California, who was chairman of the Subcommittee of the House Education and Labor Committee that conducted the hearings on the bill offered by the gentleman from Pennsylvania [Mr. DENT], has grasped the situation so

finely, that I cannot but commend him and hope that the request he has made will be complied with by other Members who come not only from coal-producing States but from any area of the United States where they are interested in people.

Mr. Speaker, all America remembers the horror that persisted for almost 2 weeks after a roof fall trapped three men in a Pennsylvania coal mine where no human being would have been admitted had proper safety precautions been observed. Fortunately, through the patience, persistence, strength, and courage of trained rescue teams, two of the trapped miners were finally brought to the surface alive. Hope for saving the third man finally evaporated, and today this body is entombed in the collapsed tunnel where he bravely sought a livelihood under most hazardous conditions.

An anguished populace was kept in constant touch with rescue operations at the Sheppton mine. Prayers for the recovery of the miners were offered in every city and town throughout the land. Drifting machines and other equipment were flown into Sheppton from oilfields in Texas and other parts of the country. The activity that followed the cave-in mushroomed into one of the most dedicated and energetic rescue operations in the history of mining.

It has been said a number of times here on Capitol Hill that the proposed new mine safety bill would have been enacted quickly without serious opposition had the legislation come before the Congress during or immediately after the Sheppton disaster. It is true that tragedy has a habit of disturbing complacency and rousing remedial activity, yet I cannot believe that the memory of a single Member of Congress could be so short as to permit him to become less demanding of legislation designed to prevent, or at least reduce, the number of accidents that occur each year in our mining industry.

The bill introduced by the distinguished gentleman from Pennsylvania [Mr. DENT] from my neighboring district of Westmoreland County, will extend the Federal Mine Safety Act to all coal mines, including smaller operations like the Sheppton mine. I frankly have never fully understood the philosophy behind a law which would exclude mining companies with a working roster of 14 men or less. This standard is as unrealistic as if our highway laws were not applicable to the smaller automobiles, or if restaurants employing 15 persons were not required to meet sanitary conditions specified in ordinances.

My colleague from Pennsylvania is to be congratulated for his dedicated effort to bring his bill to enactment. We are also grateful to the chairman of the subcommittee, Mr. ROOSEVELT, and other members of this subcommittee for their devotion to duty and sympathetic understanding of this most serious problem. I am confident, that this special order and the pending bill before the Rules Committee will lead to early passage of needed mine safety legislation in 1964.

Mr. ROOSEVELT. I thank the gentleman from Pennsylvania. I must say to him, of course, and I am sure he recognizes, I have no coal mines in the city of Los Angeles.

Mr. SAYLOR. That is correct, and if anyone who is not interested in coal, can grasp the situation, they will realize the tremendous problem that exists in the coal mining districts, and particularly where we have small mines. I urge the Members to pay attention to the address the gentleman has just made.

Mr. ROOSEVELT. I thank the gentleman.

#### LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to:

Mr. BARING (at the request of Mr. ALBERT), for the balance of the week, on account of official business.

Mr. MCINTIRE (at the request of Mr. ARENDS), for the balance of the week, on account of death in family.

Mr. MARTIN of Nebraska (at the request of Mr. ARENDS), for today, January 14, 1964, on account of illness.

Mr. MATHIAS (at the request of Mr. ARENDS), for today, January 14, 1964, on account of official business.

Mr. GARY (at the request of Mr. JENNINGS), for the balance of the week, on account of illness.

Mr. BROYHILL of North Carolina (at the request of Mr. ARENDS), for today, January 14.

Mr. ANDERSON (at the request of Mr. ARENDS), for today and tomorrow, on account of illness.

#### SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

Mr. FLOOD, for 1 hour, on January 22.

Mr. ROOSEVELT, for 30 minutes, today.

#### EXTENSION OF REMARKS

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

Mr. HARRIS, to include in his statement made in the Committee of the Whole today a statement of the Honorable Alan S. Boyd, Chairman of the Civil Aeronautics Board, before the committee recently, and a statement of Mr. Najeeb E. Halaby, Administrator of the Federal Aviation Agency, that he made before the committee.

Mr. ROBERTS of Alabama, the remarks he made in the Committee of the Whole today and to include extraneous matter.

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

Mr. MINISH.

Mr. MULTER.

#### ADJOURNMENT

Mr. RYAN of Michigan. Mr. Speaker, I move that the House do now adjourn.

CX—28

The motion was agreed to; accordingly (at 4 o'clock and 39 minutes p.m.) the House adjourned until tomorrow, Wednesday, January 15, 1964, 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:

1529. A letter from the Comptroller General of the United States transmitting a report on improper disposition of refunds of group insurance premiums by Grumman Aircraft Engineering Corp., Bethpage, N.Y.; to the Committee on Government Operations.

1530. A letter from the Director, Congressional Liaison, Agency for International Development, Department of State, relative to transmitting a copy of the Agency's reply to the Comptroller General of the United States, which relates to a report (B-146820), dated October 7, 1963, by the Comptroller General relating to Public Law 480, 83d Congress; to the Committee on Government Operations.

1531. A letter from the Comptroller General of the United States, transmitting a report on overbuying and unnecessary overhaul costs resulting from the failure of the Air Force to follow the Navy's practice of separating accessories from spare reciprocating aircraft engines; to the Committee on Government Operations.

#### 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. THOMPSON of New Jersey: Joint Committee on the Disposition of Executive Papers. House Report No. 1096. Report on the disposition of certain papers of sundry executive departments. Ordered to be printed.

#### PUBLIC BILLS AND RESOLUTIONS

Under clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. DERWINSKI:

H.R. 9619. A bill to amend the Agricultural Trade Development and Assistance Act of 1954 so as to permit the use of foreign currencies accruing from the sale of surplus agricultural commodities in foreign countries having a Communist government to be used to make farm improvement loans to private enterprise farmers in those countries; to the Committee on Agriculture.

By Mr. KUNKEL:

H.R. 9620. A bill to amend the Federal Property and Administrative Services Act of 1949 to permit donations of surplus personal property to State agencies for use by volunteer firefighting organizations; to the Committee on Government Operations.

By Mr. PEPPER:

H.R. 9621. A bill to combat poverty; and to provide assistance in the development of new or improved programs through grants to the States for aging, community recreation, and voluntary services, and for training, through research, development, or training project grants, and to establish within the Department of Health, Education, and Welfare, an Assistant Secretary for State and Community Services and an Interdepartmental Commission on State and Commu-

nity Services; to the Committee on Education and Labor.

H.R. 9622. A bill to establish a Community Recreation Service in the Department of Health, Education, and Welfare, and for other purposes; to the Committee on Education and Labor.

H.R. 9623. A bill to amend title II of the Social Security Act so as to remove the limitation upon the amount of outside income which an individual may earn while receiving benefits thereunder; to the Committee on Ways and Means.

By Mr. WYMAN:

H.R. 9624. A bill to require the words "In God We Trust" on the Supreme Court Building; to the Committee on Public Works.

By Mr. HARRIS:

H.R. 9625. A bill to authorize the Secretary of Commerce to accept gifts and bequests for the purposes of the Department of Commerce; to the Committee on Interstate and Foreign Commerce.

By Mr. WHARTON:

H.R. 9626. A bill to amend title II of the Social Security Act to authorize the President, during periods of acute unemployment, to provide that all individuals otherwise eligible may retire with full benefits thereunder at age 60; to the Committee on Ways and Means.

By Mr. ROOSEVELT:

H.R. 9627. A bill to amend section 213 of the National Housing Act to place the Federal Housing Administration cooperative housing mortgage insurance program on a mutual basis; to the Committee on Banking and Currency.

By Mr. UDALL:

H.R. 9628. A bill to authorize the classification, segregation, lease and sale of certain lands for agricultural use and to provide fair compensation for the present lessees thereof in the event of any deprivation of the improvements placed thereon by them, and for other purposes; to the Committee on Interior and Insular Affairs.

By Mr. AVERY:

H. Con. Res. 253. Concurrent resolution that it is the sense of Congress that there should be no reduction nor elimination of subsidy payments under the Federal Aviation Act of 1958 to feeder airlines until December 31, 1964; to the Committee on Interstate and Foreign Commerce.

By Mr. NELSEN:

H. Con. Res. 254. Concurrent resolution that it is the sense of Congress that there should be no reduction nor elimination of subsidy payments under the Federal Aviation Act of 1958 to feeder airlines until December 31, 1964; to the Committee on Interstate and Foreign Commerce.

#### PRIVATE BILLS AND RESOLUTIONS

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

By Mr. FINO:

H.R. 9629. A bill for the relief of Phyllis Mayers; to the Committee on the Judiciary.

By Mr. BOB WILSON:

H.R. 9630. A bill for the relief of Roberto Martin Del Campo; 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:

619. By the SPEAKER: Petition of the city clerk, Boston, Mass., relative to going on record as endorsing the efforts of the National Association of Government Employees who have formed the Save the Boston Naval Shipyard Committee; to the Committee on Armed Services.

620. Also, petition of Henry Stoner, Avon Park, Fla., to have published a U.S. House document delineating the biographies of all the Americans who have statues in their memories in the U.S. Capitol; to the Committee on House Administration.

621. Also, petition of Henry Stoner, Avon Park, Fla., to legislate to require U.S. Secret Service protection for the Chief Justice of

the United States in the same manner as afforded the President; to the Committee on the Judiciary.

622. Also, petition of Henry Stoner, Avon Park, Fla., to make an especial effort to discover the original cornerstone of the U.S. Capitol as dedicated by President Washington; to the Committee on Public Works.

623. Also, petition of Henry Stoner, Avon Park, Fla., to appoint a Special Committee To Investigate Overcontrol of Americans of Anglo-Saxon Genetic Derivation in American Foreign Policy, and that only Members of the House whose surname ends in "i" or "o" be appointed to serve on this committee; to the Committee on Rules.

## EXTENSIONS OF REMARKS

### The Century of Human Rights

#### EXTENSION OF REMARKS

OF

#### HON. ABRAHAM J. MULTER

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, January 14, 1964

Mr. MULTER. Mr. Speaker, on April 4, 1963, the Anti-Defamation League of B'nai B'rith presented its 1963 Human Rights Award to the then Vice President Lyndon B. Johnson at a dinner held in New York City.

The following article, which appeared in the December 1963, Anti-Defamation League bulletin, is based upon Lyndon B. Johnson's acceptance speech on that occasion. As the President pointed out, the forces of bigotry are on the defensive and this is truly a century of human rights. When we finally pass the Civil Rights Act, we will be adding another milestone to the cause of liberty so ably espoused by Lyndon B. Johnson.

The article follows:

**THE CENTURY OF HUMAN RIGHTS—WE SHALL HAVE FAILED OUR COUNTRY AND OUR CAUSE IF WE DO NOT FULFILL ITS PROMISE**

(By Lyndon B. Johnson)

This century in which we live has been given many names. It has been eloquently described as the century of the common man; others have applied different descriptions of both hope and despair. For myself, I feel it may be most accurately and aptly described as the century of human rights.

It may seem paradoxical to refer to a century which has seen the rise of two of the greatest tyrannies in history—fascism and communism—as the century of human rights. But, in the light of historic human behavior, it becomes apparent that there is no paradox whatsoever—in fact, that the rise of these forces is evidence of the growing strength of the cause of equality.

The intense fury with which the totalitarians of both the right and the left deny the concept of human rights is the measure of their realization that their cause is doomed. People who are truly confident, people who truly believe they represent the wave of the future, do not resort to mass denial of age-old religious practices, mass denial of political rights, or mass extermination. These are the weapons of frustration—the last resort of men who know, however loudly they may deny the fact, that they have reached the end of one of the blind alleys of history.

It is difficult for our generation—which has known of Dachau and Warsaw, of the imprisonment of cardinals and the fate of Passover in the Soviet Union—to realize the tremendous advance of the concept of equal rights in the mid-20th century.

A few short decades ago, the thought that all men and women—regardless of race, creed,

color, or origin—were entitled to equality of treatment was a novel idea. There was a concept of tolerance, but to far too many people it was a tolerance for "lesser breeds without the law" who were to be treated with kindness and humanity but not with equal regard as fellow human beings.

There are very few thinking men today who regard this kind of tolerance as a virtue, however much it may have contributed at one time to peaceful relations. The whole moral drive of the Western World is focused on the concept that we are all children of God—however we may worship our God—and entitled to judgment on our individual merits without regard to irrelevant considerations of ancestry.

This is the true wave of the future—the fulfillment of the dreams and hopes of moral men throughout the ages. However much we may fall short of our ideals, we are striving to attain them with an intensity heretofore unknown. They have become an accepted part of the fabric of our society. And however vehement may be the forces of bigotry, the fact remains that those forces are on the defensive. They are fighting a losing battle.

That is why I am confident our century—the century of human rights—will be remembered for the legacy it leaves to the future more than for its inheritance from the past.

It is abundantly clear that in the course of our Nation's affairs, we have arrived at a season of change in our policies and our relationships with the world—especially the non-Communist world. A period of searching reassessment has begun. However, we lose—and others lose—a necessary and indispensable perspective, when we neglect the fact that this is also a time for reassessment by all nations of the free world community.

All of us together are emerging from a period which has seen history's greatest explosion of political rights. We are also emerging from the early phase of what has been called the explosion of economic aspirations. In a very brief period, new world standards of political equality and equality of economic expectations have been established and we cannot neglect the implications.

We welcome what has happened. We are proudly conscious that both the revolution of political independence and that of economic expectations had their beginnings on these shores. We are conscious of special responsibilities to these forces which have reshaped the destinies of so many men. Our national policies since World War II have sought to honor those special responsibilities.

As the authentic revolutionaries of the world, however, we of America must make it clear to those who have chosen freedom that the revolution of freedom is fundamentally and above all else a revolution of human rights. And we must make it clear not only by words but by example and precept. Our own house must be in order.

When our system was created, many hard decisions were required. None was harder—none more revolutionary—than the decision embodied in our Bill of Rights that the Central Government should be prohibited from serving as the instrument for perpetuation of the prejudices and bias and discrim-

ination of any sect or segment of American society. This decision was—and has continued to be—fundamental to our American unity, fundamental to our American capacity for economic growth, fundamental to the harmony of our society, and fundamental to our capacity for exercising leadership on behalf of freedom beyond our own shores.

We must not acquiesce passively to any concept that the world can enjoy a new freedom while remaining the accomplice and prisoner of old prejudices.

But if a better world is to be built, there must be a universal recognition that mankind must marshal the full potential of human resources and make full use of those potentials without regard to hereditary bias, prejudice, and discrimination.

If we of America are to rise to our full height as men in this century, we must face courageously the world's problem of human discrimination. We must speak clearly. We must speak in concrete terms. We must help the world to understand that the curing of the problems of discrimination is the beginning—not the end—of genuine freedom.

As long as there have been societies more complex than tribal simplicity, majorities and minorities have relied on stereotypes to mold their opinions of one another. Such stereotypes have been convenient—but they have also been cruel.

We can take some measure of satisfaction from the fact that there is progress and that these stereotypes disappear as human understanding spreads.

For example, after January 20, 1961, the two highest elective offices in the strongest free nation on earth were held by men who had overcome the handicap of the stereotype—for reasons of religion or region of birth. And I believe that each passing day will diminish the force of the stereotype for all of us.

Recently, when I attended the swearing in of an Ambassador of the United States it was noted in some accounts that I am "from a Southern State." The Ambassador himself was from a Southern State, also. But the accident of my birth became newsworthy, as did his, because I was born in the South of white parents—and he was born of Negro parents.

If to stand by his side, to shake his hand, wish him "Godspeed" makes news, then that is news I am proud to make.

I say this to emphasize that the effort made by your national leadership today against discrimination, against bias, against division, and against the tyranny of stereotypes is, above all, an effort directed by men who know personally the enemy—and know his toll.

But, I say this also to suggest that perhaps we of America should consider raising our sights toward larger horizons. Certainly in this field there is much still to accomplish—but what remains undone does not detract from the magnitude of what has been done.

Much of our effort is directed today to the subtle forms of discrimination. This is a necessary and worthwhile effort—and we cannot be content until we have succeeded

completely. But when we look to the world as a whole, the problem of discrimination is a massive problem—requiring massive effort on our part.

We cannot be content until we commit ourselves to massive support of the cause of human rights everywhere.

Our American vocabulary is filled with frequent expressions identifying illiteracy, illness, ignorance and poverty as the oppressors of humankind. I believe we need to complete our vocabulary by acknowledging frankly that the greatest oppressor of all continues to be that of bias and prejudice.

We shall have failed our country and our cause if, from the position we are now privileged to enjoy in the world, we do not undertake the initiative in fulfilling the promise of this 20th century as the century of human rights.

If we are to be remembered as constructive builders of a better world of peace and justice and freedom we shall be remembered not for the dollars we sent abroad but for the force of the influence and leadership we exercise to improve the lot of mankind. It is this work that challenges us—it is this undertaking that summons us—it is toward this higher goal that we must lift up our sights and set our course.

LYNDON JOHNSON ON RECEIVING ADL'S 1963 HUMAN RIGHTS AWARD, APRIL 4, 1963

I am proud I live in a country where people have heart and where people come and give their support to causes that the Anti-Defamation League puts first—serving others. I know something about your work. As a result of your counsels, people are enjoying the first democracy they ever tasted in their whole lives in many parts of the land \* \* \* I want to thank you for permitting me to be part of you. I want to assure you that I understand the worthiness of your cause and I want to be a partner if I may.

Yeshivah Torah V'Emunah in East Bronx

#### EXTENSION OF REMARKS

OF

HON. KENNETH B. KEATING

OF NEW YORK

IN THE SENATE OF THE UNITED STATES

Tuesday, January 14, 1964

Mr. KEATING. Mr. President, one of the most significant challenges facing our Nation today is that of educating our children that they may be equipped not only to build the future, but also to live up to their great heritage. Although we have made long strides in improving educational opportunities, we dare not forget the underprivileged children who, whether because of unfortunate home situations or inaccessibility of adequate school facilities, are unable to enjoy the advantages to which they are entitled.

In this context we should remain mindful of the important contribution made by numerous private institutions, of teachers and sponsors who give so greatly of themselves to schoolchildren. These are men and women who are committed to the idea that imparting the wisdom and learning of Western civilization is a most vital task.

I should like to call the attention of my colleagues to a school in New York that exemplifies this kind of dedication. The Yeshivah Torah V'Emunah is staffed with devoted teachers who value the wel-

fare of their 400 pupils highly. Situated in the East Bronx of New York City, this Yeshivah is attended by many refugees from Cuba, Bolivia, Hungary, Poland, Czechoslovakia, and Israel, by children of poor and comfortable homes alike. A full-day nursery and kindergarten is maintained so that the widowed or divorced mothers of these children may work to support themselves.

As this school is attempting to meet the all too familiar problem of overcrowding by constructing a new building, I have asked the Office of Education in the Department of Health, Education, and Welfare to consider assistance under the National Defense Education Act. It is hoped that a loan can be considered to aid in equipping the laboratory projected for this new building, to make available to the students at this fine institution the equipment necessary to meet 20th century educational needs and challenges.

#### Goldwater Responds to Life's Editorial

##### EXTENSION OF REMARKS

OF

HON. KARL E. MUNDT

OF SOUTH DAKOTA

IN THE SENATE OF THE UNITED STATES

Tuesday, January 14, 1964

Mr. MUNDT. Mr. President, in an editorial in the November 1, 1963, issue of Life magazine a challenge was posed to Senator BARRY GOLDWATER, as a candidate for the Republican nomination for the Presidency, to clarify his views on foreign affairs. The Senator prepared a statement in response to that editorial challenge. This response is the first formal foreign policy statement of Senator GOLDWATER as an avowed candidate for the Presidency.

In view of the interest which all America has in the conduct of our foreign affairs because we all know that a world at peace depends in large part on our conduct of our foreign policy, I request permission that this article appearing in Life magazine for January 17, 1964, be printed in the RECORD.

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

GOLDWATER RESPONDS TO LIFE'S EDITORIAL: "MY PROPOSALS FOR A 'CAN-WIN' FOREIGN POLICY"

(By Senator BARRY GOLDWATER)

The United States is the most powerful Nation on earth. We are living in a world torn by conflict. We are challenged to use our power to achieve freedom and peace throughout the world. We are failing to do it.

The foreign policy of the United States should be the sum of principles and purposes through which we shape our national destiny—a clear statement of our interests, a believable expression of the will to maintain these interests and a vision of the sort of world in which nations like ours can live.

Foreign policy should not be confused with foreign programs. Programs as such stem from policy; they do not form it. To debate programs is to beg the issue and avoid

the confrontation with our national conscience which a real foreign policy requires.

It is not enough simply to say that war or peace is the only foreign policy issue. Peace has many complex requirements and war has many faces which we need to know more clearly. But first we need the statement and the vision.

The fundamentals of a decent public order are based upon a view of man as endowed with inherent, intrinsic worth and rights. His worth and his rights must be protected by the rule of law enforced by an impartial judiciary, respect for personal liberty and religion, a free press, diffusion of political and economic power, and emphasis on freedom of creativity for the individual. Since we hold that government derives its just powers from the consent of the governed, a world in which we can live safely by our principles must include both opportunity for all nations to live in the way prescribed by their people's convictions and the assurance that our system will enjoy a decent respect from other governments.

In present-day terms, the major objective of the U.S. foreign policy should be the reduction of Communist power to a level from which it cannot threaten the security of our Nation or the peace of the world. This will require full mobilization of the free world's resolve and its resources to undermine the power now held by Communists and to encourage their eviction from positions of control.

This does not mean war. It means the alternative to war; a way to win peace—to end threats to the Nation—without war. Together the advanced free nations hold the balance of world power. They greatly outproduce the Communist nations, whose economies, now deeply in trouble, would stagnate without constant infusions of Western productivity.

Psychologically, too, we have the advantage. Freedom is our century's most inspiring cry. The Western nations have more freedom than man has ever before enjoyed and have extended it. Communism demonstrably has been freedom's archenemy. But we have tended to hide freedom's light under a bushel of our own reticence. We must remove the bushel so that the light that is there will shine—brilliantly.

If we fail to exploit these other instruments of national power, there eventually will come a time when the military instrument alone will serve and only the alternative of war or surrender will be available.

Our present policy of coexistence has failed to alter communism's goal of destroying the political and social forms of the non-Communist world. It will continue to fail because it does not counter the aggressive dynamism of Communist expansion.

The Communists would like to present us with the one choice: either give in or face nuclear war. But hot war is not an essential ingredient of the campaign toward reducing Communist power and evicting Communist powerholders. It is the height of folly to equate a can-win policy—the desire to win—with a desire for war, just as it is foolish to suggest that a no-win policy will produce peace.

There is always a risk of war in a world in which possessors of great military power are committed to aggression. But war is a risk to the Communists as well as to us.

The Communists are deterred from risking war today by our preponderant military-technology advantage. That deterrence can last only so long as we keep an unflagging opposition to the total Communist enterprise.

Our present deterrent power was built almost entirely under the Eisenhower administration. There has been no significant addition to it since, and there are no plans for strengthening it. There are, indeed, plans to phase it down.

Easing the arms race will not ease tensions. It will enable a growing impunity for reckless Communist tactics.

We should not fall into the very trap which Communist strategy seeks to set for us—namely, that every time the free world exerts pressure against an exposed Communist satellite or marginal position, it incurs the risk of all-out Communist retaliation. Communist leaders have shown themselves cautious strategists when it comes to risking the security of their heartland by opting for war. Thus one of the principal objectives of free world strategy should be to exploit those situations in which the Communists cannot afford to take risks larger than the stakes are worth.

Our weapons programs—the choice of the right programs, their coordination with one another, and the purposefulness of their execution—are, therefore, matters of crucial national concern, and their revitalization is a matter of grave national necessity.

Does this approach alone doom any hope for the reconciliation of our differences? No. That hope is doomed by communism's objectives and not by any bellicose disposition in the free world.

The Communists' undeviating pursuit of a Communist world is a fundamental fact of world politics here and now. An American foreign policy which does not come to grips with this fundamental fact is about as meaningful as a production of "Hamlet" without the Danish prince. A thousand foreign plans, programs, and proposals only waste our precious resources so long as their authors refuse to face the fact of Red determination.

The suggestion that Khrushchev is a "better" Communist for our purposes and therefore deserves support to prevent a "worse" Communist from taking his place is a Western-style notion. It couldn't get house room in Communist thinking. Communists think of communism in ideological, not personal, terms.

Western governments are concerned with the people's welfare here and now; a free electorate does not tolerate the sacrifice of the living generation—its own generation—for the sake of some utopian fancy. Government which seeks to attain practical goals and is responsive to the people—this is the kind of government with which most of us are familiar. Communist government is not based on these principles. Yet, good naturedly and mistakenly, the democratic peoples are prone to credit these virtues to governments which spurn democracy and brag about it.

We must deal with what is the case and not with what we wish were the case. Demonstrably, the Communists themselves entertain no idea of real peace with their enemies. They consider themselves engaged in an epochal movement of history which, by historical necessity, will end the present age and destroy its society to usher in the new Socialist age.

The Communist conflict machine consists of many parts, any of these dangerous to the United States insofar as it is linked, by a community of purpose and world view, to a Communist power center capable of threatening the United States or other non-Communist nations. At present such a power center exists in the Soviet Union and one may well develop in Communist China. Others may develop in time.

Inner differences between the parts of communism do not remove the threat of any one of them to non-Communist nations so long as the overthrow of the present society remains their common goal. The antagonism between the Soviets and Red China is not based on any difference in ideas as to their enemy (the non-Communist nations, particularly the United States) and his as-

signed fate (destruction of his society). Thus we can take no comfort from their differences. In fact, the development of two Communist power centers could as easily double our problems as halve them.

Present U.S. foreign policy does not cope squarely with any of these situations. It is a series of unrelated programs, nervous reflexes and unwarranted assumptions. Foreign aid is used, at one and the same time, to strengthen nations against communism and to strengthen nations already dominated by Communists. In those latter cases it has not weakened Communist power but has, instead, eased internal difficulties by making up local commodity deficits.

Our nuclear policies now place more trust in our enemies than in our friends. We speak of an "interdependent" world and yet we deploy our strength so as to isolate ourselves. We are building, in short, the illusory walls of a new fortress America, in an age when such walls may be vaulted with ease. And, most alarmingly, our present policy has permitted our major alliances to decay.

As I see it, we have no realistic purpose around which policy may be formed and through which programs can be sensibly directed.

A determined enemy, faced with this jumbled array, knows that he can nibble away at one point and then another without risk. He is, in short, given assurances of immunity as he alternates between hot and cold, freeze and thaw. On our side, indecision immobilizes us, lack of overriding purpose confuses us and reaction—rather than action—restricts us.

In Latin America, for example, a dollar-stitched patchwork quilt of programs is being torn to shreds by a unified Communist drive to power. We seem to be heading toward acceptance of the substance of Communist rule under the guise of "progressive" nationalism. In Cuba the issue once was communism, but since has become simply the number of Soviet troops on the island.

Africa is said to be swept by what some call the revolution of rising expectations, easily exploitable by the Communists. Firm Western leadership could turn this turmoil in the direction of rising responsibility.

Southeast Asia shows the greatest confusion of purposes. The decision in Laos to conclude a worthless truce and accept a coalition including Communists laid open that country's long boundaries to Communist infiltration. Thailand, once a strong ally, has been left exposed, lonely and virtually forgotten. Cambodia, perceiving the meaning of our abandonment of Laos, now stands ready to hop on the Communist bandwagon. Our attempt to make a policy of concessions in Laos compatible with a policy of resistance in Vietnam was hopeless from the beginning.

There is nothing in these situations that can inspire the rallying together of the non-Communist world, that can strengthen its will or weapons, or reduce the power of the enemy. Instead, on every front there is encouragement for further Communist incursions—and encouragement also for dangerous miscalculations which could force nuclear war.

The present U.S. foreign policy does not encourage—or in some cases even permit—the use of free-world power, short of general war, to counter Communist strategy, undermine Communist power, or encourage the eviction of Communist power holders.

In the central struggle of our time, the power of the United States is crucial, but it does not stand alone.

The broad base of power which can confront, confound, and eventually overcome communism is the Atlantic community of nations, which collectively possesses the pre-

ponderant power of the earth and also shares a common cultural heritage. It is the present disarray in the Atlantic alliance which today most seriously weakens us and encourages the expansion of communism.

Our present foreign policy is conducive to this disunity. It has mishandled the delicate problem of relating a number of highly civilized and industrialized nations to U.S. leadership. It has fumbled the problem of sharing our nuclear know-how and weapons with our friends. It has, again and again, misjudged the requirements and sensitivities of our allies and evoked distrust and misunderstanding. Nor has the alliance been strengthened by our tendency to undercut our allies in the immensely complex process of decolonization.

There is a way out of the dilemma and away from the disaster it clearly foreshadows. We must rethink the purpose of the alliance, and the degree to which we are willing to concede to NATO certain prerogatives which we now reserve to ourselves.

As a matter of fact, some of these prerogatives already have been challenged so effectively by our allies that we now possess only their shadow. There is no use telling ourselves, for instance, that we still hold a nuclear monopoly in the alliance and will hold it in the future. Great Britain has such power. France is building it. There are no technological reasons to prevent others from doing the same.

Our allies may be wrong about a number of things, but they are quite right to mistrust our tendency to seek accommodations with communism through bilateral negotiations. France had some reason to look upon the test ban treaty as an agreement arrived at between the United States and the U.S.S.R. at her expense.

The answer which frequently is given to justify our current alliance-fracturing drive toward a détente with the Soviets is that it is difficult to obtain the unanimous consent of 15 allies. That begs the question. What is it that all 15 allies have unanimously agreed upon? They have agreed that they must defend one another, through NATO. If it is still their mutual defense that they are agreed upon and if they still can trust one another to come to each other's defense, they can also agree—as we can—upon the structural changes necessary to enable the alliance to cope with the issues of the times.

The crux of the alliance problem is the failure of the Democratic administration since 1960 to provide for the full participation of our allies in the planning and deployment of the most modern weapons systems, including appropriate nuclear weapons.

In this, the Democratic administration has been pursuing the most potentially disastrous course of isolationism in our history, and no responsible Western leader has failed to be alarmed by it. The American people should be, too.

All NATO forces stationed in Europe, regardless of nationality, should be equipped with and trained in the use of nuclear weapons, particularly of the so-called battlefield or tactical variety. So long as Europeans feel that the United States can veto the defense of their homes by the most modern weapons, they will have reason to view the NATO alliance half in hope and half in fear.

The question of "nuclear sharing" revolves, actually, on a question of trust. Do we, in nuclear matters, trust the Soviets more than we trust our allies?

I have suggested that the supreme commander in Europe be given authority over the tactical nuclear weapons appropriate to NATO's defenses. The best authorization ultimately must be worked out with NATO itself. I am convinced that it can be.

The Atlantic alliance could change the course of world affairs. Agreement on defense matters should be just a beginning.

The highly developed nations of the Atlantic community are perfectly capable of working out common trade and political policies which could bring down the power of communism without war.

Other alliances, such as those of CENTO and SEATO, could be revived to join in pressures against communism in the Middle and Far East. Where are they today? Under the Democratic administration they have been barely remembered, much less encouraged and strengthened.

Common trade and political policies also could provide non-Communist answers to the developmental problems of Latin America, Asia, and Africa. No single nation has the resources to underpin these developments. Present programs, scattered and purposeless, only provide easily squandered money. Really needed are technological, administrative, and educational investments by the entire Atlantic community, lest it forever be the fate of the underdeveloped nations to build appetites without planting sustenance for decent entry into a world of advanced technologies.

Economic warfare against the problem-ridden Communist countries, waged from a base of Atlantic purpose, would be one means of undermining Communist power without shooting warfare. Yet the trade policies of the Western nations—particularly those of the United States, whose leadership is required to turn the tide—are supporting rather than eroding Communist power. Instead of being the "arsenal of democracy," the West is becoming the "warehouse of communism"—enabling Communists to make up for economic shortfalls which otherwise would weaken their power and very probably destroy it eventually.

The policy of relaxing tensions by conciliatory exchanges was tried with Hitler. As a result of "business as usual," Hitler managed to plug the holes of the German economy and to fight the war in much better economic shape than he would have been in had the Western democracies embargoed trade with Germany.

Our current policies in this regard are almost perfect examples of everything we should not be doing. The wheat sale, on Soviet terms, is a case in point.

Does economic pressure to undermine Communist power mean that they would be driven to hot war? Hardly. Countries economically strapped and agriculturally sapped are ill-equipped to fight wars.

Psychological warfare, another tool of power short of shooting, must have purpose and direction as well. "Bland" is the toughest word that comes to mind for our present performance in this area.

We have now officially disavowed the attempts of others to change the status quo. We have abandoned even a discussion of it, and we also have dropped our opposition to some Communist regimes or their claims to legitimate control. Once our tendency to accept the status quo has carried us to the point of endorsing the entire Communist empire as a legitimate regime whose interests we are committed to respect, it stands to reason that we can no longer mobilize any psychological resistance to communism.

The United States should publicly and repeatedly proclaim its confident expectation that congenial troublemakers such as the Communists will not forever be tolerated to control civilized nations. Psychological warfare should drive home always this point: Communists are alien rulers even in their own countries. Blame for international crises should be placed squarely where it belongs, on the Communist leadership. When songs of freedom are sung, let them be sung about those who cherish freedom and let the anger of those songs be directed against those who in the world today deny freedom—the Communists.

In the Cuba blockade, we briefly experienced the psychological advantages that accrue to firm action—just as we had earlier in President Truman's actions in Greece and Korea, and in President Eisenhower's actions in Lebanon and in the China Straits. All too quickly in Cuba, however, we abandoned a strong course which even today, could be effective. We went back to the morale-eneebing course of hat-in-hand diplomacy. The first barbed wire of the Berlin wall offered an opportunity for decisive action, too. We could have, justifiably and securely, dismantled the crude barriers at the checkpoints. As it is, we have dangerously deferred decision and meekly stood by while communism called the shots.

We should, and morally can, seek to discredit both the Communist ideology and the Communist leadership in the eyes of their subjects, and try to drive wedges between them.

In countries not yet ruled by Communists we should engage in a systematic intellectual and organizational counterattack against the Communists, with the aim of denying them every position of influence.

We should revive the international discussion of issues damaging to the Communists—as, for instance, the Hungarian bloodletting.

No discussion of internal affairs in Western nations—South Africa, as an example—should be permitted without raising the issues of Communist oppression in Russia, China, Poland, East Germany, Czechoslovakia, Hungary, Romania, Bulgaria, Yugoslavia, Albania, Lithuania, Latvia, Estonia, North Korea, North Vietnam, Cuba, Outer Mongolia, Tibet—everywhere and anywhere it exists. There never should be discussion of Communist claims without discussion of freedom's counterclaims, which are designed to lift tyranny from suffering peoples.

Neutrality—an attitude of indifference in this struggle between communism and free societies—is repugnant to freedom. Free men should not support it. Communism, as an aggressive force, will ultimately not permit it. Rare cases of genuine neutrality, self-defended, such as that of Switzerland, are not the same as neutrality, or the attempt to play one side against the other.

Political power, which the West possesses so abundantly, should be wielded forthrightly to dissuade any non-Communist or nonaligned nation from supporting communism in foreign policy. As in most areas of human relationships, the wisest and most honorable rule of conduct is to reward one's friends and to punish one's enemies. The Democratic administration, heartlessly and imprudently, stands this rule on its head.

International negotiations, to be sure, are a prime arena for political power. Communists negotiate only for their own practical and ideological purposes and never to achieve peace or genuine harmony. To negotiate with the Communists without a policy that recognizes these facts is always to give and never to gain.

There is an unfortunate tendency these days to use the United Nations as an excuse for not driving hard bargains with the Communists. Such difficulties as we have with the Communists, it is often said, can be ironed out in the U.N. This is not true and the history of the U.N. has proved it abundantly and clearly.

The U.N. is a discussion forum. Attempts to make more of it at this juncture actually weaken whatever good purposes it can serve. More to the point, the U.N. is a forum far different from the one we envisioned and voted for in 1945. Its debates are now devoted almost exclusively to declamations of anticommunism. Its members are free from even the responsibility to pay their dues. Its charter commitments against internal interference have been critically violated in,

for instance, the Congo. Its notion of voting by sovereign nations was falsified at the outset by the allocation of separate votes to political subdivisions of the U.S.S.R.

We should realize in determining our position toward the U.N. that it cannot, as such, bring peace. Its Communist membership prohibits that. The problem of peace with which it might some day be able to deal will be its reasonable province only after its membership is composed of nations genuinely interested in mutual respect and toleration.

In terms of forging peace, I view the NATO alliance—the Atlantic community—as a far more practical tool than the U.N.

The U.N. in the presence of aggressive communism is, at best, a secondary instrument of international accord. It is useful to the West now for a special reason: it provides a forum in which to discuss Communist violations of the charter. If we will not so use it, its usefulness should be questioned in our Congress, where the most responsible decision regarding our membership can be made.

It is avoidance of responsibility and lack of purpose, not a lack of programs, that most gravely afflict our foreign policy today. The defects will not be cured by proposing more and more programs.

Our foreign economic aid program, for example, is an amalgam of many programs. What is its purpose? Careful study reveals no guiding doctrine for it. But an administration unable to keep together the most reasonable alliance in history—that of the Atlantic community—could scarcely be expected to provide purposeful direction. It obviously has none. Catch-as-catch-can may be an appropriate approach toward politics. It is not adequate for world politics.

The most effective approach to foreign policy now is to propose a purpose—a policy, if you will—not simply to propose new programs. Most Americans must sense this. Our allies surely do.

The programs evolving from an effective policy must be tailored to fit opportunity. Lacking purpose, they will, as now, just be knee-jerk reactions to Communist hammer taps.

One last word—about the style of our foreign policy. No nation can endure without self-respect. We need, as vitally as daily bread, the return of honor and dignity to our national conduct. We must end the trifling disregard with which our citizens have been treated in various parts of the world. Our Government must again speak and act with the distinction befitting one of history's great nations.

I have tried to propose here a standard which freemen can share and to which they can repair. The achievement of peace by the reduction of Communist power without all-out war should head the list of priorities. Only within the framework of this purpose can intelligent attention be given to the problems of grinding poverty, ignorance, and disease.

The hope that freedom and communism can live peaceably, side by side, is a vain hope, for it takes two to live at peace. The Communists will not—and cannot—live at peace, hog-tied as they are by their own militant ideology. Thus, merely to echo the Communist slogan of peaceful coexistence is simply to fall in with Communist propaganda. Most certainly, to accept the division of the world between free and slave does not measure up to worthy and sensible purpose in foreign policy.

Ending the Communist power to distort human life and disrupt world peace is the vision of victory that has the power to inspire and the inspiration to win. It is the victory that would snuff the fuse of war and aggression, liberate peoples, and assure ordered fulfillment of reasonable hopes everywhere.

## Our Best Wishes to President Segni and to Italy

EXTENSION OF REMARKS  
OF

**HON. JOSEPH G. MINISH**

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Tuesday, January 14, 1964

Mr. MINISH. Mr. Speaker, I am delighted that His Excellency Antonio Segni, President of Italy, has accepted the invitation of President Johnson to visit the United States and that he will address the Congress tomorrow. We should not overlook this opportunity to pay tribute to a leading statesman and his nation. Both have been outstanding practitioners of democracy.

The friendly association of the United States with Italy is one of long duration, extending into the last century. The United States happily received millions of Italian immigrants through her portals, confident they would honor the principles of that Lady of Liberty which welcomed them ashore. They have not disappointed anyone. Italian-Americans have made worthy citizens and successful contributors to every phase of American life. Americans of Italian origin are known and respected in every occupation from artist to Cabinet member.

Like every other country Italy has had difficult times. World War II was certainly one of the most difficult. No American was happy that so much destruction and hardship were brought to Italy. But we were glad to have been

Italy's liberators along with our allies, and main contributors to her postwar economic development.

It was in the first years of the postwar period that the backbone of Italian democracy was formed around the Christian Democratic Party, of which President Segni is a member. The Christian Democratic Party has directed the Italian Government for the last 18 years, and is presently embarked on yet another year with a firm parliamentary majority and a progressive program. If Italy continues to escape the designs of international communism it will largely be due to the Christian Democratic Party and President Segni himself.

The party began to exert itself in the first constituent assembly called after the war to overcome the vestiges of fascism, the chaos of the war, and the strong-arm tactics of the Communist Party. Under the constitution which that assembly wrote, the Italian people have enjoyed every guarantee of democratic freedom, and governmental stability such as they have seldom known before.

The parliamentary governments formed under the constitution have in every case been directed by the Christian Democratic Party according to the principles of the constitution and democratic men everywhere. Magnificent economic progress has been made, often called a miracle, and a rich industrial Italy has already risen from the ashes of war. Liberal and progressive welfare, health, and education programs have given Italians a happier life than they could have imagined under an ex-

tremist government of either right or left.

Italy was an original signatory of the North Atlantic Treaty, and has significantly contributed to the mutual defense of America and Western Europe. The Christian Democratic Party has continued to trust and support Italy's friends, and abide by every international agreement, despite the severest pressure from the Communist Party.

President Segni has everywhere been in the fore of these important accomplishments of his country and his party. He is a man of liberal intelligence and firm principles. He believes in allied unity. In pursuit of that unity he has often spoken for Italy against those who disrupt the vital cooperation between Europe and America and within Europe itself.

President Segni was the Prime Minister of Italy during a time of crisis, but overcame that crisis. He was chosen President because of his dedication and his popularity with the Italian people.

When Italy called on him last year to carry the message of friendship to Germany and England he gladly accepted. When an electoral crisis brought the avaricious Communist Party about his head, he stood firm for freedom and helped to mold gradually the new government, which has as its basic program, loyalty to the Atlantic Alliance, and a better life for all Italians.

Italy is fortunate indeed to have so capable a head of state visit the United States. On the occasion of his visit we should acknowledge our gratitude and best wishes to President Segni and to Italy. May we always progress together in friendship.

## HOUSE OF REPRESENTATIVES

WEDNESDAY, JANUARY 15, 1964

The House met at 12 o'clock noon.

The Chaplain, Rev. Bernard Braskamp, D.D., offered the following prayer:

*Romans 8: 6: To be spiritually minded is life and peace.*

Our Heavenly Father, we are again turning to Thee in prayer in order that we may gain a deeper appreciation and experience of the spiritual realities and values, for we penitently confess that our spiritual life is often so meager and minimum in quantity and so impoverished in quality.

We acknowledge that Thou hast divinely ordained that we need mechanics, system, and organization in the business of government, but grant that we may not fail to see that in our political thinking and in the conduct of government we need above all spirit-filled and dedicated men and women.

Grant that we may understand more clearly that Thy divine spirit must permeate and prevail in all our plans and policies lest we be guilty of carrying on the affairs of state on a very low level without having any spiritual frontage.

Hear us in the name of the Prince of Peace. Amen.

## THE JOURNAL

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

## MESSAGE FROM THE SENATE

A message from the Senate by Mr. McGown, one of its clerks, announced that the Senate had passed without amendment a bill of the House of the following title:

H.R. 7406. An act to provide for increased participation by the United States in the Inter-American Development Bank, and for other purposes.

The message also announced that the Presiding Officer of the Senate, pursuant to Public Law 115, 78th Congress, entitled "An act to provide for the disposal of certain records of the U.S. Government," appointed Mr. JOHNSTON and Mr. CARLSON members of the joint select committee on the part of the Senate for the disposition of executive papers referred to in the report of the Archivist of the United States numbered 64-8.

## RECESS

The SPEAKER. The House will stand in recess subject to the call of the Chair. Accordingly (at 12 o'clock and 3 minutes p.m.) the House stood in recess subject to the call of the Chair.

## JOINT MEETING OF THE HOUSE AND SENATE TO HEAR AN ADDRESS BY THE PRESIDENT OF THE ITALIAN REPUBLIC, ANTONIO SEGNI

The Speaker of the House presided.

The Doorkeeper announced the President pro tempore and Members of the U.S. Senate, who entered the Hall of the House of Representatives, the President pro tempore taking the chair at the left of the Speaker, and the Members of the Senate the seats reserved for them.

The SPEAKER. The Chair appoints as members of the committee to conduct the President of the Republic of Italy into the chamber: the gentleman from Oklahoma [Mr. ALBERT], the gentleman from Illinois [Mr. ARENDS], the gentleman from Pennsylvania [Mr. MORGAN], the gentlewoman from Ohio [Mrs. BOLTON], the gentleman from New Jersey [Mr. ROBINO], and the gentleman from Massachusetts [Mr. CONTE].

The PRESIDENT pro tempore. On the part of the Senate, the Chair appoints as members of the committee of escort the Senator from Montana [Mr. MANSFIELD], the Senator from Minnesota [Mr. HUMPHREY], the Senator from Florida [Mr. SMATHERS], the Senator from Arkansas [Mr. FULBRIGHT], the Senator from Illinois [Mr. DIRKSEN],