More than 80 percent of our foreign aid money is spent within the United States for goods and services. In fact, a recent study by the House Foreign Affairs Committee showed that U.S. military aid in 1963 resulted in U.S. procurement amounting to more than 100 percent of total expenditures. AID was responsible for more than $855 million worth of U.S. exports in the year 1963 alone. In 1962 for example, AID-financed purchases were responsible for one-third of U.S. exports in locomotives, one-third of U.S. fertilizer exports, and one-fourth of the U.S. iron and steel exports.

Actually, the foreign aid program has been a catalyst in creating new markets for American exports and increasing old ones for U.S. products. One study of 32 countries receiving foreign aid shows that over a 5-year period, U.S. exports increased 4 times the amount of aid. Since the Marshall plan and the beginning of European recovery, our Western European exports have doubled and our exports to Japan have tripled. Our European markets have made possible a favorable balance of trade of over $3 billion. U.S. wheat and milk donated to Japan in earlier years has contributed to making Japan today the single largest consumer of American agricultural products today.

U.S. aid is so familiarizing the world with American products and techniques that it is creating a market which is potentially four times that of the Marshall plan countries. As these countries achieve economic growth and stability so will demand and purchasing power for buying U.S. goods.

The President has stated that the role and responsibilities of the U.S. private sector in the aid program is growing. More opportunities will result from the enactment of the President's request to expand the existing investment guarantee programs and the enactment of the investment tax credit program. At the same time, the foreign assistance program affords many chances for advancement for the private sector in the developing countries. The program loans to small business and development and agricultural credit banks as well as technical asistance will encourage private enterprise and provide a favorable climate for investors from abroad.

These aspects—the expansion of U.S. exports, earnings from U.S. foreign investments and acquainting nations with U.S. goods and services—mean that the foreign assistance program, contrary to some popular beliefs, actually contributes to the long-range improvements in our balance of payments.

Aside from the benefits to U.S. business and export, American products have added new dimensions to the living standards of developing countries. U.S. wheat and milk which went to Japan during assistance days created a market for additional quantities of milk, wheat, and corn products now important nutritional ingredients to the Japanese diet. U.S. technology and business enterprise have appealed to the inventiveness of the developing countries and by their example have importantly contributed to better living standards, future industrialization, with accompanying job opportunities.

The foreign aid record is particularly encouraging in light of these facts. It certifies the prudence of our loan record and responsibility with which recipient countries have carried out their agreements. It proves itself a sound investment for the U.S. business community. It represents an investment which will increase U.S. exports and further reduce the U.S. balance-of-payment deficit. Most important, it is a sound investment in creating a world of modern and secure nations.

Dr. Albert Schweitzer

EXTENSION OF REMARKS
OF
HON. W. J. BRYAN DORN
OF SOUTH CAROLINA
IN THE HOUSE OF REPRESENTATIVES

Thursday, January 14, 1965

Mr. DORN. Mr. Speaker, today is Dr. Albert Schweitzer's 90th birthday. He is one of the greatest humanitarians in all the history of the world. It will be interesting to my colleagues who are often visited with ingratitude for doing good that Dr. Schweitzer upon one occasion said, "Anyone who proposes to do good must not expect people to roll stones out of his way, but must accept his lot calmly if they even roll a few more stones upon it."

Dr. Schweitzer's magnificent philosophy can be summed up in this statement he made early in life, "It is an uncomfortable doctrine which the true ethic whispers in your ear. You are happy, it says; therefore you are called upon to give much. Whatever more than others you have received in health, natural gifts, working capacity, success, a beautiful childhood, harmonious family circumstances, you must not accept them as a matter of course. You must pay a price for them. You must show more than an average devotion to life."

Mr. Speaker, Dr. Schweitzer has devoted his life to others and his "reverence for life" has inspired countless millions throughout the world. I wish Dr. Schweitzer a happy birthday and the greatest New Year of all.

SENATE

FRIDAY, JANUARY 15, 1965

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

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

O Thou Holy One, whose sanctuary is the spirit of man: When there comes a sense of Thy searching presence, we know that only from strands of penitence and forgiveness can there be woven a garment of righteousness to cover our selfish and willful hearts.

Toiling amid the pressures of epochal days, we humbly invoke Thy guidance, as with a sense of awesome responsibility there are faced in this forum of a nation's will the thorny problems of our shadowed and saddened world.

These are the sins we fain would have Thee take away—
Malice and cold disdain; hot anger, sullen hate;
Scorn of the lowly, envy of the great;
And discontent that casts a shadow, gray
On all the brightness of a common day.

We ask it in the spirit of the One who mirrored Thy goodness in a human life. Amen.

THE JOURNAL

On request of Mr. MANSFIELD, and by unanimous consent, the reading of the Journal of the proceedings of Tuesday, January 12, 1965, was dispensed with.

MESSAGE FROM THE PRESIDENT

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

IMMIGRATION—MESSAGE FROM THE PRESIDENT (H. DOC. NO. 52)

The PRESIDING OFFICER (Mr. TYDINGS in the chair). The Chair lays before the Senate a message from the President of the United States relating to immigration. Inasmuch as the message has been read in the House of Representatives, without objection, the message will be referred, without reading.

There being no objection, the message was referred to the Committee on the Judiciary, as follows:

To the Congress of the United States:

A change is needed in our laws dealing with immigration. Four Presidents have called attention to serious defects in this legislation. Action is long overdue.

I am therefore submitting, at the outset of this Congress, a bill designed to correct the deficiencies. I urge that it be accorded priority consideration.

The principal reform called for is the elimination of the national origins quota system. That system is incompatible with our basic American tradition.

Over the years the ancestors of all of us—some 42 million human beings—have migrated to these shores. The fundamental, longtime American attitude has been to ask not where a person comes from but what are his personal qualities. On this basis men and women migrated from every quarter of the globe. By their hard work and their enormously varied talents they hewed a great nation out of a wilderness. By their dedication to liberty and equality, they created a society reflecting man's most cherished ideals.

Long ago the poet Walt Whitman spoke our pride: "These States are the amplest poem." We are not merely a nation but a "Nation of nations."

Violation of this tradition by the national origins quota system does incalculable harm. The procedures imply that men and women from some countries are, just because of where they come from, more desirable citizens than others. We have no right to disparage the ancestors of millions of our fellow Americans in this way. Relationships with a number of countries, and hence the success of our foreign policy, is needlessly impeded by this proposition.

The quota system has other grave defects. Too often it arbitrarily denies us immigrants who have outstanding and sorely needed talents and skills. I do not believe this is either good government or good sense.

Thousands of our citizens are needlessly separated from their parents or other close relatives.

To replace the quota system, the proposed bill relies on a technique of preferential admissions based upon the advantage to our Nation of the skills of the immigrant, and the existence of a close family relationship between the immigrant and people who are already citizens or permanent residents of the United States. Within this system of preferences, and within the numerical and other limitations prescribed by law, the issuance of visas to prospective immigrants would be based on the order of their application.

First preference under the bill would be given to those with the kind of skills or attainments which make the admission especially advantageous to our society. Other preferences would favor close relatives of citizens and permanent residents, and thus serve to promote the reuniting of families—long a primary goal of American immigration policy. Parents of U.S. citizens could obtain admission without waiting for a quota number.

Transition to the new system would be gradual, over a 5-year period. Thus the possibility of abrupt changes in the pattern of immigration from any nation is eliminated. In addition, the bill would provide that as a general rule no country could be allocated more than 10 percent of the quota numbers available in any one year.

In order to insure that the new system would not impose undue hardship on any of our close allies by suddenly curtailing their emigration, the bill authorizes the President, after consultation with an Immigration Board established by the legislation, to utilize up to 30 percent of the quota numbers available in any year for the purpose of restoring cuts made by the new system in the quotas established by existing law.

Similar authority, permitting the reservation of up to 10 percent of the numbers available in any year, would enable us to meet the needs of refugees fleeing from catastrophe or oppression.

In addition, the bill would:

First. Permit numbers not used by any country to be made available to countries where they are needed;

Second. Eliminate the discriminatory Asia-Pacific triangle provisions of the existing law;

Third. Eliminate discrimination against newly independent countries of the Western Hemisphere by providing nonquota status for natives of Jamaica, Trinidad, and Tobago;

Fourth. Afford nonquota status to parents of citizens, and fourth preference to parents of resident aliens;

Fifth. Eliminate the requirement that skilled first-preference immigrants needed in our economy must actually find an employer here before they can come to the United States;

Sixth. Afford a preference to workers with lesser skills who can fill specific needs in short supply;

Seventh. Eliminate technical restrictions that have hampered the effective use of the existing fair-share refugee law; and

Eighth. Authorize the Secretary of State to require reregistration of quota immigrant visa applicants and to regulate the time of payment of visa fees.

This bill would not alter in any way the many limitations in existing law which prevent an influx of undesirables and safeguard our people against excessive or unregulated immigration. Nothing in the legislation relieves any immigrant of the necessity of satisfying all of the security requirements we now have, or the requirements designed to exclude persons likely to become public charges. No immigrants admitted under this bill could contribute to unemployment in the United States.

The total number of immigrants would not be substantially changed. Under this bill, authorized quota immigration, which now amounts to 158,361 per year, would be increased by less than 7,000.

I urge the Congress to return the United States to an immigration policy which both serves the national interest and continues our traditional ideals. No move could more effectively reaffirm our fundamental belief that a man is to be judged—and judged exclusively—on his worth as a human being.

LYNDON B. JOHNSON.

THE WHITE HOUSE, *January 13, 1965.*

S. —

A bill to amend the Immigration and Nationality Act, and for other purposes

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 201(a) of the Immigration and Nationality Act (66 Stat. 175, 8 U.S.C. 1151(a)) be amended to read as follows:

"SEC. 201. (a) The annual quota of any quota area shall be the same as that which existed for that area upon enactment of subsection (f) of this section: *Provided,* That the minimum quota for any quota area shall be two hundred: *Provided further,* That beginning with the first fiscal year commencing after the enactment of subsection (f) of this section and for each of the four succeeding fiscal years the annual quota of every quota area shall be reduced by 20 per centum of its present number for each such fiscal year. The quota numbers so deducted from quotas of quota areas shall be added to the quota reserve established by subsection (f) of this section and shall be available for distribution in accordance with the provisions thereof."

SEC. 2. Section 201(b) of the Immigration and Nationality Act (66 Stat. 175, 8 U.S.C. 1151(b)) is amended by substituting "section 202(d)" for "section 202(e)" after the words "provided for in".

SEC. 3. Section 201 of the Immigration and Nationality Act (66 Stat. 175, 8 U.S.C. 1151) is amended by adding the following additional subsection:

"(f) Quota numbers made available at the commencement of any fiscal year as a result of the reduction of the annual quota of any quota areas pursuant to subsection (a) of this section, together with quota numbers not issued or otherwise used during the previous fiscal year, shall then be made available (1) during the five fiscal years following the enactment of this subsection, to quota immigrants, if otherwise admissible under the provisions of this Act, who are unable to obtain prompt issuance of visas due to oversubscription of their quotas or subquotas as determined by the Secretary of State, and (2), thereafter, to quota immigrants if otherwise admissible under the provisions of this Act. These quota numbers shall be allocated within the percentage limitations and in the order of priority specified in section 203 without regard to the quota to which the alien is chargeable: *Provided,* however, that the combined number of quota numbers issued to any quota area in any year, under the provisions of this subsection and subsection (a) of this section, shall not exceed 10 per centum of the total quota numbers authorized for that year: *Provided further,* That in no case shall this limitation operate to reduce any quota in any of the five fiscal years following the enactment of this Act by more than the 20 per centum specified in subsection (a) of this section: *Provided further,* That the President may, after consultation with the Immigration Board, reserve—

"(1) Not to exceed 30 per centum of such numbers for allocation to quota immigrants, if otherwise admissible under the provisions of this Act, whose admission is determined by him to be required (A) to avoid undue hardship, resulting from the reduction of annual quotas pursuant to subsection (a) of this section, which is not otherwise avoided under the provisions of this subsection, and (B) in the national security interest of the United States: *Provided,* That the limitation on immigration from any single quota area in any year included in the first proviso to this subsection shall not apply to visas issued under this clause; and

"(2) Not to exceed 10 per centum of such numbers for allocation to quota immigrants, if otherwise admissible under the provisions of this Act, whose admissions will further the traditional policy of the United States of offering asylum and refuge to persons oppressed or persecuted, or threatened with oppression or persecution, because of their race, color, religion, national origin, adherence to democratic beliefs, or their opposition to totalitarianism or dictatorship, and to persons uprooted by natural calamity or military operations who are unable to return to their usual place of abode. After consultation with the Attorney General, the Secretary of State shall establish by regulation the requirements for qualification within this class, with reference to current world conditions.

In no case shall the authority to reserve such numbers, or the limitation on the combined number of quota numbers to be issued to any quota area in any year, operate so as to require that authorized quota numbers be unused."

SEC. 4. Section 201(c) of the Immigration and Nationality Act (66 Stat. 176, 8

U.S.C. 1151(c)) is amended to read as follows:

"There shall be made available for the issuance of immigrant visas to quota immigrants (1) in any fiscal year no more quota numbers than the total quota for such year, and (2) in any calendar month of any fiscal year, no more quota numbers than 10 per centum of the total quota for such year in addition to that portion of the quota authorized for issuance but not issued during any preceding calendar month or months of the same fiscal year; except that during the last two months of any fiscal year immigrant visas may be issued without regard to the 10 per centum limitation contained herein."

SEC. 5. Section 201(d) of the Immigration and Nationality Act (66 Stat. 175, 8 U.S.C. 1151(d)) is amended to read as follows:

"A quota immigrant visa shall not be issued to any alien who is eligible for a nonquota immigrant visa."

SEC. 6. (a) Section 220(a) of the Immigration and Nationality Act (66 Stat. 176, 8 U.S.C. 1152(a)) is amended by deleting paragraph (5) thereof.

(b) Section 202(b) of the Immigration and Nationality Act (66 Stat. 177, 8 U.S.C. 1152(b)) is repealed.

(c) Section 202(c) of the Immigration and Nationality Act (66 Stat. 177, 8 U.S.C. 1152(c)) is redesignated section 202(b) and is amended to read as follows:

"Any immigrant born in a colony or other component or dependent area of a governing country for which no separate or specific quota has been established, unless a nonquota immigrant as provided in section 101(a)(27) of this Act, shall be chargeable to the quota of the governing country, except that no more persons born in any such colony or other component or dependent area overseas from the governing country shall be chargeable to the quota of its governing country in any one year than a number which bears the same relation to the quota of its governing country as the number two hundred bears to the quota of the governing country prior to the enactment of this Act."

(d) Section 202(d) of the Immigration and Nationality Act (66 Stat. 178, 8 U.S.C. 1152(d)) is redesignated section 202(c).

(e) Section 202(e) of the Immigration and Nationality Act (66 Stat. 178), as amended (75 Stat. 654), (8 U.S.C. 1152(e)) is redesignated section 202(d) and is further amended by substituting "section 202(b)" for "section 202(c)(1)" after the words "issued under."

SEC. 7. Section 207 of the Immigration and Nationality Act (66 Stat. 181, 8 U.S.C. 1157) is amended by deleting the words "no immigrant visa shall be issued in lieu thereof to any other immigrant" and inserting in lieu thereof the words "an immigrant visa may be issued in lieu thereof to any other immigrant".

SEC. 8. Paragraph (27)(A) of section 101(a) of the Immigration and Nationality Act (66 Stat. 169, 8 U.S.C. 1101(a)(27)(A) is amended to read as follows:

"(A) An immigrant who is the child, spouse, or parent of a citizen of the United States;".

SEC. 9. Paragraph (27)(C) of section 101(a) of the Immigration and Nationality Act (66 Stat. 169, 8 U.S.C. 1101(a)(27)(C) is amended to read as follows:

"(C) An immigrant who was born in any independent foreign country of North, Central, or South America, or in any independent island country adjacent thereto, or in the Canal Zone, and the spouse and children of any such immigrant, if accompanying or following to join him;".

SEC. 10. (a) Section 203(a)(1) of the Immigration and Nationality Act (66 Stat. 178, 8 U.S.C. 1153(a)(1)) is amended by deleting the words "needed urgently in" and substituting the words "especially advantageous to".

(b) Section 203(a)(2) of the Immigration and Nationality Act (66 Stat. 178), as amended (73 Stat. 644), (8 U.S.C. 1153(a)(2)), is amended by deleting the words "parents of citizens of the United States, such citizens being at least twenty-one years of age or who are the".

(c) Section 203(a)(4) of the Immigration and Nationality Act (66 Stat. 178), as amended (73 Stat. 644), (8 U.S.C. 1153(a)(4)) is amended by—

(1) inserting after the words "married daughters of citizens of the United States" a comma, followed by the words "or parents of aliens lawfully admitted for permanent residence," and

(2) adding at the end thereof the following:

"Qualified quota immigrants capable of performing specified functions for which a shortage of employable and willing persons exists in the United States shall be entitled to a preference not to exceed 50 per centum of the immigrant visas remaining available for issuance under this paragraph after the preference to the named relatives of United States citizens and resident aliens is satisfied or exhausted."

SEC. 11. Section 204 of the Immigration and Nationality Act (66 Stat. 179, 8 U.S.C. 1154) is amended as follows:

(1) Subsection (a) is amended by deleting the words "or section 203(a)(1)(A)" and substituting a comma, followed by the words "section 203(a)(1)(A) or the last clause of section 203(a)(4)."

(2) Subsection (b) is amended (A) by deleting the words "section 203(a)(1)(A)" and substituting the words "the last clause of section 203(a)(4)" and (B) by inserting after the words "required by the Attorney General" the words "after consultation with the Immigration Board."

(3) Subsection (c) is redesignated (d) and is amended to read as follows:

"(d) After an investigation of the facts in each case, and after consultation with appropriate agencies of the Government, the Attorney General shall, if he determines that the facts stated in the petition are true and that the alien in respect of whom the petition is made is eligible for an immigrant status under section 101(a)(27)(F)(i), section 203(a)(1)(A) or the last clause of section 203(a)(4) approve the petition and forward one copy thereof to the Department of State. The Secretary of State shall then authorize the consular officer concerned to grant such immigrant status. The Attorney General shall forward to the Congress a report on each approved petition for immigrant status under section 203(a)(1) stating the basis for his approval and such facts as were by him deemed to be pertinent in establishing the beneficiary's qualifications for the preferential status. Such reports shall be submitted to the Congress on the first and fifteenth day of each calendar month in which the Congress is in session."

(4) Subsection (d) is redesignated (e) and is amended by deleting the words "or section 203(a)(1)(A)," and substituting a comma, followed by the words "section 203(a)(1)(A) or the last clause of section 203(a)(4)."

(5) The following new subsection is inserted after subsection (b):

"(c) Any immigrant claiming in his application to be entitled to an immigrant visa under section 203(a)(1)(A) of the Act shall file a petition with the Attorney General. The petition shall be in such form as the Attorney General may by regulations prescribe and shall contain such additional information and be supported by such documentary evidence as may be required by the Attorney General. The petition shall be made under oath administered by any individual having authority to administer oaths, if executed in the United States, but, if executed outside of the United States, administered by a consular officer."

SEC. 12. The first sentence of section 205(b) of the Immigration and Nationality Act (66 Stat. 180), as amended (73 Stat. 644), (8 U.S.C. 1155(b)) is amended to read as follows:

"(b) Any citizen of the United States claiming that any immigrant is his spouse, child, or parent, and that such immigrant is entitled to a nonquota immigrant status under section 101(a)(27)(A) of this Act, or any citizen of the United States claiming that any immigrant is his unmarried son or unmarried daughter and that such immigrant is entitled to a quota immigrant status under section 203(a)(2) of this Act, or any alien lawfully admitted for permanent residence claiming that any immigrant is his spouse or his unmarried son or unmarried daughter and that such immigrant is entitled to a quota immigrant status under section 203(a)(3) of this Act, or any citizen of the United States claiming that any immigrant is his brother or sister or his married son or his married daughter and that such immigrant is entitled to a preference under section 203(a)(4) of this Act, or any alien lawfully admitted for permanent residence claiming that any immigrant is his parent and that such immigrant is entitled to a preference under section 203(a)(4) of this Act, may file a petition with the Attorney General."

SEC. 13. Section 1 of the Act of July 14, 1960 (74 Stat. 504), is amended to read as follows:

"That (a) under the terms of section 212(d)(5) of the Immigration and Nationality Act the Attorney General may parole into the United States, pursuant to such regulations as he may prescribe, an alien refugee-escapee defined in subsection (b) of this section, if such alien (1) applies for parole while physically present within the limits of any country which is not Communist, Communist-dominated, or Communist-occupied, and (2) is not a national of the area in which the application is made.

"(b) For the purposes of subsection (a), the term 'refugee-escapee' means any alien who, because of persecution or fear of persecution on account of race, religion, or political opinion has fled or shall flee (A) from any Communist, Communist-dominated, or Communist-occupied area, or (B) from any country within the general area of the Middle East, and who cannot return to such area, or to such country, on account of race, religion, or political opinion. The expression 'general area of the Middle East' means the area between and including (1) Morocco on the west, (2) Turkey on the north, (3) Pakistan on the east, and (4) Saudi Arabia and Ethiopia on the south."

SEC. 14. Section 2 of the Act of July 14, 1960 (74 Stat. 504), as amended (76 Stat. 124), is amended by deleting (1) the letter "(a)" immediately following the words "SEC. 2." and (2) subsection (b) thereof.

SEC. 15. Section 281 of the Immigration and Nationality Act (66 Stat. 230, 8 U.S.C. 1351) is amended as follows:

(1) Immediately after "SEC. 281." insert "(a)".

(2) Paragraph (2) is amended to read as follows:

"(2) For the issuance of each immigrant visa, $20; except that such fee shall be $10 in the case of any alien who is the beneficiary of a petition required under sections 204(b) or 205(b)."

(3) The following is inserted after paragraph (7), and is designated subsection (b):

"The time and manner of payment of the fees specified in paragraphs (1) and (2) of subsection (a) of this section, including but not limited to partial deposit or prepayment at the time of registration, or postponement for an appropriate period, shall be prescribed by the Secretary of State."

(4) The paragraph beginning with the words "The fees * * *" is designated subsection (c).

SEC. 16. Section 203(c) of the Immigration and Nationality Act (66 Stat. 179, 8 U.S.C. 1153(c)) is amended by adding at the end thereof the following:

"The Secretary of State, in his discretion, may terminate the registration on a quota waiting list of any alien who fails to evidence his continued intention to apply for a visa in such manner as may be by regulation prescribed."

SEC. 17. (a) Paragraph (1) of section 212(a) of the Immigration and Nationality Act (66 Stat. 182, 8 U.S.C. 1182(a)(1)) is amended by deleting the language "feebleminded" and inserting the language "mentally retarded" in its place.

(b) Paragraph (4) of section 212(a) of the Immigration and Nationality Act (66 Stat. 182, 8 U.S.C. 1182(a)(4)) is amended by deleting the word "epilepsy" and the commas before and after it.

(c) Section 212 (f), (g), and (h) of the Immigration and Nationality Act, as added by the Act of September 26, 1961 (75 Stat. 654, 655, 8 U.S.C. 1182) are hereby redesignated sections 212 (g), (h), and (i), respectively, and section 212(g) as so redesignated is amended to read as follows:

"Any alien who is excludable from the United States under paragraphs (1), (2), (3), or (4) of subsection (a) of this section, and any alien afflicted with tuberculosis in any form, who (A) is the spouse or the unmarried son or daughter, or the minor unmarried lawfully adopted child, of a United States citizen, or of an alien lawfully admitted for permanent residence, or of an alien who has been issued an immigrant visa, or (B) has a son or daughter who is a United States citizen, or an alien lawfully admitted for permanent residence, or an alien who has been issued an immigrant visa, may, if otherwise admissible, be issued a visa and admitted to the United States for permanent residence in accordance with such terms, conditions, and controls, including the giving of a bond, as the Attorney General, in his discretion, may by regulations prescribe, after consultation with the Surgeon General of the United States Public Health Service."

SEC. 18. (a) There is hereby established the Immigration Board (hereafter referred to as the "Board") to be composed of seven members. The President of the United States shall appoint the Chairman of the Board and two other members. The President of the Senate, with the approval of the majority and minority leaders of the Senate, shall appoint two members from the membership of the Senate. The Speaker of the House of Representatives, with the approval of the majority and minority leaders of the House, shall appoint two members from the membership of the House. The members of the Board shall be selected by virtue of their high personal integrity, their capabilities, and their experience in and expert knowledge of immigration laws and international migration problems. A vacancy in the membership of the Board shall be filled in the same manner as the original designation and appointment.

(b) The duties of the Board shall be—

(1) to promulgate, after consultation with the Attorney General, such regulations as are necessary to insure its efficient functioning under the provisions of this Act;

(2) to make a continuous study of such conditions within and without the United States, which, in the opinion of the Board, might have any bearing on the immigration policy of the United States;

(3) to consider, after consultation with the Secretary of State, to recommend to the President, such allocation of quota immigrant visas, under section 201(f) of the Immigration and Nationality Act, as will best fulfill the purposes of that section;

(4) to consider, and after consultation with the Secretaries of Labor, State, and Defense, to recommend to the Attorney General such criteria for admission of immigrants under section 203(a)(1)(A) of the Immigration and Nationality Act, as amended, and the last clause of section 203(a)(4), as amended, as will further the policy of the United States to secure the immigration of persons of high skill, education, or training, or who are capable of performing specified functions for which a shortage of employable, willing persons exists in the United States;

(5) to study such other aspects of the Immigration and Nationality Act as the President shall assign to the Board for study, and make recommendations with respect thereto;

(6) to conduct such investigations and to hold such public and executive hearings in such places within and without the United States and at such times as the Board deems necessary.

(c) All Federal agencies shall cooperate fully with the Board to the end that it may effectively carry out its duties.

(d) Each member of the Board who is not otherwise in the service of the Government of the United States shall receive the sum of $75 for each day spent in the work of the Board, shall be paid actual travel expenses, and per diem in lieu of subsistence expenses, when away from his usual place of residence, in accordance with section 5 of the Administrative Expenses Act of 1946, as amended.

(e) Each member of the Board who is otherwise in the service of the Government of the United States shall serve without compensation in addition to that received for such other service, but while engaged in the work of the Board shall be paid actual travel expenses, and per diem in lieu of subsistence expenses, when away from his usual place of residence, in accordance with the Administrative Expenses Act of 1946, as amended.

(f) There is authorized to be appropriated, out of any money in the Treasury not otherwise appropriated, so much as may be necessary to carry out the provisions of this section.

SEC. 19. Section 221(g) of the Immigration and Nationality Act (66 Stat. 192, 8 U.S.C. 1201(g)) is amended by deleting the period at the end thereof and adding the following:

": *Provided further*, That a visa may be issued to an alien defined in section 101(a)(15)(B) or (F), if such alien is otherwise entitled to receive a visa, upon receipt of a notice by the consular officer from the Attorney General of the giving of a bond with sufficient surety in such sum and containing such conditions as the consular officer shall prescribe, to insure that at the expiration of the time for which such alien has been admitted by the Attorney General, as provided in section 214(a), or upon failure to maintain the status under which he was admitted, or to maintain any status subsequently acquired under section 248 of the Act, such alien will depart from the United States."

SEC. 20. So much of section 272(a) of the Immigration and Nationality Act (66 Stat. 226, 8 U.S.C. 1322(a)) as precedes the words "shall pay to the collector of customs" is amended to read as follows:

"SEC. 272. (a) Any person who shall bring to the United States an alien (other than an alien crewman) who is (1) mentally retarded, (2) insane, (3) afflicted with psychopathic personality, (4) a chronic alcoholic, (5) afflicted with any dangerous contagious disease, or (6) a narcotic drug addict,".

SECTION-BY-SECTION ANALYSIS

Section 1 amends section 201(a) of the Immigration and Nationality Act, under which quotas for each country are determined. It abolishes the national origins system by reducing present quotas by one-fifth of their present number each year for 5 years. As numbers are released from national origins quotas, they are added to the quota reserve pool established by the amendment to section 201 of the act made by section 3 of the bill. Thus in the first year, 20 percent (roughly 32,000) are released to the pool; in the second year, the pool will have 40 percent of present quotas (or 64,000); until in the fifth year and thereafter, all numbers are allocated through the pool. To provide some immediate relief to minimum quota areas, the minimum quota is raised to 200, but is then reduced in the same manner as other quotas.

Section 2 amends section 201(b) of the Immigration and Nationality Act by changing a reference therein from "section 202(e)" to "section 202(d)" in conformity with the redesignation of section 202(e) as 202(d) made by section 6(e) of the bill.

Section 3 amends section 201 of the Immigration and Nationality Act by adding a new subsection (f). This subsection establishes the quota reserve pool from which all quota numbers will be allocated by the fifth year. In each of the 5 years constituting the period of transition, the pool will consist of (1) the numbers released from national origins quotas each year, and (2) numbers assigned to the old quota areas but unused the previous year because insufficient demand for them existed in the assigned quota area.

Quota numbers are issued in the order of preference specified in amended section 203 of the Immigration and Nationality Act (see section 10 of the bill). That is, first call on the first 50 percent is given to persons whose admission, by virtue of their exceptional skill, training or education, will be especially advantageous to the United States; first call on the next 30 percent, plus any part of the first 50 percent not issued for first preference purposes, is given to unmarried sons and daughters of U.S. citizens, not eligible for nonquota status because they are over 21 years of age; first call on the remaining 20 percent, plus any part of the first 80 percent not taken by the first two preference classes, is given to spouses and unmarried sons or daughters of aliens lawfully admitted for permanent residence; and any portion remaining is issued to other quota visa applicants, with percentage preferences to other relatives of U.S. citizens and resident aliens, and then to certain classes of workers. Amended section 203 further provides that within each class, visas are issued in the order in which applied for—first come, first served. These preference provisions, which under present law determine only relative priority between nationals of the same country, will now determine priority between nationals of different countries throughout the world.

To prevent disproportionate benefits to the nationals of any single country, a maximum of 10 percent of the total authorized quota is set on immigration attributable to any quota area. However, this limitation is not applied if to do so would result in reducing any quota at a more rapid rate than that provided by amended section 201(a). Ultimately, of course, the limitation applies to all.

Exceptions to the principle of allocating visas on the basis of time of registration within preference classes are provided to deal with special problems. Since some countries' quotas are not current, their nationals have no old registrations on file. To apply the principle rigidly would result, after 4 or 5 years, in curtailing immigration from these countries almost entirely. This would be undesirable not only because it

would frustrate the aim of the bill that immigration from all countries should continue, but also because many of the countries that would be affected are our closest allies. Therefore, proposed section 201(f) would authorize the President, after consultation with the Immigration Board (established by section 18), to reserve up to 30 percent of the quota reserve pool for allocation to qualified immigrants (1) who could obtain visas under the existing system but not under the new system and (2) whose admission to the United States would further the national security interest by maintaining close ties with their countries. The number of quota visas so allocated may exceed the 10-percent limit on the number of immigrants from any country in the case of those countries which, under the existing system, regularly receive allocations in excess of that limit.

Subsection (f) also allows the President to reserve up to 10 percent of the quota reserve pool for allocation to certain refugees and permits him to disregard priority of registration within preference classes for the benefit of such refugees. Many refugees, almost by definition, are uprooted suddenly. They had no thought of immigration until they were forced to leave the country in which they were living because of natural calamity or political upheaval; or they may be refugees from persecution or dictatorship, in which case previous registration would have been dangerous.

Finally, subsection (f) provides that if the President reserves, against contingencies, any numbers during the year, but thereafter finds them not to be needed for the named purposes, such numbers are to be issued as if they had not been reserved. Similarly, the 10-percent limitation on the number of visas to be issued to any quota area is made inoperable if its application would result in authorized quota numbers not being used.

Section 4 amends section 201(c) of the Immigration and Nationality Act, which presently limits the number of quota visas issued in any single month to 10 percent of the total yearly quota. This limitation is needed to insure that persons entitled to preference by virtue of special skills or family ties will not be foreclosed from preference by a rush of earlier applications which exhaust the annual quota. To insure that all available quota numbers can nevertheless be utilized, present law provides that numbers not used during the first 10 months of any fiscal year may be used during the last 2 months of such year, without regard to the 10 percent monthly limitation. Often, if close to the full 10 percent of quota visas is not issued in each of the first months of the year, undesirable administrative problems result in the last two. The amendment allows the issuance each month of the 10 percent authorized for that month plus any visas authorized but not issued in previous months. This permits a more even spacing of visa issuance during the year.

Section 5 amends section 201(d) of the Immigration and Nationality Act which now permits the issuance of quota immigrant visas to nonquota immigrants. Substituted for the provisions of section 201(d) is a specific direction that no quota immigrant visa shall be issued to a person who is eligible for a nonquota immigrant visa. This will prevent nonquota immigrants from preempting visas to the prejudice of qualified quota immigrants.

Section 6 amends section 202 of the Immigration and Nationality Act to eliminate the so-called Asia-Pacific triangle provisions, which require persons of Asian stock to be attributed to quota areas not by their place of birth, but according to their racial ancestry. At the end of the 5-year transition period, this provision would be in any event superfluous, since national origin will no longer be a standard for the admission of qualified quota immigrants. But the formula is so especially discriminatory that it should be removed immediately, and not be permitted to operate even in part during the 5-year transition period.

Subsection (c) of the section amends section 202(c) of the act so as to raise the minimum allotment to subquotas of dependent areas of a governing country, thus preserving their present equality with independent minimum-quota areas. The dependent area's allotment is taken from the governing country's quota. To prevent a dependent area from preempting the governing country's quota disproportionately, it is provided that the dependent area's share of the quota will decrease as the governing country's quota is reduced.

Section 7 amends section 207 of the Immigration and Nationality Act by deleting the language of that section which prevents the issuance of visas in lieu of those issued but not actually used, or later found to be improperly issued. Thus, in Germany alone over 7,000 quota visas are now taken by persons entitled to nonquota status, and 2,000 more quota visas are issued to persons who do not actually apply for admission to the United States. All these quota visas are lost under the present law. Such a result is inconsistent with the aim of the bill that all authorized quota numbers shall be used. The amended section 207 specifically authorizes the issuance of a quota visa in lieu of one improperly issued or not actually used, utilizing the same quota number.

Section 8 amends section 101(a)(27)(A) of the Immigration and Nationality Act, which grants nonquota status to spouses and children of U.S. citizens, so as to extend nonquota status to parents of U.S. citizens as well.

Section 9 amends section 101(a)(27)(C) of the Immigration and Nationality Act so as to extend nonquota status to natives of all independent Western Hemisphere countries. Under present law, such status is granted to natives of all independent North, Central, and South American countries, and of named Caribbean island countries which were independent when the Immigration and Nationality Act was enacted in 1952. The amendment extends nonquota status to natives of countries in these areas which have gained their independence since then, or may gain their independence hereafter.

Section 10 amends section 203(a) of the Immigration and Nationality Act, which establishes preferences for immigrants with special skills and for relatives of U.S. citizens and resident aliens.

Subsection (a) relaxes the test for the first preference accorded to persons of high education, technical training, specialized experience, or exceptional ability. Under present law, such persons are granted preferred status only if the Attorney General determines that their services are needed urgently in the United States. The amendment allows them first preference if their services, as determined by the Attorney General, would be especially advantageous to the United States.

Subsection (b) eliminates the second preference for parents of American citizens, now accorded nonquota status by the amendment made by section 8 of the bill.

Subsection (c) grants a fourth preference, up to 50 percent of numbers not issued to the first three preferences, to parents of aliens lawfully admitted for permanent residence. It also grants a subsidiary preference to qualified quota immigrants capable of filling particular labor shortages in the United States. Under present law, immigrants who do not meet the rigorous standards of the skilled specialist category are not preferred over any other immigrants even though they can fill a definite labor need which other immigrants cannot fill. The amendment allows to such immigrants a preference of 50 percent of the quota visas remaining after all family preferences have been satisfied or exhausted.

Section 11 amends section 204 of the Immigration and Nationality Act, which establishes the procedure for determining eligibility for preferred status under section 203.

The amendments made by paragraphs (1), (2), (3) and (4) cover the filing of petitions, on behalf of the workers accorded a fourth preference, by the persons who will employ them to fill the special labor needs. Paragraph (1) provides for approval of these petitions by the Attorney General, and paragraph (2) requires that he consult with the Immigration Board and interested departments of Government before granting preference to these workers.

Paragraph (2) also exempts first preference skilled specialists from the present petition procedure because under the bill a new procedure is established for such persons. Under present law, skilled specialists may qualify for preferred status only when a petition requesting their services is filed by a U.S. employer. This requirement unduly restricts our ability to attract those whose services would substantially enhance our economy, cultural interests, and welfare. Many of these people have no way of contacting employers in the United States in order to obtain the required employment. Even if they knew whom to contact, few openings important enough to attract such highly skilled people are offered without personal interviews, and only a few very large enterprises or institutions have representatives abroad with hiring authority. Thus many such skilled specialists cannot obtain the employment presently required for first preference status.

Moreover, the requirement of prearranged employment is in fact unnecessary. Highly skilled specialists would obviously work at their specialty, provided that employment is open. The only check needed is that the Attorney General ascertain, upon consultation with appropriate Government agencies, that job openings exist in the specialist's particular field. Although the present petition procedure serves to confirm the individual's own evidence of his training, education, or skills, such confirmation is not essential if proper investigation is made of his qualifications before the preference is accorded.

Paragraph (5), therefore, allows the Attorney General to grant a first preference to skilled specialists upon their own petitions, supported by such documentation as the Attorney General shall require. In this connection it is to be noted that the existing law requiring an investigation by the Attorney General of the petitioner's qualifications and a determination of his eligibility for a first preference is continued.

Section 12 amends section 205(b) of the Immigration and Nationality Act, providing for petitions to establish eligibility for preference as a relative of a U.S. citizen or lawfully resident alien, to conform to the substantive amendments made by section 10.

Section 13 amends the fair share refugee law so as to remove a provision which has hampered its effective operation. Presently, the entry of refugees is subject to the condition that they be within the mandate of the United Nations High Commissioner for Refugees. The mandate provision is eliminated, so that the refugee law will no longer be subject to outside control. In addition, subsection (b) enlarges the applicable area definition so as to allow the entry of refugees from north Africa generally, and Algeria particularly, who are unable to return to their countries because of their race, religion, or political opinions, and incorporates this new definition in the fair share law. The existing definition encompasses refugees from "any country within the general area of the Middle East," which is defined as the area between Libya on the west, Turkey on

the north, Pakistan on the east, and Saudi Arabia and Ethiopa on the south. The new definition substitutes Morocco for Libya as the western border of this area.

Section 14 repeals the fair share law's special provision for 500 "difficult to resettle" refugees; all such persons have been taken care of, and the authority is therefore no longer necessary.

Section 15 amends section 281 of the Immigration and Nationality Act so as to grant discretionary authority to the Secretary of State to specify the time and manner of payment of the fees for visa applications and issuances. This discretionary authority will allow the Secretary to control two undesirable situations:

First, many people in countries with oversubscribed quotas register their names on visa waiting lists even though they have no present intention of emigrating; they regard the registration as insurance for possible future use. Such registrations have the effect of creating a distorted picture of visa backlogs and make efficient administration difficult. The amendment therefore would allow the Secretary of State to require a registrant to deposit a fee at the time of registration. While not unduly burdensome on those who wish to come here, such a procedure would serve to discourage registrations which are not bona fide.

Second, otherwise admissible immigrants, particularly refugees, are often unable to pay the required visa fee. Rather than bar them from obtaining a visa, the Secretary is given authority to postpone payment.

Section 16 is also directed to the problem of insurance registrations. Many applicants for visas have been offered visas repeatedly but have turned them down. They wish only to preserve their priority in registration for possible future use. To handle such cases, section 203(c) of the Immigration and Nationality Act is amended so as to allow the Secretary of State to terminate the registrations of persons who have previously declined visas. This amendment is also important in connection with a contemplated reregistration of applicants in certain oversubscribed quota areas designed to ascertain whether registrants have died, emigrated elsewhere, or changed their minds; the Secretary is authorized to terminate the registration of all persons who fail to reregister.

Section 17 amends subsections (a)(1), (a)(4), and (g), as redesignated, of section 212 of the Immigration and Nationality Act so as to allow the entry of certain mentally afflicted persons. Under present law, no visas may be issued to aliens who are feebleminded or insane, or have had one or more attacks of insanity, or who are afflicted with a psychopathic personality, epilepsy, or a mental defect. These provisions have created hardships for families seeking admission, where one member, often a child, is retarded. Such families are presented with the difficult decision as to whether they should leave the afflicted person behind or stay with him. Such a person cannot enter the United States even if the family is willing and able to care for him here and even if he is within the 85 percent of mentally afflicted persons whose condition can be substantially improved by adequate treatment.

The amendment gives the Attorney General discretionary authority to admit such persons who are the spouses, children, or parents of citizens or resident aliens, or who are accompanying a member of their family. The Attorney General, after consultation with the Surgeon General of the U.S. Public Health Service, would prescribe the controls and conditions on the entry of such persons, including the giving of a bond to insure continued family support.

The bar against the admission of epileptics is removed entirely, since this affliction can effectively be medically controlled. The amendment would also provide that the term "mentally retarded" be substituted for the present term "feeble-minded." This is not a substantive change in the law.

Section 18 establishes the Immigration Board, to be composed of seven members. Two members of the House of Representatives are appointed by the Speaker with the approval of the majority and minority leaders, two members of the Senate, by the President of the Senate, with the approval of the majority and minority leaders, and three members, including the Chairman, by the President. Members not otherwise in Government service are to be paid on a per diem basis for actual time spent in the work of the Board.

The section provides that the Board's duties shall be to study, and consult with appropriate Government departments on all facets of immigration policy; to make recommendations to the President as to the reservation and allocation of quota numbers, and to recommend to the Attorney General criteria for admission of skilled specialists and workers whose services are needed by reason of labor shortages in this country.

Section 19 grants consular officers discretionary authority to require bonds insuring that certain nonimmigrants will depart voluntarily from the United States when required. This amendment to section 221(g) of the Immigration and Nationality Act, by providing an additional safeguard against a later refusal to depart, would allow the issuance of visas in many borderline cases in which visas are now refused to students and visitors.

Section 20 amends section 272 of the Immigration and Nationality Act, which imposes a penalty on carriers bringing to the United States aliens afflicted with certain defects, so as to make that section conform with the changes made by this bill and section 11 of the act of September 26, 1961.

FOREIGN AID—MESSAGE FROM THE PRESIDENT (H. DOC. NO. 53)

The PRESIDING OFFICER laid before the Senate the following message from the President of the United States, which was referred to the Committee on Foreign Relations:

To the Congress of the United States:

I

We live in a turbulent world. But amid the conflict and confusion, the United States holds firm to its primary goal—a world of stability, freedom, and peace where independent nations can enjoy the benefits of modern knowledge. Here is our difference with the Communists—and our strength. They would use their skills to forge new chains of tyranny. We would use ours to free men from the bonds of the past.

The Communists are hard at work to dominate the less-developed nations of Africa, Asia, and Latin America. Their allies are the ancient enemies of mankind: Tyranny, poverty, ignorance, and disease. If freedom is to prevail, we must do more than meet the immediate threat to free world security, whether in southeast Asia or elsewhere. We must look beyond—to the long-range needs of the developing nations.

Foreign assistance programs reach beyond today's crises, to offer: Strength to those who would be free; hope for those who would otherwise despair; progress for those who would help themselves.

Through these programs we help build stable nations in a stable world.

II

Acting on the experience of the past 4 years, I am presenting a program which: Is selective and concentrated; emphasizes self-help and the fastest possible termination of dependence on aid; provides an increasing role for private enterprise; improves multilateral coordination of development aid; reflects continuing improvement in management.

Specifically, for fiscal year 1966, I recommend:

No additional authorizations for development lending or the Alliance for Progress; existing authorizations for those purposes are adequate; authorizations of $1,170 million for military assistance; $369 million for supporting assistance; $210 million for technical cooperation; $155 million for contributions to international organizations; $50 million for the President's contingency fund; and $62 million for administrative and miscellaneous expenses.

I am also requesting a special standby authorization for use if necessary in Vietnam only.

My appropriation request for fiscal year 1966 under these authorizations is for $3,380 million; $1,170 million will be used for military assistance; $2,210 million is for the other categories of aid.

This is a minimum request, the smallest in the history of the foreign aid program. It is $136 million less than requested last year, and will impose the smallest assistance burden on the American people since the beginning of the Marshall plan in 1948.

This minimum request reflects my determination to present to the Congress the lowest aid budget consistent with the national interest. It takes full account of the increasing efficiency of the assistance program, and the increasing availability of assistance funds from international agencies in which the costs are shared among a number of countries.

I believe that in carrying out this program the American people will get full value for their money. Indeed, we cannot afford to do less. Russia and Red China have tripled their promises of aid in the past year. They are doing more than they have ever done before; the competition between them has led to increased efforts by each to influence the course of events in the developing nations.

If, during the year, situations should arise which require additional amounts of U.S. assistance to advance vital U.S. interests, I shall not hesitate to inform the Congress and request additional funds.

III

I am requesting $1,170 million for the military assistance program. This is an increase of $115 million over the total appropriation for military assistance for the current fiscal year. In order to meet urgent requirements in southeast Asia during fiscal year 1965, we cut back programs in other countries which are under pressure. Some of the fiscal year 1966

appropriation will be needed to make up what we have left undone.

Still, the program is highly concentrated. Nearly three-quarters of the money will go to 11 countries around the great arc from Greece to Korea. Vietnam alone will absorb an important share.

Military assistance makes it possible for nations to survive. It provides a shield behind which economic and social development can take place. It is vital to our own security as well. It helps to maintain more than 3½ million men under arms as a deterrent to aggression in countries bordering on the Sino-Soviet world. Without them, more American men would have to be stationed overseas, and we would have to spend far more for defense than we now do.

IV

As a supplement to military assistance, I am requesting $369 million for supporting assistance—economic aid which is directly related to the maintenance of stability and security. Eighty-eight percent of the money will be used in Vietnam, Laos, Korea, and Jordan.

V

The world's trouble spots—the Vietnams and the Congos—dominate the headlines. This is no wonder, for they represent serious problems. Over $500 million of the current request for military and supporting assistance will be deployed to meet the frontal attack in Vietnam and Laos.

Indeed, $500 million may not be enough. I am therefore requesting for fiscal year 1966 an additional standby authorization for military or supporting assistance which would be used only in Vietnam and only in case we should need more funds to protect our interests there. Any program which would make use of this additional authorization will be presented to the authorizing committees of the Congress concurrently with the appropriation request.

Our past investment in the defense of the free world through the military assistance and supporting assistance programs has paid great dividends. Not only has it foiled aggression, but it has brought stability to a number of countries. Since the beginning of this decade, the funds used each year for military aid and supporting assistance have been sharply reduced. Today, we are spending $1 billion less on these accounts than we did in 1960 and 1961.

VI

Military security in the developing world will not be sufficient to our purposes unless the ordinary people begin to feel some improvement in their lives and see ahead to a time when their children can live in decency. It follows that economic growth in these regions means as much to our security as their military strength. That is an important reason why the United States has taken the lead during the past few years in organizing, on an international basis, a program of development assistance.

Of course, such assistance is and must be concentrated where it will contribute to lasting progress. Experience has demonstrated that certain requirements need to be met by the developing countries if such progress is to occur.

They need to undertake sound measures of self-help—to mobilize their own resources, eliminate waste, and do what they can to meet their own needs. And they need to avoid spending their resources on unnecessary armaments and foreign adventures. Our aid can contribute to their economic and social progress only if it can be provided within a framework of constructive and sensible policies and programs.

Fortunately, most of the developing countries recognize the relationship between the wise use of their own resources and the effectiveness and availability of external aid.

It is a cardinal principle of U.S. policy that development assistance will go to countries which have undertaken effective programs of self-help and are, therefore, able to make good use of aid. During fiscal year 1964, for example, 64 percent of our development assistance went to seven such countries: India, Nigeria, Pakistan, Tunisia, Turkey, Brazil, and Chile. In other countries as well, including a number of smaller countries, sound self-help efforts are making it possible for us to provide effective development aid.

With development assistance we seek to help countries reach, as rapidly as possible, the point at which further progress is possible without external aid.

A striking example of how, through self-help, a developing country can reach the point where it can carry on without concessional aid is the Republic of China. Little more than 10 years ago, Free China faced enormous security and development problems. The prospects for economic growth looked dim. But in only 10 years, as a result of determined self-help supplemented by effective U.S. aid; per capita gross national product has risen 45 percent; saving accounts for one-fifth of the national income; exports have tripled; industrial output has tripled; the private share of output has doubled, and now accounts for two-thirds of all industrial production; agricultural production has incerased by 50 percent.

Free China has also joined other nations as a good cash customer for U.S. exports, particularly agricultural commodities.

This remarkable cooperative effort has brought the Republic of China to the point where it no longer needs AID assistance. Fiscal year 1965 marks the end of this successful program.

I am requesting $580 million as our fiscal year 1966 aid commitment to the Alliance for Progress. This is an increase of $70 million over last year's appropriation.

Impatient expectations of this great joint undertaking have sometimes in the past blinded us to its achievements—achievements which now touch the lives of nearly half of the 200 million people of Latin America. Increasingly, however, the people of the United States have come to recognize what the Alliance means.

To date, as a result of U.S. assistance in support of the Alliance, over 75,000 teachers have been trained; nearly 10 million schoolbooks have been put in circulation; over 12 million children are now participating in school lunch programs, an increase of over 8 million in the past 2½ years; development banks and other credit institutions which support the private sector have been established in 15 countries; over 300,000 houses have been or are being built; savings and loan associations, nonexistent a few years ago, have now accumulated and are investing local deposits of $75 million; 25 of our own States have joined the Partners for the Alliance program, they bring to bear a vital people-to-people effort on our relationships with Latin America; 40 U.S. colleges and universities are working to modernize teaching and training in Latin America.

The Inter-American Committee for the Alliance for Progress—CIAP—established to provide even closer ties for mutual economic effort, successfully completed its first review of country performance under the Alliance. The work of this Committee is further evidence that the governments and people of Latin America are accepting increasing responsibility for their own development. The failure of Castroism is becoming clearer each day. More and more, Latin America is facing up to the fundamental problems of poverty, a rapidly growing population, and financial disorder. Increasingly, more and more of these countries are moving toward economic viability and self-sustaining growth.

The Alliance is taking hold. The war on poverty in Latin America is underway. We in the United States are proud of the way our good neighbors to the south are meeting the challenge of development. We are proud, too, of the role the United States is playing in this great effort and pledge our steadily enlarged support.

The problem of food requires special mention.

Growing population and rising standards of living increase the demand for food. Production in most developing countries is barely keeping pace. In some countries, it is actually falling behind.

In the years ahead, if the developing countries are to continue to grow, they must rapidly enlarge their capacity to provide food for their people. Up to a point, they can and should improve their ability to buy some of their food from abroad. For the most part, however, they must expand and diversify their own production of food. This will require many things: changes in traditional methods, abundant use of fertilizer, greater incentives for producers, and, frequently, changes in pricing practices and more effective organization of distribution.

To meet their needs for food, the developing countries will need help.

We, in the United States, are uniquely equipped to give it.

We are rightly proud of our dynamic and progressive agriculture, with its record of success which contrasts so sharply with the agricultural failures of the Communist countries. We must use our agricultural abundance and our extensive technical skills to assist the less-developed countries to strengthen their

ability both to produce and to buy agricultural commodities and, more generally, to support rural development.

We can and must mount a more comprehensive program of technical assistance in agriculture engaging the U.S. Department of Agriculture, our State universities and land-grant colleges, and the most creative of our people in agriculture, marketing, and industry.

At the same time, we can help meet the food needs of the developing nations through our food-for-peace program under Public Law 480. Even under the most favorable conditions, it will be a number of years before the developing countries can produce and import on commercial terms all the food they need. In the interim, our own agricultural plenty can help provide for the hungry and speed the day when these countries can stand on their own feet and pay for their food imports on commercial terms—as happened in the case of Japan and Europe.

VII

We are placing increasing emphasis on the role of private institutions and private enterprise in the development process, and we shall continue to do so.

Foreign aid cannot succeed if we view it as a job for Government alone. For Government can only do a small part of the job. We must bring to bear on the problems of the developing world, the knowledge and skills and good judgment of people from all walks of American life. The Agency for International Development provides the means for utilizing the resources of private business, of our universities and colleges, of farm groups, labor unions, banks, cooperatives, savings and loan associations, and professional groups.

I am happy to report that most AID-financed capital projects and a large and growing part of technical assistance are already administered by contract with private American firms and institutions.

In this connection, the privately managed International Executive Service Corps has an important role to play. I welcome the interest of business executives in serving overseas.

The Advisory Committee on Private Enterprise in Foreign Aid established by the 88th Congress has been meeting for a number of months. It is working hard. We are looking forward to their report which we hope will suggest new ways of enlarging the role of the private sector in the aid program.

To mobilize additional private capital, and the skills which go with it, I am asking the Congress to enact an investment tax credit. I am also asking for expanded authority in connection with the investment guarantee program of the Foreign Assistance Act. However, such measures to encourage the flow of capital to the developing world can do only a part of the job. The less-developed countries must pursue policies that will create new opportunities for their own businessmen and a favorable climate for investors from abroad.

We are making a special effort to encourage private enterprise in the developing countries, through technical assistance for private enterprise; productivity centers and schools of business administration for training in management and new techniques; commodity loans to provide materials and parts for private business; loans to industrial development banks and agricultural credit banks; loans to private business.

All of these programs have one object—to get private enterprise more heavily engaged in the task of development.

VIII

We will persist in our efforts to put more aid on a multilateral basis, to improve the coordination of bilateral aid, and to increase the share of the burden borne by other free world nations.

A growing proportion of economic assistance is directly administered by international financial institutions such as the World Bank, IDA, and the Inter-American Bank. In the past 4 years, such multinational institutions increased their capital assistance to the developing nations by 50 percent. We, in turn, are prepared to increase our contribution to those organizations—as rapidly as other members do so. It is essential that these institutions maintain their international character.

To strengthen multinational aid, and further to strengthen the Alliance for Progress, I urge the Congress promptly to approve the 3-year authorization of $750 million which constitutes the U.S. contribution to the Fund for Special Operations of the Inter-American Development Bank.

Besides channeling aid through multilateral institutions, we are increasingly relying on international consortia and consultative groups to coordinate our bilateral aid with that of others. India, Pakistan, Turkey, Nigeria, and Tunisia are among the countries where such arrangements have been established, in most cases under the auspices of the World Bank. The Inter-American Committee for the Alliance for Progress—CIAP—is fast becoming a most useful forum for the coordination of assistance to Latin American countries.

In addition to these arrangements in support of individual countries and regions, the United States consults regularly with other major donor countries and international agencies in the Development Assistance Committee of the Organization for Economic Cooperation and Development.

All in all, in fiscal year 1966, 85 percent of U.S. development loans in Asia and Africa will be committed under international arrangements. All U.S. aid to Latin America is made available within the international framework of the Alliance for Progress.

We are continuing to urge other donors to give more aid on better terms.

Since 1960, new commitments of bilateral economic assistance by other free world nations have increased by 50 percent. In the past year, the United Kingdom has organized a Ministry of Overseas Development. Canada has undertaken a program of lending on terms which are more liberal than ours.

We are particularly concerned about the terms of aid. The burden of debt borne by the developing countries is rising. Their accumulated public foreign debt now runs to about $30 billion. The volume of repayments comes to nearly $5 billion per year and it is rising by 15 percent each year. This is a heavy load for nations with small resources struggling to raise the capital they need for economic and social betterment.

We will continue to emphasize in our discussions with other donors during the coming year the need to improve the terms on which aid is extended.

IX

Tight, effective management is essential for a tight, effective aid program.

I am especially pleased to report to the Congress about the progress being made by the Administrator of the Agency for International Development in improving the management and operations of the program. The result is greater efficiency for less money.

In keeping with our Government-wide economy program, the Agency:

Cut direct hire employment during fiscal year 1964 by 1,200; the downward trend has continued during the past 6 months.

Cut superstructure and overhead; during the past 18 months, separate AID organizations in 13 countries and 27 positions at the mission director and deputy level have been eliminated.

Streamlined management procedures.

Since the Congress adopted the unified approach to the organization of assistance which is reflected in the 1961 Foreign Assistance Act, our aid programs have been better coordinated, better planned, and have better served the requirements of U.S. foreign policy.

We are giving continuing attention to the problem of improving the Agency's personnel structure and achieving the highest possible quality in our staff. We expect to do so in the context of a program which is designed to strengthen the personnel capabilities of all the foreign affairs agencies of the Government.

AID has made great progress in reducing the effect of economic assistance on our balance of payments.

The bulk of our assistance—well over 80 percent—now takes the form of U.S. goods and services, not dollars. Dollar payments abroad have sharply declined. In 1960, the dollar drain to other countries which resulted from the aid program measured over $1 billion. This year and next the drain is expected to be less than $500 million. Moreover, a significant part of this is offset by interest on and repayment of past U.S. loan assistance.

X

In my message on the state of the Union, I spoke of the need to create a harmony between man and society—a harmony which will allow each of us to enlarge the meaning of his life and all of us to elevate the quality of our civilization. This summons is not—and cannot be—addressed to Americans alone. For our own security and well-being, and as responsible freemen, we must seek to share our capacity for growth, and the promise of a better life, with our fellow men around the world.

That is what foreign aid is all about.

We have pledged our strength—economic and military—in defense of those who would be free and in support of those who would join in working toward a stable, prosperous world.

I call upon the Congress to join with me in renewing this pledge and to provide the tools to do the job.

LYNDON B. JOHNSON.

THE WHITE HOUSE, *January 14, 1965.*

EXECUTIVE MESSAGE REFERRED

As in executive session,

The PRESIDING OFFICER laid before the Senate a message from the President of the United States submitting the nomination of Gen. Hugh Pate Harris, Army of the United States (major general, U.S. Army), to be general, which was referred to the Committee on Armed Services.

LIMITATION OF DEBATE DURING MORNING HOUR

Mr. MANSFIELD. Mr. President, under the rule, there will be the usual morning hour. I ask unanimous consent that statements in connection therewith be limited to 3 minutes.

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

EXECUTIVE COMMUNICATIONS, ETC.

The PRESIDING OFFICER (Mr. TYDINGS in the chair) laid before the Senate the following communications and letters, which were referred as indicated:

CONSTRUCTION OF FREEWAYS IN THE DISTRICT OF COLUMBIA

A communication from the President of the United States, transmitting, pursuant to law, a letter from the Administrator of the National Capital Transportation Agency, relative to the construction of freeways or parkways in the District of Columbia (with an accompanying paper); to the Committee on the District of Columbia.

AMENDMENT OF ARMS CONTROL AND DISARMAMENT ACT

A communication from the President of the United States, transmitting a draft of proposed legislation to amend the Arms Control and Disarmament Act, as amended, in order to increase the authorization for appropriations (with accompanying papers); to the Committee on Foreign Relations.

AMENDMENT OF SECTION 8(e) OF SOIL CONSERVATION AND DOMESTIC ALLOTMENT ACT

A letter from the Secretary of Agriculture, transmitting a draft of proposed legislation to amend section 8(e) of the Soil Conservation and Domestic Allotment Act (with an accompanying paper); to the Committee on Agriculture and Forestry.

REPORT ON FLIGHT PAY, U.S. AIR FORCE

A letter from the Secretary of the Air Force, transmitting, pursuant to law, a report on flight pay, for the 6-month period ended August 31, 1964 (with an accompanying report); to the Committee on Armed Services.

REPORT ON RESERVE FORCES

A letter from the Deputy Secretary of Defense, transmitting, pursuant to law, a report on Reserve Forces, for the fiscal year 1964 (with an accompanying report); to the Committee on Armed Services.

EMPLOYMENT BY SECRETARY OF COMMERCE OF ALIENS IN A SCIENTIFIC OR TECHNICAL CAPACITY

A letter from the Secretary of Commerce, transmitting a draft of proposed legislation to authorize the Secretary of Commerce to employ aliens in a scientific or technical capacity (with accompanying papers); to the Committee on Commerce.

REPORT ON PROVISION OF AVIATION WAR RISK INSURANCE

A letter from the Secretary of Commerce, transmitting, pursuant to law, a report on the provision of aviation war risk insurance, as of December 31, 1964 (with an accompanying report); to the Committee on Commerce.

ADOPTION OF IMPROVED ACCOUNTING PROCEDURES BY DEPARTMENT OF COMMERCE

A letter from the Secretary of Commerce, transmitting a draft of proposed legislation to authorize the Department of Commerce to adopt improved accounting precedures (with accompanying papers); to the Committee on Commerce.

PROMOTION OF ECONOMIC GROWTH

A letter from the Secretary of Commerce, transmitting a draft of proposed legislation to promote economic growth by supporting State and regional centers to place the findings of science usefully in the hands of American enterprise (with an accompanying paper); to the Committee on Commerce.

MEASUREMENT OF CERTAIN VESSELS

A letter from the Secretary of the Treasury, transmitting a draft of proposed legislation to provide for the measurement of the gross and net tonnages for certain vessels having two or more decks, and for other purposes (with accompanying papers); to the Committee on Commerce.

REPORT ON PROPOSED PROGRAM OF AIRPORT DEVELOPMENT

A letter from the Administrator, Federal Aviation Agency, Washington, D.C., reporting, pursuant to law, on the proposed program of airport development for fiscal year 1965; to the Committee on Commerce.

AMENDMENT OF FEDERAL AVIATION ACT OF 1958

A letter from the Acting Chairman, Civil Aeronautics Board, Washington, D.C., transmitting a draft of proposed legislation to amend the Federal Aviation Act of 1958 to provide for the regulation of rates and practices of air carriers and foreign air carriers in foreign air transportation, and for other purposes (with an accompanying paper); to the Committee on Commerce.

TRANSPORTATION OF CERTAIN SCHOOLCHILDREN

A letter from the President, Board of Commissioners, District of Columbia, transmitting a draft of proposed legislation to provide for the transportation of severely handicapped children to schools or classes established for their use in the school system of the District of Columbia (with an accompanying paper); to the Committee on the District of Columbia.

REPORT OF GEORGETOWN BARGE, DOCK, ELEVATOR & RAILWAY CO.

A letter from Steptoe & Johnson, Attorney at Law, Washington, D.C., transmitting, pursuant to law, a report of the Georgetown Barge, Dock, Elevator & Railway Co., for the year ended December 31, 1964 (with an accompanying report); to the Committee on the District of Columbia.

STATEMENT OF RECEIPTS, EXPENDITURES, AND BALANCES OF U.S. GOVERNMENT

A letter from the Secretary of the Treasury, transmitting, pursuant to law, a statement of the receipts, expenditures and balances of the U.S. Government, for the fiscal year ended June 30, 1964 (with an accompanying document); to the Committee on Finance.

REPORT ON OPERATIONS UNDER THE BATTLE ACT

A letter from the Secretary of State, transmitting, pursuant to law, a report on operations under the Battle Act, 1964 (with an accompanying report); to the Committee on Foreign Relations.

REPORT ON INADEQUATE EVALUATION OF EMPLOYMENT OPPORTUNITIES TO BE CREATED BY TWO INDUSTRIAL AREA REDEVELOPMENT PROJECTS

A letter from the Comptroller General of the United States, transmitting, pursuant to law, a report on inadequate evaluation of employment opportunities to be created by two industrial area redevelopment projects, Area Redevelopment Administration, Department of Commerce, dated January 1965 (with an accompanying report); to the Committee on Government Operations.

REPORTS OF COMPTROLLER GENERAL

A letter from the Comptroller General of the United States, transmitting, pursuant to law, a report on savings in interest costs to the Government attainable by greater use of treasury checking account, Federal Home Loan Bank of San Francisco, dated January 1965 (with an accompanying report); to the Committee on Government Operations.

A letter from the Comptroller General of the United States, transmitting, pursuant to law, a report on weaknesses and problem areas in the administration of the imported fire ant eradication program, Agricultural Research Service, Department of Agriculture, dated January 1965 (with an accompanying report); to the Committee on Government Operations.

A letter from the Comptroller General of the United States, transmitting, pursuant to law, a report on erroneous payments made for military pay, leave, and travel at Elmendorf Air Force Base, Alaska, Department of the Air Force, dated January 1965 (with an accompanying report); to the Committee on Government Operations.

A letter from the Comptroller General of the United States, transmitting, pursuant to law, a report on unnecessary costs incurred in the procurement of radar components and related parts, Department of the Navy, dated January 1965 (with an accompanying report); to the Committee on Government Operations.

REPORT ON RECEIPT OF PROJECT PROPOSAL UNDER SMALL RECLAMATION PROJECTS ACT OF 1956

A letter from the Assistant Secretary of the Interior, reporting, pursuant to law, on the receipt of a project proposal under the Small Reclamation Project Act of 1956 from the Kays Creek Irrigation Co., Layton, Utah; to the Committee on Interior and Insular Affairs.

REPORT ON HELIUM ACT

A letter from the Assistant Secretary of the Interior, transmitting, pursuant to law, a report on matters under the Helium Act, for fiscal year 1964 (with an accompanying report); to the Committee on Interior and Insular Affairs.

ESTABLISHMENT OF FEES PAYABLE TO THE PATENT OFFICE

A letter from the Secretary of Commerce, transmitting a draft of proposed legislation to fix the fees payable to the Patent Office, and for other purposes (with accompanying papers); to the Committee on the Judiciary.

REPORT ON MODIFICATION OF CONTRACTS TO FACILITATE THE NATIONAL DEFENSE

A letter from the General Manager, Atomic Energy Commission, Washington, D.C., reporting, pursuant to law, on modification of contracts to facilitate the national defense, during the calendar year 1964; to the Committee on the Judiciary.

REPORTS OF FUTURE FARMERS OF AMERICA

A letter from the Chairman, Board of Directors, Future Farmers of America, Washington, D.C., transmitting, pursuant to law, an audit report on accounts of that organization together with audit reports of the Future Farmers Supply Service and the National Future Farmer magazine, for the fiscal year ended June 30, 1964 (with accompanying reports); to the Committee on the Judiciary.

APPOINTMENT OF ADDITIONAL CIRCUIT JUDGES FOR FIFTH CIRCUIT

A letter from the Director, Administrative Office of the United States Courts, Washington, D.C., transmitting a draft of proposed legislation to provide for the appointment of four additional circuit judges for the Fifth Circuit on a temporary basis (with an accompanying paper); to the Committee on the Judiciary.

TEMPORARY ADMISSION INTO THE UNITED STATES OF CERTAIN ALIENS

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

AMENDMENT OF CERTAIN LAWS RELATING TO CLOSING OF AFFAIRS OF A PRESIDENT WHO DIES IN OFFICE

A letter from the Acting Administrator, General Services Administration, Washington, D.C., transmitting a draft of proposed legislation to amend certain laws in order to make adequate provision for an office staff and necessary services to wind up the affairs of a President who dies in office or of a former President after his death (with an accompanying paper); to the Committee on Post Office and Civil Service.

REPORT ON SCIENTIFIC AND PROFESSIONAL POSITIONS

A letter from the Director, U.S. Arms Control and Disarmament Agency, Washington, D.C., transmitting, pursuant to law, a report on scientific and professional positions, for the calendar year 1964 (with an accompanying report); to the Committee on Post Office and Civil Service.

REPORT ON POSITIONS IN GRADES GS–16, GS–17, AND GS–18

A letter from the Comptroller General of the United States, transmitting, pursuant to law, a report on positions in grades GS–16, GS–17, and GS–18, for the calendar year 1964 (with an accompanying report); to the Committee on Post Office and Civil Service.

REVISED ESTIMATE OF COMPLETING NATIONAL SYSTEM OF INTERSTATE AND DEFENSE HIGHWAYS

A letter from the Secretary of Commerce, transmitting, pursuant to law, a revised estimate of the cost of completing the National System of Interstate and Defense Highways (with an accompanying paper); to the Committee on Public Works.

AMENDMENT OF ACT RELATING TO CERTAIN FACILITIES FOR ENFORCEMENT OF CUSTOMS AND IMMIGRATION LAWS

A letter from the Acting Attorney General, transmitting a draft of proposed legislation to amend the act entitled "An act to provide better facilities for the enforcement of the customs and immigration laws," to extend construction authority for facilities at Guam and the Virgin Islands of the United States (76 Stat. 87; 19 U.S.C. 68) (with an accompanying paper); to the Committee on Public Works.

APPROPRIATIONS FOR ATOMIC ENERGY COMMISSION

A letter from the Chairman, U.S. Atomic Energy Commission, Washington, D.C., transmitting a draft of proposed legislation to authorize appropriations to the Atomic Energy Commission in accordance with section 261 of the Atomic Energy Act of 1954, as amended, and for other purposes (with an accompanying paper); to the Joint Committee on Atomic Energy.

PETITION

The PRESIDING OFFICER laid before the Senate a resolution adopted by the Constitution Island Association of the State of New York, relating to the preservation and conservation of the Nation's natural resources, which was referred to the Committee on Interior and Insular Affairs.

REPUBLICAN MEMBERSHIP ON THE STANDING COMMITTEES AND THE SMALL BUSINESS COMMITTEE OF THE SENATE OF THE 89TH CONGRESS

Mr. DIRKSEN. Mr. President, I submit a resolution, which I send to the desk. I ask for its immediate consideration.

The PRESIDING OFFICER. The resolution will be stated.

The legislative clerk read the resolution, as follows:

S. RES. 27

Resolved, That the following shall constitute the minority party's membership on the standing committees and the Small Business Committee of the Senate for Eighty-ninth Congress:

On Aeronautical and Space Sciences, 16 (ratio 11–5): Mrs. Smith, Messrs. Hickenlooper, Curtis, Jordan of Idaho, Aiken.

On Agriculture and Forestry, 15 (ratio 10–5): Messrs. Aiken, Young, Cooper, Boggs, Miller.

On Appropriations, 27 (ratio 18–9): Messrs. Saltonstall, Young, Mundt, Mrs. Smith, Messrs. Kuchel, Hruska, Allott, Cotton, Case.

On Armed Services, 17 (ratio 12–5): Mr. Saltonstall, Mrs. Smith, Messrs. Thurmond, Miller, Tower.

On Banking and Currency, 14 (ratio 10–4): Messrs. Bennett, Tower, Thurmond, Hickenlooper.

On Commerce, 18 (ratio 12–6): Messrs. Cotton, Morton, Scott, Prouty, Pearson, Dominick.

On District of Columbia, 7 (ratio 5–2): Messrs. Prouty, Dominick.

On Finance, 17 (ratio 11–6): Messrs. Williams of Delaware, Carlson, Bennett, Curtis, Morton, Dirksen.

On Foreign Relations, 19 (ratio 13–6): Messrs. Hickenlooper, Aiken, Carlson, Williams of Delaware, Mundt, Case.

On Government Operations, 14 (ratio 10–4): Messrs. Mundt, Curtis, Javits, Simpson.

On Interior and Insular Affairs, 16 (ratio 11–5): Messrs. Kuchel, Allott, Jordan of Idaho, Simpson, Fannin.

On the Judiciary, 16 (ratio 11–5): Messrs. Dirksen, Hruska, Fong, Scott, Javits.

On Labor and Public Welfare, 16 (ratio 11–5): Messrs, Javits, Prouty, Dominick, Murphy, Fannin.

On Post Office and Civil Service, 12, ratio 8–4): Messrs. Carlson, Fong, Boggs, Simpson.

On Public Works, 17 (ratio 12–5): Messrs. Cooper, Fong, Boggs, Pearson, Murphy.

On Rules and Administration, 9 (ratio 6–3): Messrs. Curtis, Cooper, Scott.

Select Committee on Small Business: Saltonstall, Javits, Cooper, Scott, Prouty, Cotton.

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

There being no objection, the resolution was considered and agreed to.

REPORT ON PROBLEM OF AIR POLLUTION (S. DOC. NO. 7)

Mr. McNAMARA. Mr. President, I present a letter from the Secretary of Health, Education, and Welfare, transmitting a report on the problem of air pollution caused by motor vehicles and measures taken toward its alleviation, dated December 17, 1964, together with an accompanying report, in compliance with Public Law 88–206, the Clean Air Act.

I ask unanimous consent that the report be printed as a Senate document and referred to the Committee on Public Works.

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

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. McNAMARA, from the Committee on Public Works:

S. Res. 11. Resolution to provide additional funds for the Committee on Public Works; without admendment (Rept. No. 5); which resolution was referred to the Committee on Rules and Administration.

STUDY OF FOREIGN POLICY— REPORT OF A COMMITTEE

Mr. FULBRIGHT. Mr. President, from the Committee on Foreign Relations, I report an original resolution authorizing the Committee on Foreign Relations to examine and study the foreign policies of the United States, and I submit a report (No. 4) thereon.

The PRESIDING OFFICER. The report will be received and printed, and, under the rule, the resolution will be referred to the Committee on Rules and Administration.

The resolution (S. Res. 28) was referred to the Committee on Rules and Administration, as follows:

Resolved, That the Committee on Foreign Relations, 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 jurisdictions specified by rule XXV of the Standing Rules of the Senate, to examine, investigate, and make complete studies of any and all matters pertaining to the foreign policies of the United States and their administration.

SEC. 2. For the purposes of this resolution the committee from February 1, 1965, to January 31, 1966, inclusive, is authorized (1) to make such expenditures; (2) to employ, upon a temporary basis, technical, clerical, and other assistants and consultants; (3) to hold such hearings, to take such testimony, to sit and act at such times and places during the sessions, recesses, and adjourned periods of the Senate, and to require by subpena or otherwise the attendance of such

witnesses and the production of such correspondence, books, papers, and documents; and (4) 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, as the committee deems advisable.

SEC. 3. In the conduct of its studies the committe may use the experience, knowledge, and advice of private organizations, schools, institutions, and individuals in its discretion, and it is authorized to divide the work of the studies among such individuals, groups, and institutions as it may deem appropriate and may enter into contracts for this purpose.

SEC. 4. Expenses of the committee, under this resolution, which shall not exceed $135,000 for the period ending January 31, 1966, shall be paid from the contingent fund of the Senate upon vouchers approved by the chairman of the committee.

FOURTEENTH ANNUAL REPORT OF ACTIVITIES OF JOINT COMMITTEE ON DEFENSE PRODUCTION

Mr. ROBERTSON, from the Joint Committee on Defense Production, submitted the 14th annual report of that committee, with material on mobilization from departments and agencies, which had been ordered to be printed as a House document.

EXECUTIVE REPORTS OF A COMMITTEE

As in executive session,

The following favorable reports of nominations were submitted:

By Mr. LONG of Louisiana, from the Committee on Finance:

Sheldon S. Cohen, of Maryland, to be Commissioner of Internal Revenue, vice Mortimer M. Caplin, resigned;

Mitchell Rogovin, of Virginia, to be an Assistant General Counsel in the Department of the Treasury (Chief Counsel for the Internal Revenue Service), vice Sheldon S. Cohen;

Frederick Lewis Deming, of Minnesota, to be Under Secretary of the Treasury for Monetary Affairs, vice Robert V. Roosa, resigned; and

W. J. Driver, of Virginia, to be Administrator of Veterans' Affairs.

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. MANSFIELD:

S. 470. A bill for the relief of Constantinos N. Geranios (Konstantinos N. Geranios), his wife, Dionyssiak Nicholaou (Mouzaki) Geranios, and their children, Nicholas K. Geranios and Demitre K. Geranios;

S. 471. A bill for the relief of Cedomir Capic;

S. 472. A bill for the relief of Hallam E. Weed;

S. 473. A bill for the relief of Lilliana Grasseschi Baroni; and

S. 474. A bill for the relief of Robert C. Lindstrom; to the Committee on the Judiciary.

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

S. 475. A bill to permit a State to increase the mileage of its Federal aid primary system when provision is made for the completion and maintenance of 75 percent thereof; to the Committee on Public Works.

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

S. 476. A bill to amend the act approved March 18, 1950, providing for the construction of airports in or in close proximity to national parks, national monuments, and national recreation areas, and for other purposes; to the Committee on Commerce.

By Mr. DIRKSEN:

S. 477. A bill to amend the Internal Revenue Code of 1954 to permit employers to withhold for 1964 and 1965 income tax not withheld currently from the wages of their employees, and to treat the amounts so withheld as having been paid by such employees on the dates on which returns are filed for such years; to the Committee on Finance.

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

By Mr. DIRKSEN (by request):

S. 478. A bill for the relief of Erman-Howell Division, Luria Steel & Trading Corp.; to the Committee on the Judiciary.

By Mr. DIRKSEN (for himself and Mr. DOUGLAS):

S. 479. A bill to authorize and direct the Secretary of Agriculture to make a preliminary survey of the proposed George Rogers Clark Recreation Way within and adjacent to the Shawnee National Forest in the State of Illinois; to the Committee on Agriculture and Forestry.

By Mr. RIBICOFF:

S. 480. A bill for the relief of Vincenzo A. Castaldo;

S. 481. A bill for the relief of Winnifred Evadne Newman;

S. 482. A bill for the relief of Miss Marie Arcache and Miss Verdun Arcache;

S. 483. A bill for the relief of Dr. Teofilo G. Gutierrez, Jr.;

S. 484. A bill for the relief of Antonios Giannopoulos;

S. 485. A bill for the relief of Dr. Florencio A. Hipona;

S. 486. A bill for the relief of Dr. Duck Sang Cheung; and

S. 487. A bill for the relief of Luciano N. Catale; to the Committee on the Judiciary.

S. 488. A bill to amend title V of the Social Security Act to assist States and communities to establish programs for the identification, care, and treatment of children who are or are in danger of becoming emotionally disturbed; to the Committee on Finance.

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

By Mr. JACKSON (for himself and Mr. MAGNUSON):

S. 489. A bill to authorize the establishment of the Pig War National Historical Park in the State of Washington, and for other purposes; and

S. 490. A bill to authorize the Secretary of the Interior to construct, operate, and maintain the Manson unit, Chelan division, Chief Joseph Dam project, Washington, and for other purposes; to the Committee on Interior and Insular Affairs.

By Mr. METCALF (for himself, Mr. MCGEE, Mr. MANSFIELD, and Mr. SIMPSON):

S. 491. A bill to provide for the establishment of the Bighorn Canyon National Recreation Area, and for other purposes; to the Committee on Interior and Insular Affairs.

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

S. 492. A bill to revitalize the mint at San Francisco; to the Committee on Banking and Currency.

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

S. 493. A bill to assist in the development of adequate rural water systems; to the Committee on Agriculture and Forestry.

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

By Mr. CURTIS:

S. 494. A bill to provide for the increased use of agricultural products for industrial purposes; to the Committee on Agriculture and Forestry.

By Mr. MCCARTHY:

S. 495. A bill for the relief of Catherine Lochart; to the Committee on the Judiciary.

By Mr. SCOTT:

S. 496. A bill to confer jurisdiction upon the Court of Claims to hear, determine, and render judgment upon certain claims of Arlene Coats, a partnership consisting of Sidney Berkenfeld and Benjamin Prepon; to the Committee on the Judiciary.

S. 497. A bill to establish in the Executive Office of the President an Office of Community Development; to the Committee on Government Operations.

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

By Mr. FONG:

S. 498. A bill to amend title II of the Social Security Act so as to permit child's insurance benefits to continue after age 18 in the case of certain children who are full-time students after attaining such age; to the Committee on Finance.

By Mr. BIBLE (for himself and Mr. CANNON):

S. 499. A bill to establish the Great Basin National Park in Nevada, and for other purposes; to the Committee on Interior and Insular Affairs.

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

By Mr. HART (for himself, Mr. CLARK, Mr. KENNEDY of Massachusetts, Mr. DODD, Mr. WILLIAMS of New Jersey, Mr. KENNEDY of New York, Mr. BAYH, Mr. CASE, Mr. DOUGLAS, Mr. FONG, Mr. GRUENING, Mr. HARTKE, Mr. INOUYE, Mr. JAVITS, Mr. KUCHEL, Mr. LAUSCHE, Mr. LONG of Missouri, Mr. MCCARTHY, Mr. MOSS, Mr. MUSKIE, Mrs. NEUBERGER, Mr. PASTORE, Mr. PELL, Mr. PROXMIRE, Mr. RIBICOFF, Mr. SCOTT, and Mr. YOUNG of Ohio):

S. 500. A bill to amend the Immigration and Nationality Act, and for other purposes; to the Committee on the Judiciary.

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

By Mr. CASE:

S. 501. A bill to amend title 23 of the United States Code to increase the total mileage of the National System of Interstate and Defense Highways; to the Committee on Public Works.

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

By Mr. YOUNG of North Dakota:

S. 502. A bill to amend the Internal Revenue Code of 1954 so as to exempt from tax musical instruments sold to students for school use; to the Committee on Finance.

By Mr. LAUSCHE:

S. 503. A bill to amend the Rural Electrification Act of 1936, as amended, to make more specific the purpose for which loans may be made under section 2 and 4 of such act, and to modify the provisions relating to interest rates on loans made under such act; to the Committee on Agriculture and Forestry.

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

By Mr. MCGOVERN:

S. 504. A bill for the relief of Dr. Paulita T. Sikat; and

S. 505. A bill for the relief of Darlyne Marie Cecile Fisher Every; to the Committee on the Judiciary.

By Mr. SPARKMAN:

S. 506. A bill to permit local expenditures made in connection with a certain sewer project in Jasper, Ala., to be counted as a local grant-in-aid under title I of the Housing Act of 1949; to the Committee on Banking and Currency.

By Mr. SPARKMAN (for himself and Mr. GRUENING):

S. 507. A bill to authorize the Veterans' Administration to extend aid on account of defects in properties purchased with financing assistance under chapter 37, title 38, United States Code; to the Committee on Banking and Currency.

By Mr. HILL:

S. 508. A bill to authorize mortgage insurance and loans to help finance the cost of constructing and equipping facilities for the group practice of medicine or dentistry;

S. 509. A bill to authorize a 3-year program of grants for construction of veterinary medical education facilities, and for other purposes;

S. 510. A bill to extend and otherwise amend certain expiring provisions of the Public Health Service Act relating to community health services, and for other purposes;

S. 511. A bill to increase the authorization of appropriations for the support of the Gorgas Memorial Laboratory;

S. 512. A bill to amend the Public Health Service Act provisions for construction of health research facilities by extending the expiration date thereof and providing increased support for the program, to authorize additional Assistant Secretaries in the Department of Health, Education, and Welfare, and for other purposes; and

S. 513. A bill to authorize assistance in meeting the initial cost of professional and technical personnel for comprehensive community mental health centers; to the Committee on Labor and Public Welfare.

By Mr. HARTKE:

S. 514. A bill for the relief of Terez Zackarian; to the Committee on the Judiciary.

By Mr. MUSKIE (for himself, Mrs. SMITH, Mr. AIKEN, Mr. KENNEDY of Massachusetts, Mr. MCINTYRE, Mr. PELL, Mr. PROUTY, and Mr. DODD):

S. 515. A bill to authorize the international Passamaquoddy tidal power project, including hydroelectric power development of the upper St. John River, and for other purposes; to the Committee on Public Works.

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

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

S. 516. A bill to amend the joint resolution entitled "Joint resolution to establish the St. Augustine Quadricentennial Commission, and for other purposes," approved August 14, 1962 (76 Stat. 386), to provide that eight members of such Commission shall be appointed by the President, to provide that such Commission shall not terminate prior to December 31, 1966, and to authorize appropriations for carrying out the provisions of such joint resolution; to the Committee on the Judiciary.

By Mr. SPARKMAN:

S. 517. A bill for the relief of John William Daugherty, Jr.; to the Committee on the Judiciary.

By Mr. DOUGLAS:

S. 518. A bill for the relief of Joana K. Georgoulia; to the Committee on the Judiciary.

By Mr. YOUNG of Ohio:

S. 519. A bill to direct the Housing and Home Finance Administrator to cause certain demonstration and research projects to be carried out to determine the economic feasibility of providing urban mass transportation service to elderly persons during non-rush-hour periods at reduced fares; to the Committee on Banking and Currency.

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

By Mr. SALTONSTALL (for himself, Mr. ALLOTT, Mr. BENNETT, Mr. BOGGS, Mr. CARLSON, Mr. CASE, Mr. COOPER, Mr. CURTIS, Mr. DIRKSEN, Mr. DOMINICK, Mr. FANNIN, Mr. FONG, Mr. HICKENLOOPER, Mr. HRUSKA, Mr. JAVITS, Mr. JORDAN of Idaho, Mr. KUCHEL, Mr. MILLER, Mr. MORTON, Mr. MUNDT, Mr. PEARSON, Mr. PROUTY, Mr. SIMPSON, Mr. THURMOND, Mr. TOWER, and Mr. YOUNG of North Dakota):

S. 520. A bill to authorize wartime benefits under certain circumstances for peacetime veterans and their dependents; to the Committee on Finance.

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

By Mr. FANNIN:

S. 521. A bill for the relief of Maria Gioconda Femia; to the Committee on the Judiciary.

By Mr. ELLENDER:

S. 522. A bill to amend the Federal Farm Loan Act and the Farm Credit Act of 1933 to provide means for expediting the retirement of Government capital in the Federal intermediate credit banks, including an increase in the debt permitted such banks in relation to their capital and provisions for the production credit associations to acquire additional capital stock therein, to provide for allocating certain earnings of such banks and associations to their users, and for other purposes; to the Committee on Agriculture and Forestry

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

By Mr. BURDICK:

S. 523. A bill to provide for the entry free of duty of articles donated by Canadian residents to the International Peace Garden, Dunseith, N. Dak.; and

S. 524. A bill to extend the period for filing proof of support by certain dependents of insured workers; to the Committee on Finance.

S. 525. A bill to amend the Federal Property and Administrative Services Act of 1949, as amended, to promote the welfare of the Indian tribes by making available to them surplus personal property; to the Committee on Government Operations.

S. 526. A bill to amend the authorization to appropriate money for the maintenance and operation of three experimental stations of the Department of the Interior, and for other purposes; to the Committee on Interior and Insular Affairs.

S. 527. A bill to amend title 18 of the United States Code with respect to crimes in Indian country; to the Committee on the Judiciary.

By Mr. YARBOROUGH:

S. 528. A bill to amend section 2104 of title 38, United States Code, to extend the time for filing certain claims for mustering-out payments; to the Committee on Armed Services.

S. 529. A bill to amend chapter 31 of title 38, United States Code, to extend to all totally disabled veterans the same liberalization of time limits for pursuing vocational rehabilitation training as was authorized for blinded veterans by Public Law 87-591, and to clarify the language of the law relating to the limiting of periods for pursuing such training; to the Committee on Labor and Public Welfare.

(See the remarks of Mr. YARBOROUGH when he introduced the above bills, which appear under separate headings.)

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

S. 530. A bill to amend sections 9 and 40 of the Federal Employees' Compensation Act, as amended; to the Committee on Labor and Public Welfare.

By Mr. JORDAN of North Carolina:

S. 531. A bill for the relief of Hung-Tse Chien; to the Committee on the Judiciary.

By Mr. McGEE:

S. 532. A bill for the relief of Elizabeth Anne Paul; and

S. 533. A bill for the relief of Teruko Sasaki; to the Committee on the Judiciary.

By Mr. THURMOND:

S. 534. A bill to amend title 28, United States Code, to withdraw from courts of the United States jurisdiction with respect to State legislative apportionment proceedings;

S. 535. A bill to provide for a jury trial in all cases of criminal contempt in the U.S. courts;

S. 536. A bill to amend the provisions of the United States Code with respect to the jurisdiction of courts of appeals of the United States to review orders of administrative officers and agencies, and for other purposes; and

S. 537. A bill to amend title I of the Internal Security Act of 1950; to the Committee on the Judiciary.

S. 538. A bill to amend the Internal Revenue Code of 1954 to provide a 20-percent credit against the individual income tax for certain educational expenses incurred at an institution of higher education; to the Committee on Finance.

S. 539. A bill to equalize the treatment of Reserves and Regulars in the payment of per diem; and

S. 540. A bill to amend title 10, United States Code, to change the method of computing retired pay of certain enlisted members of the Army, Navy, Air Force, or Marine Corps; to the Committee on Armed Services.

S. 541. A bill to permit a taxpayer carrying on a trade or business in the conduct of which 10 or less persons are engaged to elect to take a standard deduction, in lieu of itemized deductions, for expenses attributable to such trade or business;

S. 542. A bill to repeal the Federal excise taxes on alcohol and tobacco;

S. 543. A bill to amend the Internal Revenue Code of 1954 to remove the limitations on the deductibility of medical expenses for the care of dependents who have attained the age of 65; and

S. 544. A bill to amend title II of the Social Security Act to increase to $1,800 the annual amount individuals are permitted to earn without suffering deductions from the insurance benefits payable to them under such title; to the Committee on Finance.

S. 545. A bill to amend the Railroad Retirement Act of 1937 to eliminate the provisions which reduce the annuities of the spouses of retired employees by the amount of certain monthly benefits payable under title II of the Social Security Act; to the Committee on Labor and Public Welfare.

S. 546. A bill to provide increased punishment for a person convicted in the District of Columbia of a fourth or subsequent felony; to the Committee on the District of Columbia.

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

By Mrs. NEUBERGER:

S. 547. A bill to confer upon the Federal Trade Commission the power and duty to regulate the advertising and labeling of cigarettes; to the Committee on Commerce.

S. 548. A bill to amend the Civil Service Retirement Act, as amended, to provide for the recomputation of annuities of certain retired employees who elected reduced annuities at the time of retirement in order to provide survivor annuities for their spouses, and for the recomputation of survivor annuities for the surviving spouses of certain former employees who died in service or after retirement; to the Committee on Post Office and Civil Service.

(See the remarks of Mrs. NEUBERGER when she introduced the above bills, which appear under separate headings.)

By Mrs. NEUBERGER (for herself, Mr. MORSE, and Mr. CHURCH):

S. 549. A bill to amend section 8c(2) of the Agricultural Adjustment Act, as reenacted and amended by the Agricultural Marketing Agreement Act of 1937, as amended, so as to permit marketing orders issued under such section to be applicable to canned and frozen onions; to the Committee on Agriculture and Forestry.

(See the remarks of Mrs. NEUBERGER when she introduced the above bill, which appear under a separate heading.)

By Mr. SCOTT:

S. 550. A bill for the relief of Patrick Anthony Linnane; and

S. 551. A bill for the relief of Richard Bing-Yin Lam; to the Committee on the Judiciary.

By Mr. MORSE:

S. 552. A bill conferring jurisdiction upon the U.S. Court of Claims to hear, determine, and render judgment upon the claim of Eugene E. Laird; to the Committee on the Judiciary.

By Mr. SIMPSON:

S. 553. A bill to consent to the upper Niobrara River compact between the States of Wyoming and Nebraska; to the Committee on Interior and Insular Affairs.

By Mr. SIMPSON (for himself and Mr. MCGEE):

S. 554. A bill authorizing the Administrator of Veterans' Affairs to convey certain property to the city of Cheyenne, Wyo.; to the Committee on Labor and Public Welfare.

(See the remarks of Mr. SIMPSON when he introduced the above bills, which appear under separate headings.)

By Mr. DODD:

S. 555. A bill for the relief of Antonio Palmieri; and

S. 556. A bill for the relief of Angel D. Cortes, his wife, Concepcion Marti Cortes, and their children, Maria de los Angeles Cortes, Juan Francisco Cortes, and Avelina Cortes; to the Committee on the Judiciary.

By Mr. FONG:

S. 557. A bill for the relief of Felomina C. Blanco; to the Committee on the Judiciary.

By Mr. MAGNUSON (for himself, Mr. JACKSON, Mr. KUCHEL, Mrs. NEUBERGER, and Mr. HARTKE):

S. 558. A bill to authorize the Secretary of Commerce to carry out certain programs to develop and expand foreign markets for U.S. products, and to provide more effectively for assistance in the financing of certain foreign sales which are affected with the national interest; to the Committee on Commerce.

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

By Mr. MAGNUSON (for himself, Mr. MOSS, and Mr. CLARK):

S. 559. A bill to regulate the labeling of cigarettes, and for other purposes; to the Committee on Commerce.

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

By Mr. MUSKIE (for himself, Mr. BARTLETT, Mr. BAYH, Mr. BOGGS, Mr. BREWSTER, Mr. FONG, Mr. GRUENING, Mr. KENNEDY of Massachusetts, Mr. MILLER, Mr. MONRONEY, Mr. PEARSON, Mr. RANDOLPH, Mr. RIBICOFF, and Mr. WILLIAMS of New Jersey):

S. 560. A bill to amend the Federal Water Pollution Control Act, as amended, and the Clean Air Act, as amended, to provide for improved cooperation by Federal agencies to control water and air pollution from Federal installations and facilities and to control automotive vehicle air pollution; to the Committee on Public Works.

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

By Mr. MUSKIE:

S. 561. A bill to achieve the fullest cooperation and coordination of activities between the levels of government in order to improve the operation of our Federal system in an increasingly complex society, to improve the administration of grants-in-aid to the States, to provide for periodic congressional review of Federal grants-in-aid, to permit provision of reimbursable technical services to State and local governments, to establish coordinated intergovernmental policy and administration of grants and loans for urban development, to provide for the acquisition, use, and disposition of land within urban areas by Federal agencies in conformity with local government programs, and for other purposes; to the Committee on Government Operations.

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

By Mr. BARTLETT (for himself, Mr. GRUENING, Mr. INOUYE, and Mr. FONG):

S. 562. A bill to amend section 601 of title 38, United States Code, with respect to the definition of the term "Veterans' Administration facilities"; to the Committee on Labor and Public Welfare.

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

By Mr. MOSS:

S. 563. A bill authorizing the Secretary of the Army to convey certain lands to the State of Utah; to the Committee on Armed Services.

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

By Mr. THURMOND:

S.J. Res. 21. Joint resolution proposing an amendment to the Constitution of the United States providing for the establishment of a Court of the Union;

S.J. Res. 22. Joint resolution proposing an amendment to the Constitution of the United States relating to the process of amending the Constitution;

S.J. Res. 23. Joint resolution proposing an amendment to the Constitution of the United States relating to religion in the United States;

S.J. Res. 24. Joint resolution proposing an amendment to the Constitution of the United States relative to the balancing of the budget; and

S.J. Res. 25. Joint resolution proposing an amendment to the Constitution to provide for the succession of the Vice President to the office of President, and for the selection of a new Vice President whenever there is a vacancy in the office of Vice President; to the Committee on the Judiciary.

S.J. Res. 26. Joint resolution expressing declaration of will of the American people and purpose of their Government to achieve complete victory over the forces of the world Communist movement; to the Committee on Foreign Relations.

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

By Mr. BURDICK:

S.J. Res. 27. A joint resolution providing for the establishment of annual National Farmers Weeks; to the Committee on the Judiciary.

By Mr. SMATHERS:

S.J. Res. 28. Joint resolution proposing an amendment to the Constitution relating to the nomination and election of candidates for President and Vice President, and to succession to the office of President in the event of the death or inability of the President; to the Committee on the Judiciary.

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

CONCURRENT RESOLUTIONS

WORLD'S FAIR IN CHICAGO IN 1976

Mr. DIRKSEN (for himself and Mr. DOUGLAS) submitted a concurrent resolution (S. Con. Res. 7); which was referred to the Committee on the Judiciary, as follows:

Whereas the United States of America will commemorate the two hundredth anniversary of its independence in the year 1976; and

Whereas it is appropriate that there be held a world's fair in the United States of America dedicated to the memory of the historic events that culminated in the signing of the Declaration of Independence in the year 1776; and

Whereas the President of the United States has declared that there will be held a gigantic world's fair in the United States in the year 1976 to celebrate the two centuries of independence of this Nation; and

Whereas the first city in the United States to commence planning for a gigantic world's fair to be held in the year 1976 to commemorate the two hundredth anniversary of the independence of this Nation was the city of Chicago where such planning was commenced in the year 1954 through a group of public spirited citizens residing in the State of Illinois and which group constituted the "Committee of '76"; and

Whereas the city of Chicago, located in the geographic heart of the United States, is the proper place to observe and celebrate this epic and historic event, since the transportation facilities, the housing facilities and restaurant accommodations of the city of Chicago are unsurpassed anywhere in the world and since the city of Chicago has a record of sponsoring successful world's fairs, such as the Columbian Exposition in 1893 and the Century of Progress in 1933; and since by 1976 the city of Chicago will not have sponsored a world's fair for more than forty years; and

Whereas the citizens of the city of Chicago, the mayor of the city of Chicago, the president of the board of commissioners of Cook County, and the Governor of the State of Illinois, and the Legislature of the State of Illinois have gone on record encouraging and promoting the holding of a world's fair in Chicago in the year 1976, and responsible and important planning has already taken place toward the objective of holding such a world's fair in Chicago in 1976: Now, therefore, be it

Resolved by the Senate (the House of Representatives concurring), That the two Houses view with great favor and encouragement the activities of the Chicago citizens of the "Committee of '76" in their efforts to plan a world's fair in Chicago in the year 1976 to commemorate the two hundredth anniversary of the independence of the United States of America.

MEMORIAL TO SAKAKAWEA

Mr. BURDICK submitted the following concurrent resolution (S. Con. Res. 8); which was referred to the Committee on Rules and Administration:

Whereas the Sakakawea Council of the Girl Scouts of America, on the seventeenth day of April 1964, at Bismarck, North Dakota, adopted the following resolution:

Whereas we, the Sakakawea Council of the Scouts of America, on the seventeenth day

of April 1964, at Bismarck, North Dakota, Girl Scouts of America, residing in Bismarck, the capital city of North Dakota, recognize, appreciate, and honor the name and the memory of Sakakawea and her works, and salute her as the Nation's first Girl Scout; and

Whereas the Shoshone Indian girl became the guide and scout for the greatest land exploration in our Nation's history, the Lewis and Clark Expedition; and

Whereas Sakakawea joined the expedition in 1804 at a point near Bismarck, North Dakota, to spend twenty months traveling over rugged terrain extending from the Missouri River to the Pacific Ocean; and

Whereas this intrepid girl, with a newborn baby strapped to her back, facing hunger, danger, and the adversities of weather, led the expedition through Indian territory and uncharted areas; and

Whereas Sakakawea is a symbol of devotion to duty and country and an inspiration to the Girl Scouts of America: Now, therefore, be it

Resolved, That the Sakakawea Council of the Girl Scouts of America, consider and determine that proper respect, honor, and appreciation be symbolized through the erection of a fitting monument to her to be located in or near Bismarck, North Dakota, the place where she joined the history-making expedition; and it is further

Resolved, That the city of Bismarck, county of Burleigh, State of North Dakota, and the United States of America be and are hereby memorialized to assist in the perpetuation of the memory of Sakakawea.

This resolution was adopted on the seventeenth day of April 1964, by the Sakakawea Council of the Girl Scouts of America, in the city of Bismarck, North Dakota; and

Whereas recognition of Sakakawea, the first Girl Scout of America, as requested by the Sakakawea Chapter of the Girl Scouts of America, should be extended by the Congress of the United States: Now, therefore, be it

Resolved by the Senate (the House of Representatives concurring), That the Congress of the United States hereby recognize the part played by Sakakawea in the expansion of the United States westward, and hereby commends and encourages all efforts of the people of the United States to build a fitting memorial to the memory of Sakakawea, at an appropriate site near the place where she joined the Lewis and Clark Expedition.

RESOLUTIONS

REPUBLICAN MEMBERSHIP ON STANDING COMMITTEES

Mr. DIRKSEN submitted a resolution (S. Res. 27) relating to Republican membership on Senate committees, which was considered and agreed to.

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

STUDY OF FOREIGN POLICY

Mr. FULBRIGHT, from the Committee on Foreign Relations, reported an original resolution (S. Res. 28) authorizing the Committee on Foreign Relations to examine and study the foreign policies of the United States, which was referred to the Committee on Rules and Administration.

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

TO PRINT THE COMPILATION ENTITLED "MINERAL POTENTIAL OF EASTERN MONTANA—A BASIS FOR FUTURE GROWTH" AS A SENATE DOCUMENT

Mr. MANSFIELD submitted the following resolution (S. Res. 29); which was referred to the Committee on Rules and Administration:

Resolved, That there be printed with illustrations as a Senate document the compilation entitled "Mineral Potential of Eastern Montana—A Basis for Future Growth", prepared by the Geological Survey and the Bureau of Mines, United States Department of the Interior, at the request of Senator MIKE MANSFIELD.

SEC. 2. There shall be printed 1,300 additional copies of such document for the use of the Committee on Interior and Insular Affairs.

AMENDMENT OF STANDING RULES OF THE SENATE RELATING TO THE SELECT COMMITTEE ON SMALL BUSINESS

Mr. PROUTY submitted a resolution (S. Res. 30) to amend the Standing Rules of the Senate relative to the Select Committee on Small Business, which was referred to the Committee on Rules and Administration.

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

AMENDMENT OF RULE XVI RELATIVE TO AMENDMENTS TO APPROPRIATION BILLS

Mr. THURMOND submitted a resolution (S. Res. 31) to amend rule XVI relative to amendments to appropriation bills, which was referred to the Committee on Rules and Administration.

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

ADDITIONAL FUNDS FOR THE SELECT COMMITTEE ON SMALL BUSINESS

Mr. SPARKMAN (for himself and Mr. SALTONSTALL) submitted the following resolution (S. Res. 32); which was referred to the Committee on Rules and Administration:

Resolved, That the Select Committee on Small Business, in carrying out the duties imposed upon it by S. Res. 58, Eighty-first Congress, agreed to February 20, 1950, and S. Res. 272, Eighty-first Congress, agreed to May 26, 1950, is authorized to examine, investigate, and make a complete study of the problems of American small and independent business and to make recommendations concerning those problems to the appropriate legislative committees of the Senate.

SEC. 2. For the purposes of this resolution, the committee, from February 1, 1965, to January 31, 1966, 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; 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.

SEC. 4. Expenses of the committee under this resolution, which shall not exceed $140,000, 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 A REPORT ON STATUS OF COLORADO RIVER STORAGE PROJECT AND PARTICIPATING PROJECTS

Mr. ANDERSON submitted a resolution (S. Res. 33) to print as a Senate document a report on status of Colorado River storage project and participating projects, which was referred to the Committee on Rules and Administration.

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

AMENDMENT OF RULE XXV, RELATING TO STANDING COMMITTEES

Mr. BURDICK submitted the following resolution (S. Res. 34); which was referred to the Committee on Rules and Administration:

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

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

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

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

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

"1. Veterans' measures, generally.

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

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

"4. Compensation of veterans.

"5. Vocational rehabilitation and education of veterans.

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

"7. Soldiers' and sailors' civil relief.

"8. Readjustment of servicemen to civil life."

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

SEC. 3. Section 6(a) of rule XVI of the Standing Rules of the Senate (relating to the designation of ex officio members of the Committee on Appropriations), is amended by adding at the end of the tabulation contained therein the following new item:

"Committee on Veterans' Affairs—For the Veterans' Administration."

SEC. 4. The Committee on Veterans' Affairs shall as promptly as feasible after its appointment and organization confer with the Committee on Finance and the Committee on Labor and Public Welfare for the purpose of determining what disposition should be

made of proposed legislation, messages, petitions, memorials, and other matters heretofore referred to the Committee on Finance and the Committee on Labor and Public Welfare during the Eighty-ninth Congress which are within the jurisdiction of the Committee on Veterans' Affairs.

AMENDMENT OF RULE VII TO PERMIT MORNING BUSINESS STATEMENTS OR COMMENTS FOR 3 MINUTES

Mr. CHURCH (for himself, Mr. BARTLETT, Mr. CLARK, and Mr. RANDOLPH) submitted a resolution (S. Res. 35) to amend rule VII to permit morning business statements or comments for 3 minutes, which was referred to the Committee on Rules and Administration.

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

REVISION OF WITHHOLDING RATE ON INCOME TAX

Mr. DIRKSEN. Mr. President, when the Congress enacted the Revenue Act of 1964, the withholding rate was set at 14 percent. This action on the withholding rate which was taken at the urging of the administration, will create considerable widespread hardship on April 15 of this year, simply because the amount withheld by a 14-percent rate will not be sufficient to meet the taxes due by the taxpayer. As a result many taxpayers—in fact I suspect it will run into several million—will find that they owe taxes in addition to what has been withheld, an obligation, I might add, that was not the result of any mistake on their part but rather the result of too low a withholding rate.

Initially, the proposal was to have a 15-percent withholding rate for the first year and then to shift to a 14-percent withholding rate for the taxable year 1965. But as an article from the Evening Star of January 6, 1965, indicates:

Since about 2 months of 1964 had gone by before the tax cut bill was passed, the withholding rate was set at 14 percent—the rate originally planned for 1965—instead of 15 percent. The administration wanted to deliver the full economic impact in 1964 as a pep-up pill for business.

I ask unanimous consent that the entire article be reproduced in full at the conclusion of my remarks.

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

(See exhibit 1.)

Mr. DIRKSEN. Mr. President, I do not believe that we should inflict a hardship upon some taxpayers simply because a benefit was to be provided for someone else.

In order to provide some relief from this hardship, I send to the desk a bill which will permit the taxpayer to authorize his employer to withhold an additional amount each month after the date he files his tax return, which amount will be applied to any tax deficiency. For the purpose of avoiding very minor accounts my proposed legislation would affect only taxpayers with a deficiency in excess of $50. The employer could withhold one-twelfth of the amount due each month for the succeeding 12 months. This additional withholding would be turned over to the Treasury to be credited to the deficiency of the taxpayer. I would visualize that a simple form could be prepared by Treasury which the employee could sign to authorize the employer to deduct this amount for the taxpayer.

Since the deficiency that will confront the taxpayer arises through no fault of his but rather from action by Congress, it is my feeling that penalties which would normally be applied to delinquent payments should be waived in this instance. This relief which I propose would only be granted for the taxable years 1964 and 1965.

I realize that we cannot initiate action on this measure in this body and that it must originate in the other body. However, I do want to place my colleagues on notice that I will offer this bill as an amendment to the first available legislation that comes from the House of Representatives.

In order to correct this condition which will continue to persist to a certain degree among taxpayers in the higher brackets I will shortly offer legislation which will provide for a progressive rate of withholding. I have requested the Joint Committee on Internal Revenue on Taxation to study this matter and to prepare such legislation. As soon as they have completed their efforts, I will introduce it in the Senate and will also offer it as an amendment to a proper House-passed measure.

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

The bill (S. 477) to amend the Internal Revenue Code of 1954 to permit employers to withhold for 1964 and 1965 income tax not withheld currently from the wages of their employees, and to treat the amounts so withheld as having been paid by such employees on the dates on which returns are filed for such years, introduced by Mr. DIRKSEN, was received, read twice by its title, and referred to the Committee on Finance.

EXHIBIT 1

[From the Washington (D.C.) Evening Star, Jan. 6, 1965]

WITHHOLDING TAX RATE STILL SHORT OF LIABILITY

The second stage of tax reduction which took effect January 1 will bring withholding taxes in closer alinement with actual tax liability—but it will not solve a problem of underpayment for many middle and high bracket taxpayers.

Some administration officials have proposed a two-step withholding rate, including a higher rate for the middle and upper salary brackets.

An Internal Revenue Service official said he does not know whether the two-step plan is still under consideration. It would require action by Congress.

The net amount owed the Government this spring will be an estimated $1 to $2 billion higher because of underwithholding last year. In other words, refunds will be lower or tax bills higher by that amount. Many taxpayers simply will get lower refunds.

Refunds totaled more than $5 billion last year.

The disparity between the amounts withheld and the tax liabilities is due to the timing of the withholding rate. The tax cut was in two stages—one cut on 1964 income and a still lower rate for 1965 income.

Since about 2 months of 1964 had gone by before the tax-cut bill was passed, the withholding rate was set at 14 percent—the rate originally planned for 1965—instead of 15 percent. The administration wanted to deliver the full economic impact in 1964 as a pep-up pill for business.

The withholding rate on wages and salaries remains at 14 percent but tax liability has gone down slightly.

Even before the tax cut, there was little chance that a taxpayer's withholding would match his tax.

The IRS has suggested that taxpayers who want to avoid being stuck with a big bill in the spring of 1966 should claim one less dependent on withholding (while still listing the dependent on the tax return, of course). Or, if he can get his employer's cooperation, he may arrange for an extra amount to be taken out above the required withholding.

HELP FOR EMOTIONALLY DISTURBED CHILDREN

Mr. RIBICOFF. Mr. President, the report of the Warren Commission turned the clock back to the terrible day of November 22, 1963. On that evil day, we lost a great President, a beloved friend, and a young world leader who lifted the sights of men of good will everywhere.

The facts are now in—and from a most distinguished and unimpeachable source. The Warren Commission report detailed what happened. But the report does more than look to the past. It has meaning for the future as well. One portion of this sad story can have much meaning for the thousands of boys and girls who fall victim to the sort of serious emotional disturbance that warped the mind of Lee Harvey Oswald when he was young and helped lead to one of the great tragedies of history.

I think that from the history of Lee Oswald—from his record of mental disturbance, of near-treatment and non-treatment—we can draw some significant conclusions. We, the Members of the U.S. Congress, can act on these conclusions. And we can do so in a way which would have truly pleased the practical and constructive mind of John Fitzgerald Kennedy.

We can state these conclusions briefly. Lee Harvey Oswald, an unhappy child in a badly deranged home, grew up as a most disturbed youngster. Defiant, lost, alone, the victim of many failures, his inner anguish sometimes poured out and gave foreboding signs.

This was especially true during his brief stay in New York—a city with many "helping" agencies. Taunted while he was at junior high school, the 13-year-old preferred to sit in the apartment he shared with his mother and watch television. His persistent truancy finally brought him to Youth House—an institution in which children are kept for psychiatric observation or for detention pending court appearance or commitment to a child-caring or custodial institution like a training school.

Here he stayed for a month in 1953, and was examined by various professional personnel. They found no neu-

rological impairment or psychotic changes, but made this diagnosis:

Personality pattern disturbance with schizoid features and passive-aggressive tendencies.

At 13, Lee Oswald was found to be a child of more than average intelligence, detached, and withdrawn with serious "environmental problems."

Contrary to reports published immediately after the assassination, it was not officially recommended that Lee be institutionalized. Dr. Renatus Hartogs, chief psychologist of Youth House, felt that Oswald should be placed on probation on condition that he seek help and guidance through a child guidance clinic. There, he suggested Lee should be treated by a man—a psychiatrist who could substitute as a father figure. He also recommended psychotherapy for Mrs. Oswald. Commitment was to be considered only if the probation plan was not successful.

It was not.

Few social agencies even in New York were equipped to provide the kind of intensive treatment that he needed—

The Warren Commission observed—

and when one of the city's clinics did find room to handle him, for some reason the record does not show, advantage was never taken of the chance afforded to Oswald.

Would the story have had a different ending if Oswald and his mother had taken advantage of his chance; or if the city's institutions had reached out more effectively to guide them toward a solution of their problems? One cannot say precisely. As John Carro—Lee's probation officer—put it, at the time of the assassination:

He had a lot to overcome, but he was not that far gone that he couldn't be helped. Some cases can be arrested, while others can't, no matter how much you put into them. He was only 13, though. He had youth on his side.

But, as it turned out, little else. The boy returned to school in the fall of 1953. He became a disciplinary problem—his mother failed to cooperate with school authorities—placement in a boy's home was finally considered—placement was postponed, perhaps because Lee's behavior improved. Before the Bronx Children's Court took any action, the Oswalds left New York.

We all know the rest of the sorry story. Oswald finished the ninth grade in New Orleans, left school to work for a year, then joined the marines. But even had society stepped in to help him as a young adult, it might not have been able to accomplish much; it might have been too late to uproot the seeds of his disturbance which were sown in his childhood years.

Experts estimate that there are about 500,000 children in our Nation suffering from evident or borderline psychosis. Certainly not all these 500,000 children can be labeled as potential Lee Oswalds. But certainly, too, thousands of them harbor potential for harm to themselves, and to society.

Of these 500,000 suffering children, only 10,000 are known to be under some sort of treatment. This means that only 2 percent of the children who need treatment are getting it. Conversely, we are letting 98 percent of this group slip through our society's fingers, condemning them to lives of futility and anguish and society to nameless perils.

We know that psychiatry is an infant discipline. Our doctors have much to learn about the workings of the human mind. But they have made progress, and they do have tools available. Surely these tools should be used by a modern nation on the behalf of its children who, for good or evil, are tomorrow's adult citizens.

These tools are not being fully used today. The facts are clear. For example:

A Los Angeles County study in 1958 showed that over 2 percent of more than 532,000 schoolchildren were severely disturbed. The same study reported that in 1955, Los Angeles County had 1,192 cases of emotionally disturbed delinquents under the age of 18 who were processed through the juvenile hall clinic, that this number represented only about one-third of the 3,500 children under the jurisdiction of the probation department during 1955 who were facing emotional problems and this number appeared to be increasing rather than diminishing. What is more, over 9 percent of the children in the process of foster home placement by the division of child welfare services were disturbed children and more than 45 percent of these were preschool or elementary school children.

In New York City, the health department estimates that about 20 percent of all children of school age are in need of guidance services and that many such children could be identified, if not prior to school, on the first routine health appraisal on admission to school.

In the District of Columbia, the case records of 60 children were studied to ascertain whether in those cases of early onset of the problem, prevention was possible. For the group of 60 cases, the time of the onset was the preschool period in 32, kindergarten in 20, the first grade 5, and the second grade 3. Thus, in 57 of the 60 children 5 to 17 years of age, the problem had been noted in the preschool, kindergarten or first grade period. The school records indicated the persistence of these problems in the same children, year after year from the early grades.

Studies of adolescents at the adolescent clinic at the University of Washington School of Medicine referred with health and school adjustment problems showed that the onset of the school adjustment problem was noted as early as the first grade for the majority of problems. The neglect of the basic problems over the years had resulted in impaired health and physical status in a significant number of these cases.

An article in the Journal of the American Public Health Association, November 1959, reports the general availability or lack of it of treatment services for disturbed children throughout the country. This report by a school psychiatric diagnostic and counseling clinic, staffed by a part-time psychiatrist and a full-time social worker showed that psychiatric therapy was recommended in 60 percent of the cases and referral to a social agency for another 20 percent. These recommendations could be carried out for less than 10 percent of the children because of limited resources in the community.

In 1959, National Institute of Mental Health studies show, 208,000 children under 18 years of age were seen in psychiatric outpatient clinics alone; of these, 86,000 were under 9 years of age. This is the picture we get from studies from reporting clinics only. Two-thirds of the children diagnosed as needing treatment left the clinic before treatment was started. Further, pediatricians estimate that only 40 percent of the parents of children in need accept pediatric referral for psychiatric and guidance clinic services and only about one-third of these return for help after the first contact. This information can only intimate the large number of seriously maladjusted children who were not referred to clinics because they were not available, or who, through lack of referral or failure to comply with referral, were not seen at a clinic.

Experience seems to show, then, that we have many disturbed children—as many as 10 to 15 percent of all our children. We also have services to offer these children. If these services are given to children with emotional problems at an early stage, the probability is that they can be helped.

But there are many obstacles: high costs, shortages of trained personnel, scattered and scanty services—and lack of continuity of treatment—to name just a few. What is needed is an all-out effort to help the child who, like Lee Oswald in the early 1950's, is in need of help but is not receiving it. What is needed is the development and expansion of community services—so they will be both more comprehensive and more accessible.

This means community-based treatment centers wherever they are wanted and needed for children in danger of becoming emotionally disturbed. It means treatment centers familiar to the citizens of their communities—where schools, social agencies, health departments, courts, and families can easily refer a child for diagnosis, treatment and followup.

If such a center already exists in a town or city, it could be used, and if necessary expanded. If not, it could be developed until it was able to assume responsibility to see that all necessary services were provided. If it could not provide such services itself, it would still accept responsibility to follow through to make certain other community agencies provided them. It would be able to pay for and supervise care in specialized foster homes—residential treatment centers—or any other type of treatment indicated by diagnosis and complete study. And it should be flexible, and willing to try and test new and experimental treatment methods.

For all these reasons, I introduce for appropriate reference a bill to provide Federal matching funds to help States and communities to establish programs

for the identification, care and treatment of children who are or are in danger of becoming emotionally disturbed. The bill amends title V, the children's title of the Social Security Act, to authorize this new program.

The bill would establish a flexible program to meet a variety of needs. It would enable the Secretary of Health, Education, and Welfare to make grants to community, public, and nonprofit agencies and institutions of higher learning engaged in providing services to children in danger of becoming emotionally disturbed. Under these grants, appropriate agencies could establish projects to develop community centers for children. Such centers would maintain continuing relationships with the schools, social agencies, clinics, courts, and other community agencies serving children and provide or cause to be provided continuing protective services for children served by the center.

Projects might include the cost of diagnostic and treatment services, payment for services in established community facilities—including payment for care in residential treatment centers of foster family homes—counseling services to parents and children, program research and evaluation, establishment of an advisory committee to the project and such other costs as the Secretary may determine to be reasonable. Up to 75 percent of the cost of these projects could be borne by the Federal Government.

The bill would establish an expert panel, advisory to the Secretary of Health, Education, and Welfare, whose chief duties would be to:

First. Examine the facts relative to providing preventive, diagnostic, treatment, and protective services from the standpoint of the rights of the child and the rights of the parents.

Second. Develop recommendations regarding the problem of assuring continuing services to a child.

Third. Make recommendations for a nationwide attack on the whole problem.

Such a study is urgently needed and wanted. Those professional people most concerned with emotionally disturbed children have called attention to the fact that the Joint Commission on Mental Illness and Health was unable to make it because of lack of funds. A conference of all the leading child psychiatrists in the Nation, held by the American Academy of Child Psychiatry and the American Psychiatric Association last year, recommended, and I quote:

> In sum, it was the consensus of the conference that what the Joint Commission had done by way of presenting the Nation with a program to combat mental illness as a whole should now be done in comparable manner and style for the problem of childhood mental illness. The conference members recognized and accepted their obligation to inform the public of the needs of children and registered their opinion that a national survey should be conducted under the leadership of representatives of the entire problem of child-care professions in the field of mental illness and health. They pledged to work for the launching of such a study, looking to the formulation of a national program to combat childhood mental illness and to secure the wherewithal to carry out such a plan.

The bill does not seek to achieve the millenium—in fact it authorizes a comparatively small amount of money—$1 million for 1965, $3 million for 1966 and 1967, and $5 million annually thereafter. It does not interfere with research and demonstration projects already underway which seek to help disturbed youngsters.

The bill does authorize the agency of the Government most directly responsible for the health of our children to provide the financial encouragement needed to give serious national attention to this most tragic childhood disability. Its intent and purpose complements the much larger effort—inaugurated by Public Law 88–164, the Mental Retardation Facilities and Community Mental Health Centers Construction Act of 1963.

Last year Congress authorized a total of $150 million to build community mental health centers. But experience has repeatedly shown that the existence of a building gives no assurance that an emotionally disturbed child will receive the treatment and follow-up care that could be given there. If we can spend $150 million to build, surely we can spend less than 1 percent of that sum to help the States finance the programs to spot and help children with severe emotional problems.

As the President said in his health message last week: "facilities alone cannot assure service." President Johnson has proposed a program of grants to provide personnel for these community mental health centers offering comprehensive services. He has, too, placed an entirely healthy emphasis on the health needs of "our most priceless resource of all—our children." My bill will complement the President's plans. It would channel desperately needed help directly into programs to spot and help children with severe emotional problems. Together with the facilities provided under the 1963 act and the President's proposals, my bill would mount an attack on the problems of emotionally disturbed children.

The attack would be but an ounce of prevention. We have learned through bitter loss and tragedy that it would have provided more than a pound of cure.

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

The bill (S. 488) to amend title V of the Social Security Act to assist States and communities to establish programs for the identification, care and treatment of children who are or are in danger of becoming emotionally disturbed, introduced by Mr. RIBICOFF, was received, read twice by its title, and referred to the Committee on Finance.

REVITALIZATION OF SAN FRANCISCO MINT

Mr. KUCHEL. Mr. President, I introduce a bill, for appropriate reference, for the revitalizing of the mint at San Francisco.

In that connection, I ask unanimous consent that there be included at this point in my remarks a copy of a recently completed report on the feasibility of locating a new mint in San Francisco, prepared by the San Francisco Chamber of Commerce.

The PRESIDING OFFICER. The bill will be received and appropriately referred; and, without objection, the report will be printed in the RECORD.

The bill (S. 492) to revitalize the mint at San Francisco, introduced by Mr. KUCHEL (for himself and Mr. MURPHY), was received, read twice by its title, and referred to the Committee on Banking and Currency.

The report presented by Mr. KUCHEL is as follows:

PROJECT MINT

(A statement of facts to the Honorable John F. Shelley, mayor of the city and county of San Francisco, and the mayor's committee to study a U.S. mint in San Francisco, prepared by the Greater San Francisco Chamber of Commerce)

A statement of facts has been prepared for use as a basis for further planning and discussion concerning the feasibility of locating a new U.S. mint in San Francisco.

The main stress of the data is on the population and economic growth of California, with selected projections of these power factors, and the relationship of the San Francisco metropolitan area to this growth. The various types of statistical indicators also reflect geographical comparisons, with specific indices showing the ratio of increase in California and the San Francisco area as compared to other leading States and areas. The continuing trend of these economic movements to the Far West is our strongest point.

The 12th Federal Reserve District, with its San Francisco headquarters, takes in the States of California, Oregon, Washington, Alaska, Hawaii, Nevada, Utah, Idaho, and parts of Arizona and Montana. Certain items have been included for comparison with other Federal Reserve districts, such as the fact that the 12th district receives the highest distribution of coin production. Regional statistics have also been grouped, showing the various economic factors in which the Western States have far outstripped other regions. This is shown even more dramatically when comparing California with other States.

Land cost data is not shown as it is the contention that a site should be acquired through the power of urban renewal. As to transportation, San Francisco is centrally located to serve the branch banks in Portland, Seattle, Salt Lake City, and Los Angeles, like a wide-sweeping pendulum. It is also a contention that the tremendous rate of economic growth in the West, and especially that of California and her metropolitan areas, can ameliorate any cost penalties for land or transportation.

The statistical information given on the following pages will graphically show that the population and economic power of California and the West could generate more than enough demand for a mint to be located in San Francisco, to adequately serve this area.

FLETCHER CHAN,
Manager, Research Department, Greater San Francisco Chamber of Commerce.

CREDIT FOR SOURCES OF INFORMATION

Annual reports of the Director of the Mint for fiscal years 1961, 1962, and 1963.

Copy of hearings held before the subcommittee of the Committee on Banking and Currency, U.S. Senate, for "Additional Mint Facilities," March 26, 1963.

Copy of hearings held before the Subcommittee on Monetary Affairs of the House Committee on Governmental Operations, on "Coin Shortage," June 30 to July 2, 1964.

Final report on "Production Facilities in the U.S. Mint," by Arthur D. Little, Inc., February 11, 1963.

Information releases from the Treasury Department and the Bureau of the Mint.

U.S. News & World Report, January 13, 1964, "Special Report on Growth Selected Economic Data on the California Economy," by the economic research department of the Bank of America, September 1964.

The 1962, 1963, and 1964 editions of Survey of Buying Power by Sales Management.

The 1965 Editor and Publisher Market Guide.

1964–65 economic survey of San Francisco and the bay area by the San Francisco Chamber of Commerce.

Some statistics are taken directly from the source, but most data has been compiled, grouped, and tabulated by the research department of the San Francisco Chamber of Commerce.

SELECTED POWER RANKINGS OF THE SAN FRANCISCO METROPOLITAN AREA

Population: San Francisco-Oakland metropolitan area ranks sixth in the Nation.

Total income: Sixth in the Nation, included in the only six metropolitan areas of total income over $10 billion.

Total retail sales: Sixth in the Nation, among the first seven areas of retail volume over $4 billion.

Total food sales: Fourth in the Nation.

Per household income: Ninth in the Nation ($9,675); third highest in the Nation for Counties, ($10,949); [1] sixth highest for cities ($10,949).[2]

[1] First two leading counties: Westchester and Nassau, N.Y.

[2] First five highest cities: Greenwich, Stanford, Danbury, Winsted, and Middletown, Conn.

National rank of principal California manufacturing industries, 1962

In terms of value added by manufacture California is—	Percent of U.S. total
1st in food and kindred products	11.0
1st in miscellaneous manufactures	23.2
2d in transportation equipment	13.2
2d in petroleum and coal products	12.6
2d in lumber and wood products	11.4
2d in furniture and fixtures	9.8
2d in electrical machinery	11.9
3d in stone, clay, and glass products	9.3
3d in printing and publishing	7 9
3d in rubber and plastics products	7.2
3d in fabricated metal products	9.3
3d in instruments and related products	8.5
4th in apparel and related products	5.8
6th in machinery, except electrical	7.0
6th in paper and allied products	5.2
7th in primary metal industries	4.4
8th in chemicals and allied products	4.5

Population of leading States and rank in change

1965 rank	State	1965 estimate population (thousands)	Rank in population change since 1960	Percent of U.S. net increase, 1960–63
1	California	18,529	1	19.8
2	New York	17,789	3	6.1
3	Pennsylvania	11,783	11	2.7
4	Illinois	10,625	8	4.2
5	Texas	10,404	4	7.1
6	Ohio	10,269	5	6.2
7	Michigan	8,754	6	3.7
8	New Jersey	6,667	7	4.3
9	Florida	5,828	2	7.1
10	Massachusetts	5,555	21	(1)

[1] Not available.

1965 population estimates for the 10 largest standard metropolitan statistical areas

Rank	Areas	Population	Federal Reserve district
1	New York	11,291,051	New York.
2	Los Angeles-Long Beach	6,884,199	San Francisco.
3	Chicago	6,634,830	Chicago.
4	Philadelphia	4,744,023	Philadelphia.
5	Detroit	4,231,842	Chicago.
[1] 6	San Francisco-Oakland	3,032,157	San Francisco.
7	Boston	2,701,771	Boston.
8	Pittsburgh	2,515,494	Cleveland.
9	Washington, D.C.	2,333,216	Richmond, Va.
10	St. Louis	2,268,060	St. Louis.

[1] The San Francisco-Oakland metropolitan area had the 3d largest rate of population growth among the Nation's 10 biggest metropolitan areas for the 1960–63 period. This was exceeded only by the Washington, D.C., and Los Angeles-Long Beach areas. This increase of over 7 percent for the 1960–63 period, as compared to a 5 percent average rate of increase for the other metropolitan areas, was made even more meaningful as Solano County has been deleted from the San Francisco-Oakland statistical area, giving a 5-county area growth instead of the former 6-county bay area complex.

Total retail sales

[In millions of dollars]

Year	California	United States	California as percent of United States
1950	$12,409.7	$143,688	8.6
1955	17,122.6	183,851	9.3
1960	21,514.4	219,529	9.8
1961	22,083.9	218,811	10.1
1962	24,024.2	235,356	10.2
1963	26,693.2	246,432	10.8

NOTE.—Percentage growth of California retail sales volume as compared to the U.S. total will continue to rise steadily. It is estimated that the total retail sales for California in 1965 will be nearly $32,000,000,000, and will rise to $40,000,000,000 in 1970.

Personal income

[Millions of dollars]

Year	California	United States	California as percent of United States
1950	$19,627	$225,473	8.7
1955	30,224	306,598	9.9
1960	43,183	399,028	10.8
1961	45,776	414,954	11.0
1962	49,187	439,661	11.2
1963	52,419	460,580	11.4

Per capita personal income

Year	California	United States	Percent California is above United States
1950	$1,839	$1,491	23.3
1955	2,297	1,866	23.1
1960	2,725	2,217	22.9
1961	2,794	2,267	23.2
1962	2,888	2,366	22.1
1963	2,980	2,443	22.0

Retail sales estimates

[In millions]

	1958	Percent of U.S. totals	1965	Percent of U.S. totals	1970	Percent of U.S. totals
Northeastern States: 9	$52,841	26.60	$70,752	25.71	$80,258	25.38
North Central States: 12	59,464	29.93	78,681	28.59	84,154	26.61
South Atlantic States: 8 plus the District of Columbia	24,674	12.42	36,031	13.09	44,335	14.02
South Central States: 8	27,496	13.84	37,608	13.66	43,967	13.90
West (mountains and Pacific): 13	34,209	17.22	52,172	18.95	63,561	20.10
Total, United States	198,684	100.00	275,244	100.00	316,275	100.00
Pacific States: 5	26,285	13.23	40,390	14.67	49,646	15.70
California	20,011	10.07	31,978	11.62	40,250	12.73

NOTE.—The dollar volume of sales in the West is rising faster and more steadily than in any other region. There is and will continue to be a percentage decline in the northeast and north central regions.

Population distribution

	1963	Percent of U.S. totals	1970	Percent of U.S. totals
Northeastern States: 9	46,372,000	24.60	49,780,000	23.90
North Central States: 12	52,890,000	28.05	55,710,000	26.75
South Atlantic States: 8 plus District of Columbia	27,705,000	14.60	31,660,000	15.20
South Central States: 8	30,512,000	16.18	33,345,000	16.01
West (mountains and Pacific): 13	31,052,000	16.47	37,765,000	18.13
Total	188,531,000	100.00	208,260,000	100.00
Pacific States: 5	23,408,000	12.42	28,490,000	13.66
California	17,670,000	9.37	21,690,000	10.89

NOTE.—The percentage growth rate of the West is climbing, while other areas are growing at a much slower rate. Again, the northeastern and north central regions will experience a decrease in percentage growth.

Projected rank of the 10 leading States in population and projected total retail sales estimates for 1965 and 1970

1965 rank	State	1965 population (thousands)	1970 rank	1970 population (thousands)	Retail sales estimate (millions)	
					1965	1970
1	California	18,529	1	21,462	$31,978	$40,250
2	New York	17,784	2	18,708	27,863	31,270
3	Pennsylvania	11,783	3	11,930	15,969	18,235
4	Illinois	10,625	5	11,687	17,395	18,500
5	Texas	10,404	6	11,331	14,764	17,265
6	Ohio	10,269	4	11,856	15,157	15,763
7	Michigan	8,754	7	9,589	11,202	11,565
8	New Jersey	6,667	8	7,267	10,629	11,900
9	Florida	5,828	9	6,112	9,670	13,800
10	Massachusetts	5,555	10	5,650	8,146	8,630

NOTE.—By 1970, California will have pulled away from any competitor in population and sales volume.

Selected marketing power of San Francisco and the metropolitan area

RETAIL SALES VOLUME

	1958 U.S. census	1964 estimate	1965 estimate
	Thousands	*Thousands*	*Thousands*
San Francisco-Oakland metropolitan area	$3,502,707	$4,670,925	$4,782,560
City of San Francisco	1,253,977	1,795,695	1,830,806

POPULATION, INCOME AND HOUSEHOLDS

	1960 U.S. census	1965 estimate	1960 estimate (thousands)	1965 estimate (thousands)	Number of households	1965 estimated income per household
San Francisco-Oakland metropolitan area	2,648,762	3,032,157	8,552,942	10,793,569	1,003,991	$9,675
City of San Francisco	740,316	755,122	3,070,520	3,623,214	297,815	10,949

San Francisco-Oakland metropolitan area—5 county bay area (San Francisco, Alameda, Contra Costa, Marin, San Mateo), 1963 estimates

	Bay area totals	San Francisco County	San Francisco as percent of bay area totals
Households	953,900	293,000	32.4
Population	2,890,100	750,000	25.7
Families	953,900	293,000	30.7
Retail sales [1]	$4,440,205	$1,408,645	31.7
Food sales [1]	1,067,024	277,881	26.0
Packaged liquor stores [1]	120,095	38,120	25.8
General merchandise [1]	671,472	273,371	40.7
Apparel [1]	282,795	126,152	44.6
Furniture-household-radio [1]	245,959	87,616	35.6
Automotive [1]	743,820	176,298	23.7
Gas stations [1]	303,619	63,382	20.8
Lumber-building-hardware [1]	163,299	27,378	16.7
Drugs [1]	150,298	40,513	26.9
Net effective buying income [1]	8,159,745	2,383,278	29.2
Net effective buying income per capita	2,823	3,198	
Net effective buying income per family	8,554	8,134	

[1] In thousands of dollars.

Distribution of coins to the Federal Reserve banks, fiscal year 1963

Federal Reserve districts	Numbers of coins	Percent of U.S. total
1. Boston	198,470,000	5.52
2. New York	478,224,000	13.30
3. Philadelphia	284,273,826	7.90
4. Cleveland	249,350,000	6.93
5. Richmond	241,164,000	6.71
6. Atlanta	314,920,000	8.76
7. Chicago	509,527,000	14.17
8. St. Louis	208,630,000	5.80
9. Minneapolis	120,380,000	3.35
10. Kansas City	194,156,649	5.40
11. Dallas	194,925,000	5.42
12. San Francisco	602,173,254	16.74
Total	3,596,193,729	100.00

NOTE.—The San Francisco Federal Reserve District received the greatest amount of coin distribution in fiscal year 1963. See next page for fiscal year 1964 distribution.

Populations and distribution of coins to the Federal Reserve banks, fiscal year 1964

Federal Reserve districts	Population (in thousands)	Percent of U.S. total	Pieces of coins received (millions)	Percent of mint production
1. Boston	9,775	5.5	224	5.2
2. New York	21,852	12.3	527	12.3
3. Philadelphia	9,465	5.3	244	5.7
4. Cleveland	14,864	8.4	286	6.7
5. Richmond	16,259	9.1	395	9.2
6. Atlanta	18,120	10.1	428	10.0
7. Chicago	26,132	14.7	594	13.8
8. St. Louis	10,782	6.1	294	6.8
9. Minneapolis	6,245	3.5	145	3.4
10. Kansas City	9,498	5.3	229	5.3
11. Dallas	11,170	6.3	212	4.9
12. San Francisco	23,707	13.3	719	16.7
Total	177,874	99.9	4,297	100.0

NOTE.—Again, the San Francisco Federal Reserve district received the highest distribution of coin production. The population estimate for Federal Reserve districts was made in early 1963. In 1965, using the projected rate of increase, the population of the San Francisco Federal Reserve district is expected to equal the estimated population of the Chicago Federal Reserve district, its nearest competitor.

Estimates of new coin requirements by Federal Reserve banks for fiscal years 1965 and 1966

[In thousands of dollars]

Districts	1965	1966
1. Boston	10,751	10,976
2. New York	49,594	49,494
3. Philadelphia	80,100	84,100
4. Cleveland	36,966	34,750
5. Richmond	18,325	18,740
6. Atlanta	33,643	38,729
7. Chicago	55,964	31,935
8. St. Louis	19,750	21,474
9. Minneapolis	12,585	11,210
10. Kansas City	26,500	24,500
11. Dallas	28,907	27,157
12. San Francisco	55,400	55,000
Total	428,385	408,065

PRACTICAL METHOD FOR ESTABLISHING WATER SYSTEMS FOR THE RURAL AREAS OF AMERICA

Mr. AIKEN. Mr. President, on behalf of the Senator from Montana [Mr. MANSFIELD] and myself, I am introducing a bill which presents a practical method for establishing water systems for the rural areas of America.

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

The bill (S. 493) to assist in the development of adequate rural water systems, introduced by Mr. AIKEN (for himself and Mr. MANSFIELD), was received, read twice by its title, and referred to the Committee on Agriculture and Forestry.

Mr. AIKEN. Mr. President, this bill is offered as an amendment to the Rural Electrification Administration Act and will, when approved, be one of the greatest stimulants, to the healthy growth of our Nation.

With an increase of a hundred million in population anticipated during the next generation, the question of where these people will live constitutes one of our gravest problems. The crowding of populations into great cities already has created what is probably the world's greatest crisis. The logical place for our expanding population to live is in the presently underpopulated areas.

Congress recognized this fact when it established the REA program which has proved its worth many times over. We have also improved our rural telephone service and our highway systems.

Full development of the most desirable areas in which to live cannot proceed un-

til we have the foresight to conserve and make available through local systems the water resources of each area.

The bill which Senator MANSFIELD and I are introducing will make a major contribution to this end. It will be a major weapon in the war on unemployment, creating far more employment than the REA program, which has added billions of dollars each year to the economy of the country. It will furnish jobs for hundreds of thousands of people, urban as well as rural.

BILL TO MEET URBAN AND COMMUNITY PROBLEMS

Mr. SCOTT. Mr. President, the increasingly urgent problems of urbanization can be most effectively met by creation of an office within the Executive Office of the President which would function somewhat along the lines of the Bureau of the Budget.

The growing complexities of urbanization are both directly and indirectly affected by a growing number of Federal programs dealing with schools, crime, health, highways, airports, railroads, enforcement of fair labor standards, and many others.

Many mayors and other local and civic leaders have also appealed for a "one-stop service" in Washington where they can take their problems, have them evaluated, and referred to the proper agencies.

Another problem has been the growing need for long-range planning and research to enable us to foresee problems before they arise, and have appropriate remedies ready, as well as achieving greater efficiency and economy.

For these reasons, I am, today, introducing a bill which will authorize formation of an Office of Community Development in the Executive Office of the President.

My proposal is designed to meet the problems of urbanization without creation of a vast, sprawling, and expensive new Federal bureaucracy—with more marble buildings and a new proliferation of long, chauffeur-driven black limousines for a burgeoning mass of new officeholders. Rather than building this huge new bureaucratic establishment, it would create an executive staff to cut across established bureaucratic lines, to coordinate the many and diverse Federal programs which affect the problems of urbanization, and to assist local officials in present problems and forsee and prepare to cope with future problems.

I have pressed for this type of legislation before and my present bill conforms with a pledge I made to the people of Pennsylvania last fall, and I urge its early consideration.

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

The bill (S. 497) to establish in the Executive Office of the President an Office of Community Development, introduced by Mr. SCOTT, was received, read twice by its title, and referred to the Committee on Government Operations.

PROPOSED GREAT BASIN NATIONAL PARK IN WHITE PINE COUNTY IN EASTERN NEVADA

Mr. BIBLE. Mr. President, on behalf of my colleague, the distinguished junior Senator from Nevada [Mr. CANNON] and myself, I introduce, for appropriate reference, a bill to create the Great Basin National Park in White Pine County in eastern Nevada.

Six years ago, I introduced legislation providing for a survey to determine the region's feasibility as a national park. The Advisory Board on National Parks recommended to the Secretary of the Interior that this area, known as the Wheeler Peak-Lehman Caves region, be included in the national parks system.

The Board considered the geological and ecological aspects of the 123,000-acre "sky island," in the heart of the Great Basin Desert, of national significance, making it suitable for preservation under the National Park Service.

Dr. Adolph Murie, an internationally known naturalist, who conducted the survey, listed the following reasons for his conclusions:

The spectacular view of mountain ranges and valleys across the central Great Basin, combined with natural park areas of forests, streams and lakes appropriate for camping, picnicking, hiking and exploration of nature, are in themselves of national park caliber.

The area includes half a dozen splendid stands of bristlecone pines believed to be the oldest living things on earth.

The Wheeler area is the superb example of Great Basin country, illustrating well the geological process of basin and range formation, having good examples of various types of rock and geologic structure, and illustrating the representative Great Basin vegetation and wildlife.

In addition, the area includes a small but active desert-bound glacier in the deep cirque of Wheeler Peak, 13,063 feet above sea level, and a limestone arch big enough to cover a six-story building.

During the past several years, extensive hearings in the field have been held to attempt to reconcile the divergent views of the conservationists on the one hand, and local mining and grazing interests on the other.

In order to protect the possibility of establishing a valuable industry that could employ as many as 400 men in this presently depressed mining area, I have included in the present measure a section that would permit the continuation of prospecting, exploration and mining within the park, limiting the activity to that necessary to the actual process of valid mining requirements.

Likewise, I have included a section that would permit present grazers to continue the use of the park area for 25 years plus the lifetime of the holders of grazing permits.

Both of these sections have precedent in other areas and cannot be considered an innovation in the establishment of national parks.

Mr. President, an identical measure passed the Senate on January 25, 1962, but failed to secure approval of the House of Representatives.

In view of the accepted urgency to protect great natural assets such as the area under consideration, I am hopeful that favorable action will be had during the 89th Congress.

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

The bill (S. 499) to establish the Great Basin National Park in Nevada, and for other purposes, introduced by Mr. BIBLE (for himself and Mr. CANNON), was received, read twice by its title, and referred to the Committee on Interior and Insular Affairs.

AMENDMENTS OF IMMIGRATION AND NATIONALITY ACT

Mr. HART. Mr. President, on Wednesday of this week President Johnson sent to the Congress his strong recommendation for revision of our basic immigration law. Today it is my privilege and pleasure to introduce the bill designed to carry out the recommendations contained in that message—a bill the President asks be accorded priority consideration.

I send this bill to the desk on behalf of the Senator from Pennsylvania [Mr. CLARK], the Senator from Massachusetts [Mr. KENNEDY], the Senator from Connecticut [Mr. DODD], the Senator from New Jersey [Mr. WILLIAMS], the Senator from New York [Mr. KENNEDY], the Senator from Indiana [Mr. BAYH], the Senator from New Jersey [Mr. CASE], the Senator from Illinois [Mr. DOUGLAS], the Senator from Hawaii [Mr. FONG], the Senator from Alaska [Mr. GRUENING], the Senator from Indiana [Mr. HARTKE], the Senator from Hawaii [Mr. INOUYE], the Senator from New York [Mr. JAVITS], the Senator from California [Mr. KUCHEL], the Senator from Ohio [Mr. LAUSCHE], the Senator from Missouri [Mr. LONG], the Senator from Minnesota [Mr. MCCARTHY], the Senator from Utah [Mr. MOSS], the Senator from Maine [Mr. MUSKIE], the Senator from Wisconsin [Mr. NELSON], the Senator from Oregon [Mrs. NEUBERGER], the Senator from Rhode Island [Mr. PASTORE], the Senator from Rhode Island [Mr. PELL], the Senator from Wisconsin [Mr. PROXMIRE], the Senator from Connecticut [Mr. RIBICOFF], the Senator from Pennsylvania [Mr. SCOTT], the Senator from Ohio [Mr. YOUNG], and myself.

I ask unanimous consent, Mr. President, that this bill remain at the desk until the end of business on Monday, January 25, so that others who wish to may join in sponsoring it.

Also, I ask unanimous consent that the text of the President's immigration message, the text of the bill, and a section-by-section analysis of the bill be printed at the conclusion of my remarks. It is to be expected many inquiries concerning the bill will be made of the Members of the Senate. I hope this record will be of help in making replies.

Mr. President, the time has long passed for the Congress to act to change our basic immigration quota system.

The new immigration policies proposed by President Johnson are designed to meet the modern manpower needs of the Nation, support our foreign policy objectives, and reflect the humanitarian principles which the American people have so often supported in meeting urgent refugee and emergency immigration needs.

It is my belief that the vast majority of Americans long ago rejected the narrow, fear-ridden view that is reflected in the continuance of an immigration policy based on the national origins concept. Most of our citizens agree with the President that a qualified newcomer to our shores should not be asked where he was born or how he spells his name, but rather what he can do for America.

I would like to comment, Mr. President, that the junior Senator from Massachusetts [Mr. KENNEDY], who is not able to be here today, telephoned to assure me of his full support for this immigration reform bill, and offered to participate and cooperate in any way that can be helpful in bringing this legislation to the Senate floor this session, and in obtaining final congressional approval. Since coming to the Senate, and before, Senator KENNEDY has been one of the most outstanding and loyal supporters for immigration reform. He carries on in a very great tradition, for there were few subjects more personally sensitive to President Kennedy than the prejudice and discrimination of the national origins quota system. All of us are grateful for the support and cooperation of our good friend from Massachusetts, and each of us wish him the very best in his final phase of recuperation from his most unfortunate accident. I know he intends to return to the Senate next week and has indicated to me that one of the first orders of business for him will be to make a major statement on behalf of this immigration bill, and the need for immigration reform. I look forward with great anticipation to that statement, because I—and I am sure most of the Senate—will not soon forget that moving and powerful statement he delivered last year on behalf of the civil rights bill which I feel had tremendous national and international effect, and greatly aided the cause of equality and justice in our Nation. We will be working with Senator KENNEDY in the days ahead toward what I hope will be a successful conclusion to this longstanding battle for immigration reform.

With the introduction of this bill, I ask the chairman of the Senate Judiciary Committee to promptly schedule administration and public witnesses who wish to be heard on this legislation. As a high priority item in the President's legislative program, there is every reason to have expeditious hearings and early committee consideration.

Last, Mr. President, I ask unanimous consent that the strong editorial, captioned "I Lift My Lamp," from the New York Times of yesterday be printed at the conclusion of these remarks.

The PRESIDING OFFICER. The bill will be received and appropriately referred; and, without objection, the bill will remain at the desk as requested, and the President's message, the bill, the analysis, and the editorial will be printed in the RECORD.

The bill (S. 500) to amend the Immigration and Nationality Act, and for other purposes, introduced by Mr. HART (for himself and other Senators), was received, read twice by its title, referred to the Committee on the Judiciary, and ordered to be printed in the RECORD, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 201(a) of the Immigration and Nationality Act (66 Stat. 175, 8 U.S.C. 1151(a)) be amended to read as follows:

"SEC. 201. (a) The annual quota of any quota area shall be the same as that which existed for that area upon enactment of subsection (f) of this section: *Provided,* That the minimum quota for any quota area shall be two hundred: *Provided further,* That beginning with the first fiscal year commencing after the enactment of subsection (f) of this section and for each of the four succeeding fiscal years the annual quota of every quota area shall be reduced by twenty per centum of its present number for each such fiscal year. The quota numbers so deducted from quotas of quota areas shall be added to the quota reserve established by subsection (f) of this section and shall be available for distribution in accordance with the provisions thereof."

SEC. 2. Section 201(b) of the Immigration and Nationality Act (66 Stat. 175, 8 U.S.C. 1151(b)) is amended by substituting "section 202(d)" for "section 202(e)" after the words "provided for in".

SEC. 3. Section 201 of the Immigration and Nationality Act (66 Stat. 175, 8 U.S.C. 1151) is amended by adding the following additional subsection:

"(f) Quota numbers made available at the commencement of any fiscal year as a result of the reduction of the annual quota of any quota areas pursuant to subsection (a) of this section, together with quota numbers not issued or otherwise used during the previous fiscal year, shall then be made available (1) during the five fiscal years following the enactment of this subsection, to quota immigrants, if otherwise admissible under the provisions of this Act, who are unable to obtain prompt issuance of visas due to oversubscription of their quotas or subquotas as determined by the Secretary of State, and (2), thereafter, to quota immigrants if otherwise admissible under the provisions of this Act. These quota numbers shall be allocated within the percentage limitations and in the order of priority specified in section 203 without regard to the quota to which the alien is chargeable: *Provided, however,* That the combined number of quota numbers issued to any quota area in any year, under the provisions of this subsection and subsection (a) of this section, shall not exceed ten per centum of the total quota numbers authorized for that year: *Provided further,* That in no case shall this limitation operate to reduce any quota in any of the five fiscal years following the enactment of this Act by more than the twenty per centum specified in subsection (a) of this section: *Provided further,* That the President may, after consultation with the Immigration Board, reserve—

"(1) Not to exceed thirty per centum of such numbers for allocation to quota immigrants, if otherwise admissible under the provisions of this Act, whose admission is determined by him to be required (A) to avoid undue hardship, resulting from the reduction of annual quotas pursuant to subsection (a) of this section, which is not otherwise avoided under the provisions of this subsection, and (B) in the national security interest of the United States: *Provided,* That the limitation on immigration from any single quota area in any year included in the first proviso to this subsection shall not apply to visas issued under this clause; and

"(2) Not to exceed ten per centum of such numbers for allocation to quota immigrants, if otherwise admissible under the provisions of this Act, whose admissions will further the traditional policy of the United States of offering asylum and refuge to persons oppressed or persecuted, or threatened with oppression or persecution, because of their race, color, religion, national origin, adherence to democratic beliefs, or their opposition to totalitarianism or dictatorship, and to persons uprooted by natural calamity or military operations who are unable to return to their usual place of abode. After consultation with the Attorney General, the Secretary of State shall establish by regulation the requirements for qualification within this class, with reference to current world conditions.

In no case shall the authority to reserve such numbers, or the limitation on the combined number of quota numbers to be issued to any quota area in any year, operate so as to require that authorized quota numbers be unused."

SEC. 4. Section 201(c) of the Immigration and Nationality Act (66 Stat. 176, 8 U.S.C. 1151(c)) is amended to read as follows:

"There shall be made available for the issuance of immigrant visas to quota immigrants (1) in any fiscal year no more quota numbers than the total quota for such year, and (2) in any calendar month of any fiscal year, no more quota numbers than ten per centum of the total quota for such year in addition to that portion of the quota authorized for issuance but not issued during any preceding calendar month or months of the same fiscal year; except that during the last two months of any fiscal year immigrant visas may be issued without regard to the ten per centum limitation contained herein."

SEC. 5. Section 201(d) of the Immigration and Nationality Act (66 Stat. 175, 8 U.S.C. 1151(d)) is amended to read as follows:

"A quota immigrant visa shall not be issued to any alien who is eligible for a nonquota immigrant visa."

SEC. 6. (a) Section 202(a) of the Immigration and Nationality Act (66 Stat. 176, 8 U.S.C. 1152(a)) is amended by deleting paragraph (5) thereof.

(b) Section 202(b) of the Immigration and Nationality Act (66 Stat. 177, 8 U.S.C. 1152(b)) is repealed.

(c) Section 202(c) of the Immigration and Nationality Act (66 Stat. 177, 8 U.S.C. 1152(c)) is redesignated section 202(b) and is amended to read as follows:

"Any immigrant born in a colony or other component or dependent area of a governing country for which no separate or specific quota has been established, unless a nonquota immigrant as provided in section 101(a)(27) of this Act, shall be chargeable to the quota of the governing country, except that no more persons born in any such colony or other component or dependent area overseas from the governing country shall be chargeable to the quota of its governing country in any one year than a number which bears the same relation to the quota of its governing country as the number two hundred bears to the quota of the governing country prior to the enactment of this Act."

(d) Section 202(d) of the Immigration and Nationality Act (66 Stat. 178, 8 U.S.C. 1152(d)) is redesignated section 202(c).

(e) Section 202(e) of the Immigration and Nationality Act (66 Stat. 178), as amended (75 Stat. 654), (8 U.S.C. 1152(e)) is redesignated section 202(d) and is further amended by substituting "section 202(b)" for "section 202(c)(1)" after the words "issued under."

SEC. 7. Section 207 of the Immigration and Nationality Act (66 Stat. 181, 8 U.S.C. 1157) is amended by deleting the words "no immigrant visa shall be issued in lieu thereof to any other immigrant" and inserting in lieu thereof the words "an immigrant visa may be issued in lieu thereof to any other immigrant."

SEC. 8. Paragraph (27)(A) of section 101 (a) of the Immigration and Nationality Act (66 Stat. 169, 8 U.S.C. 1101(a)(27)(A)) is amended to read as follows:

"(A) An immigrant who is the child, spouse, or parent of a citizen of the United States;".

SEC. 9. Paragraph (27)(C) of section 101 (a) of the Immigration and Nationality Act (66 Stat. 169, 8 U.S.C. 1101(a)(27)(C)) is amended to read as follows:

"(C) An immigrant who was born in any independent foreign country of North, Central, or South America, or in any independent island country adjacent thereto, or in the Canal Zone, and the spouse and children of any such immigrant, if accompanying or following to join him;".

SEC. 10. (a) Section 203(a)(1) of the Immigration and Nationality Act (66 Stat. 178, 8 U.S.C. 1153(a)(1)) is amended by deleting the words "needed urgently in" and substituting the words "especially advantageous to".

(b) Section 203(a)(2) of the Immigration and Nationality Act (66 Stat. 178), as amended (73 Stat. 644), (8 U.S.C. 1153(a)(2)), is amended by deleting the words "parents of citizens of the United States, such citizens being at least twenty-one years of age or who are the".

(c) Section 203(a)(4) of the Immigration and Nationality Act (66 Stat. 178), as amended (73 Stat. 644), (8 U.S.C. 1153(a)(4)) is amended by—

(1) inserting after the words "married daughters of citizens of the United States" a comma, followed by the words "or parents of aliens lawfully admitted for permanent residence," and

(2) adding at the end thereof the following:

"Qualified quota immigrants capable of performing specified functions for which a shortage of employable and willing persons exists in the United States shall be entitled to a preference not to exceed 50 per centum of the immigrant visas remaining available for issuance under this paragraph after the preference to the named relatives of United States citizens and resident aliens is satisfied or exhausted."

SEC. 11. Section 204 of the Immigration and Nationality Act (66 Stat. 179, 8 U.S.C. 1154) is amended as follows:

(1) Subsection (a) is amended by deleting the words "or section 203(a)(1)(A)" and substituting a comma, followed by the words "section 203(a)(1)(A) or the last clause of section 203(a)(4)."

(2) Subsection (b) is amended (A) by deleting the words "section 203(a)(1)(A)" and substituting the words "the last clause of section 203(a)(4)" and (B) by inserting after the words "required by the Attorney General" the words "after consultation with the Immigration Board."

(3) Subsection (c) is redesignated (d) and is amended to read as follows:

"(d) After an investigation of the facts in each case, and after consultation with appropriate agencies of the Government, the Attorney General shall, if he determines that the facts stated in the petition are true and that the alien in respect of whom the petition is made is eligible for an immigrant status under section 101(a)(27)(F)(i), section 203(a)(1)(A) or the last clause of section 203(a)(4) approve the petition and forward one copy thereof to the Department of State. The Secretary of State shall then authorize the consular officer concerned to grant such immigrant status. The Attorney General shall forward to the Congress a report on each approved petition for immigrant status under section 203(a)(1) stating the basis for his approval and such facts as were by him deemed to be pertintent in establishing the beneficiary's qualifications for the preferential status. Such reports shall be submitted to the Congress on the first and fifteenth day of each calendar month in which the Congress is in session."

(4) Subsection (d) is redesignated (e) and is amended by deleting the words "or section 203(a)(1)(A)," and substituting a comma, followed by the words "section 203(a)(1)(A) or the last clause of section 203(a)(4)."

(5) The following new subsection is inserted after subsection (b):

"(c) Any immigrant claiming in his application to be entitled to an immigrant visa under section 203(a)(1)(A) of the Act shall file a petition with the Attorney General. The petition shall be in such form as the Attorney General may by regulations prescribe and shall contain such additional information and be supported by such documentary evidence as may be required by the Attorney General. The petition shall be made under oath administered by any individual having authority to administer oaths, if executed in the United States, but, if executed outside of the United States, administered by a consular officer."

SEC. 12. The first sentence of section 205 (b) of the Immigration and Nationality Act (66 Stat. 180), as amended (73 Stat. 644, 8 U.S.C. 1155(b)), is amended to read as follows:

"(b) Any citizen of the United States claiming that any immigrant is his spouse, child, or parent, and that such immigrant is entitled to a nonquota immigrant status under section 101(a)(27)(A) of this Act, or any citizen of the United States claiming that any immigrant is his unmarried son or unmarried daughter and that such immigrant is entitled to a quota immigrant status under section 203(a)(2) of this Act, or any alien lawfully admitted for permanent residence claiming that any immigrant is his spouse or his unmarried son or unmarried daughter and that such immigrant is entitled to a quota immigrant status under section 203(a)(3) of this Act, or any citizen of the United States claiming that any immigrant is his brother or sister or his married son or his married daughter and that such immigrant is entitled to a preference under section 203(a)(4) of this Act, or any alien lawfully admitted for permanent residence claiming that any immigrant is his parent and that such immigrant is entitled to a preference under section 203(a)(4) of this Act, may file a petition with the Attorney General."

SEC. 13. Section 1 of the Act of July 14, 1960 (74 Stat. 504), is amended to read as follows:

"That (a) under the terms of section 212 (d)(5) of the Immigration and Nationality Act the Attorney General may parole into the United States, pursuant to such regulations as he may prescribe, an alien refugee-escapee defined in subsection (b) of this section, if such alien (1) applies for parole while physically present within the limits of any country which is not Communist, Communist dominated, or Communist occupied, and (2) is not a national of the area in which the application is made.

"(b) For the purposes of subsection (a), the term 'refugee-escapee' means any alien who, because of persecution or fear of persecution on account of race, religion, or political opinion has fled or shall flee (A) from any Communist, Communist-dominated, or Communist-occupied area, or (B) from any country within the general area of the Middle East, and who cannot return to such area, or to such country, on account of race, religion, or political opinion. The expression 'general area of the Middle East' means the area between and including (1) Morocco on the west, (2) Turkey on the north, (3) Pakistan on the east, and (4) Saudi Arabia and Ethiopia on the south."

SEC. 14. Section 2 of the Act of July 14, 1960 (74 Stat. 504), as amended (76 Stat. 124), is amended by deleting (1) the letter "(a)" immediately following the words "Sec. 2.," and (2) subsection (b) thereof.

SEC. 15. Section 281 of the Immigration and Nationality Act (66 Stat. 230, 8 U.S.C. 1351) is amended as follows:

(1) Immediately after "SEC. 281," insert "(a)".

(2) Paragraph (2) is amended to read as follows:

"(2) For the issuance of each immigrant visa, $20; except that such fee shall be $10 in the case of any alien who is the beneficiary of a petition required under sections 204(b) or 205(b)."

(3) The following is inserted after paragraph (7), and is designated subsection (b):

"The time and manner of payment of the fees specified in paragraphs (1) and (2) of subsection (a) of this section, including but not limited to partial deposit or prepayment at the time of registration, or postponement for an appropriate period, shall be prescribed by the Secretary of State."

(4) The paragraph beginning with the words "The fees * * * " is designated subsection (c).

SEC. 16. Section 203(c) of the Immigration and Nationality Act (66 Stat. 179, 8 U.S.C. 1153(c)) is amended by adding at the end thereof the following:

"The Secretary of State, in his discretion, may terminate the registration on a quota waiting list of any alien who fails to evidence his continued intention to apply for a visa in such manner as may be by regulation prescribed."

SEC. 17. (a) Paragraph (1) of section 212(a) of the Immigration and Nationality Act (66 Stat. 182, 8 U.S.C. 1182(a)(1)) is amended by deleting the language "feebleminded" and inserting the language "mentally retarded" in its place.

(b) Paragraph (4) of section 212(a) of the Immigration and Nationality Act (66 Stat. 182, 8 U.S.C. 1182(a)(4)) is amended by deleting the word "epilepsy" and the commas before and after it.

(c) Section 212 (f), (g) and (h) of the Immigration and Nationality Act, as added by the Act of September 26, 1961, (75 Stat. 654, 655, 8 U.S.C. 1182) are hereby redesignated sections 212 (g), (h), and (i), respectively, and section 212(g) as so redesignated is amended to read as follows:

"Any alien who is excludable from the United States under paragraphs (1), (2), (3), and (4) of subsection (a) of this section, and any alien afflicted with tuberculosis in any form, who (A) is the spouse or the unmarried son or daughter, or the minor unmarried lawfully adopted child, of a United States citizen, or of an alien lawfully admitted for permanent residence, or of an alien who has been issued an immigrant visa, or (B) has a son or daughter who is a United States citizen, or an alien lawfully admitted for permanent residence, or an alien who has been issued an immigrant visa, may, if otherwise admissible, be issued a visa and admitted to the United States for permanent residence in accordance with such terms, conditions, and controls, including the giving of a bond, as the Attorney General, in his discretion, may by regulations prescribe, after consultation with the Surgeon General of the United States Public Health Service."

SEC. 18. (a) There is hereby established the Immigration Board (hereafter referred to as the "Board") to be composed of seven members. The President of the United States shall appoint the Chairman of the Board and two other members. The President of the Senate, with the approval of the majority and minority leaders of the Senate, shall appoint two members from the membership

of the Senate. The Speaker of the House of Representatives, with the approval of the majority and minority leaders of the House, shall appoint two members from the membership of the House. The members of the Board shall be selected by virtue of their high personal integrity, their capabilities, and their experience in and expert knowledge of immigration laws and international migration problems. A vacancy in the membership of the Board shall be filled in the same manner as the original designation and appointment.

(b) The duties of the Board shall be—

(1) to promulgate, after consultation with the Attorney General, such regulations as are necessary to insure its efficient functioning under the provisions of this Act;

(2) to make a continuous study of such conditions within and without the United States, which, in the opinion of the Board, might have any bearing on the immigration policy of the United States;

(3) to consider, after consultation with the Secretary of State, to recommend to the President, such allocation of quota immigrant visas, under section 201(f) of the Immigration and Nationality Act, as will best fulfill the purposes of that section;

(4) to consider, and after consultation with the Secretaries of Labor, State, and Defense, to recommend to the Attorney General such criteria for admission of immigrants under section 203(a)(1)(A) of the Immigration and Nationality Act, as amended, and the last clause of section 203(a)(4), as amended, as will further the policy of the United States to secure the immigration of persons of high skill, education, or training, or who are capable of performing specified functions for which a shortage of employable, willing persons exists in the United States;

(5) to study such other aspects of the Immigration and Nationality Act as the President shall assign to the Board for study, and make recommendations with respect thereto;

(6) to conduct such investigations and to hold such public and executive hearings in such places within and without the United States and at such times as the Board deems necessary.

(c) All Federal agencies shall cooperate fully with the Board to the end that it may effectively carry out its duties.

(d) Each member of the Board who is not otherwise in the service of the Government of the United States shall receive the sum of $75 for each day spent in the work of the Board, shall be paid actual travel expenses, and per diem in lieu of subsistence expenses, when away from his usual place of residence, in accordance with section 5 of the Administrative Expenses Act of 1946, as amended.

(e) Each member of the Board who is otherwise in the service of the Government of the United States shall serve without compensation in addition to that received for such other service, but while engaged in the work of the Board shall be paid actual travel expenses, and per diem in lieu of subsistence expenses, when away from his usual place of residence, in accordance with the Administrative Expenses Act of 1946, as amended.

(f) There is authorized to be appropriated, out of any money in the Treasury not otherwise appropriated, so much as may be necessary to carry out the provisions of this section.

SEC. 19. Section 221(g) of the Immigration and Nationality Act (66 Stat. 192, 8 U.S.C. 1201(g)) is amended by deleting the period at the end thereof and adding the following:

": *Provided further*, That a visa may be issued to an alien defined in section 101(a)(15)(B) or (F), if such alien is otherwise entitled to receive a visa, upon receipt of a notice by the consular officer from the Attorney General of the giving of a bond with sufficient surety in such sum and containing such conditions as the consular officer shall prescribe, to insure that at the expiration of the time for which such alien has been admitted by the Attorney General, as provided in section 214(a), or upon failure to maintain the status under which he was admitted, or to maintain any status subsequently acquired under section 248 of the Act, such alien will depart from the United States."

SEC. 20. So much of section 272(a) of the Immigration and Nationality Act (66 Stat. 226, 8 U.S.C. 1322(a)) as precedes the words "shall pay to the collector of customs" is amended to read as follows:

"SEC. 272. (a) Any person who shall bring to the United States an alien (other than an alien crewman) who is (1) mentally retarded, (2) insane, (3) afflicted with psychopathic personality, (4) a chronic alcoholic, (5) afflicted with any dangerous contagious disease, or (6) a narcotic drug addict,".

To the Congress of the United States:

A change is needed in our laws dealing with immigration. Four Presidents have called attention to serious defects in this legislation. Action is long overdue.

I am therefore submitting, at the outset of this Congress, a bill designed to correct the deficiencies. I urge that it be accorded priority consideration.

The principal reform called for is the elimination of the national origins quota system. That system is incompatible with our basic American tradition.

Over the years the ancestors of all of us—some 42 million human beings—have migrated to these shores. The fundamental, longtime American attitude has been to ask not where a person comes from but what are his personal qualities. On this basis men and women migrated from every quarter of the globe. By their hard work and their enormously varied talents they hewed a great nation out of the wilderness. By their dedication to liberty and equality, they created a society reflecting man's most cherished ideals.

Long ago the poet, Walt Whitman, spoke our pride: "These States are the amplest poem." We are not merely a nation but a "nation of nations."

Violation of this tradition by the national origins quota system does incalculable harm. The procedures imply that men and women from some countries are, just because of where they come from, more desirable citizens than others. We have no right to disparage the ancestors of millions of our fellow Americans in this way. Relationships with a number of countries, and hence the success of our foreign policy, is needlessly impeded by this proposition.

The quota system has other grave defects. Too often it arbitrarily denies us immigrants who have outstanding and sorely needed talents and skills. I do not believe this is either good government or good sense.

Thousands of our citizens are needlessly separated from their parents or other close relatives.

To replace the quota system, the proposed bill relies on a technique of preferential admissions based upon the advantage to our Nation of the skills of the immigrant, and the existence of a close family relationship between the immigrant and people who are already citizens or permanent residents of the United States. Within this system of preferences, and within the numerical and other limitations prescribed by law, the issuance of visas to prospective immigrants would be based on the order of their application.

First preference under the bill would be given to those with the kind of skills or attainments which make the admission especially advantageous to our society. Other preferences would favor close relatives of citizens and permanent residents, and thus serve to promote the reuniting of families—long a primary goal of American immigration policy. Parents of U.S. citizens could obtain admission without waiting for a quota number.

Transition to the new system would be gradual, over a 5-year period. Thus, the possibility of abrupt changes in the pattern of immigration from any nation is eliminated. In addition, the bill would provide that as a general rule no country could be allocated more than 10 percent of the quota numbers available in any one year.

In order to insure that the new system would not impose undue hardship on any of our close allies by suddenly curtailing their emigration, the bill authorizes the President, after consultation with an Immigration Board established by the legislation, to utilize up to 30 percent of the quota numbers available in any year for the purpose of restoring cuts made by the new system in the quotas established by existing law.

Similar authority, permitting the reservation of up to 10 percent of the numbers available in any year, would enable us to meet the needs of refugees fleeing from catastrophe or oppression.

In addition, the bill would—

(1) Permit numbers not used by any country to be made available to countries where they are needed;

(2) Eliminate the discriminatory "Asia-Pacific triangle" provisions of the existing law;

(3) Eliminate discrimination against newly independent countries of the Western Hemisphere by providing nonquota status for natives of Jamaica, Trinidad, and Tobago;

(4) Afford nonquota status to parents of citizens, and fourth preference to parents of resident aliens;

(5) Eliminate the requirement that skilled first-preference immigrants needed in our economy must actually find an employer here before they can come to the United States;

(6) Afford a preference to workers with lesser skills who can fill specific needs in short supply;

(7) Eliminate technical restrictions that have hampered the effective use of the existing fair-share refugee law; and

(8) Authorize the Secretary of State to require reregistration of quota immigrant visa applicants and to regulate the time on payment of visa fees.

This bill would not alter in any way the many limitations in existing law which prevent an influx of undesirables and safeguard our people against excessive or unregulated immigration. Nothing in the legislation relieves any immigrant of the necessity of satisfying all of the security requirements we now have, or the requirements designed to exclude persons likely to become public charges. No immigrants admitted under this bill could contribute to unemployment in the United States.

The total number of immigrants would not be substantially changed. Under this bill, authorized quota immigration, which now amounts to 158,361 per year, would be increased by less than 7,000.

I urge the Congress to return the United States to an immigration policy which both serves the national interest and continues our traditional ideals. No move could more effectively reaffirm our fundamental belief that a man is to be judged—and judged exclusively—on his worth as a human being.

LYNDON B. JOHNSON.

THE WHITE HOUSE, *January 13, 1965.*

SECTION-BY-SECTION ANALYSIS

Section 1 amends section 201(a) of the Immigration and Nationality Act, under which quotas for each country are determined. It abolishes the national origins system by reducing present quotas by one-

fifth of their present number each year for 5 years. As numbers are released from national origins quotas, they are added to the quota reserve pool established by the amendment to section 201 of the act made by section 3 of the bill. Thus in the first year, 20 percent (roughly 32,000) are released to the pool; in the second year, the pool will have 40 percent of present quotas (or 64,000); until in the fifth year and thereafter, all numbers are allocated through the pool. To provide some immediate relief to minimum quota areas, the minimum quota is raised to 200, but is then reduced in the same manner as other quotas.

Section 2 amends section 201(b) of the Immigration and Nationality Act by changing a reference therein from "section 202(e)" to "section 202(d)" in conformity with the redesignation of section 202(e) as 202(d) made by section 6(e) of the bill.

Section 3 amends section 201 of the Immigration and Nationality Act by adding a new subsection (f). This subsection establishes the quota reserve pool from which all quota numbers will be allocated by the fifth year. In each of the 5 years constituting the period of transition, the pool will consist of (1) the numbers released from national origins quotas each year, and (2) numbers assigned to the old quota areas but unused the previous year because insufficient demand for them existed in the assigned quota area.

Quota numbers are issued in the order of preference specified in amended section 203 of the Immigration and Nationality Act (see section 10 of the bill). That is, first call on the first 50 percent is given to persons whose admission, by virtue of their exceptional skill, training or education, will be especially advantageous to the United States; first call on the next 30 percent, plus any part of the first 50 percent not issued for first preference purposes, is given to unmarried sons and daughters of United States citizens, not eligible for nonquota status because they are over 21 years of age; first call on the remaining 20 percent, plus any part of the first 80 percent not taken by the first two preference classes, is given to spouses and unmarried sons or daughters of aliens lawfully admitted for permanent residence; and any portion remaining is issued to other quota visa applicants, with percentage preferences to other relatives of U.S. citizens and resident aliens, and then to certain classes of workers. Amended section 203 further provides that within each class, visas are issued in the order in which applied for—first come, first served. These preference provisions, which under present law determine only relative priority between nationals of the same country, will now determine priority between nationals of different countries throughout the world.

To prevent disproportionate benefits to the nationals of any single country, a maximum of 10 percent of the total authorized quota is set on immigration attributable to any quota area. However, this limitation is not applied if to do so would result in reducing any quota at a more rapid rate than that provided by amended section 201(a). Ultimately, of course, the limitation applies to all.

Exceptions to the principle of allocating visas on the basis of time of registration within preference classes are provided to deal with special problems. Since some countries' quotas are not current, their nationals have no old registrations on file. To apply the principle rigidly would result, after 4 or 5 years, in curtailing immigration from these countries almost entirely. This would be undesirable not only because it would frustrate the aim of the bill that immigration from all countries should continue, but also because many of the countries that would be affected are our closest allies. Therefore, proposed section 201(f) would authorize the President, after consulation with the Immigration Board (established by section 18), to reserve up to 30 percent of the quota reserve pool for allocation to qualified immigrants (1) who could obtain visas under the existing system but not under the new system and (2) whose admission to the United States would further the national security interest by maintaining close ties with their countries. The number of quota visas so allocated may exceed the 10-percent limit on the number of immigrants from any country in the case of those countries which, under the existing system, regularly receive allocations in excess of that limit.

Subsection (f) also allows the President to reserve up to 10 percent of the quota reserve pool for allocation to certain refugees and permits him to disregard priority of registration within preference classes for the benefit of such refugees. Many refugees, almost by definition, are uprooted suddenly. They had no thought of immigration until they were forced to leave the country in which they were living because of natural calamity or political upheaval; or they may be refugees from persecution or dictatorship, in which case previous registration would have been dangerous.

Finally, subsection (f) provides that if the President reserves, against contingencies, any numbers during the year, but thereafter finds them not to be needed for the named purposes, such numbers are to be issued as if they had not been reserved. Similarly, the 10-percent limitation on the number of visas to be issued to any quota area is made inoperable if its application would result in authorized quota numbers not being used.

Section 4 amends section 201(c) of the Immigration and Nationality Act, which presently limits the number of quota visas issued in any single month to 10 percent of the total yearly quota. This limitation is needed to insure that persons entitled to preference by virtue of special skills or family ties will not be foreclosed from preference by a rush of earlier applications which exhaust the annual quota. To insure that all available quota numbers can nevertheless be utilized, present law provides that numbers not used during the first 10 months of any fiscal year may be used during the last 2 months of such year, without regard to the 10-percent monthly limitation. Often, if close to the full 10 percent of quota visas is not issued in each of the first months of the year, undesirable administrative problems result in the last two. The amendment allows the issuance each month of the 10 percent authorized for that month plus any visas authorized but not issued in previous months. This permits a more even spacing of visa issuance during the year.

Section 5 amends section 201(d) of the Immigration and Nationality Act which now permits the issuance of quota immigrant visas to nonquota immigrants. Substituted for the provisions of section 201(d) is a specific direction that no quota immigrant visa shall be issued to a person who is eligible for a nonquota immigrant visa. This will prevent nonquota immigrants from preempting visas to the prejudice of qualified quota immigrants.

Section 6 amends section 202 of the Immigration and Nationality Act to eliminate the so-called "Asia-Pacific triangle" provisions, which require persons of Asian stock to be attributed to quota areas not by their place of birth, but according to their racial ancestry. At the end of the 5-year transition period, this provision would be in any event superfluous, since national origin will no longer be a standard for the admission of qualified quota immigrants. But the formula is so especially discriminatory that it should be removed immediately, and not be permitted to operate even in part during the 5-year transition period.

Subsection (c) of the section amends section 202(c) of the act so as to raise the minimum allotment to subquotas of dependent areas of a governing country, thus preserving their present equality with independent minimum-quota areas. The dependent area's allotment is taken from the governing country's quota. To prevent a dependent area from preempting the governing country's quota disproportionately, it is provided that the dependent area's share of the quota will decrease as the governing country's quota is reduced.

Section 7 amends section 207 of the Immigration and Nationality Act by deleting the language of that section which prevents the issuance of visas in lieu of those issued but not actually used, or later found to be improperly issued. Thus in Germany alone over 7,000 quota visas are now taken by persons entitled to nonquota status, and 2,000 more quota visas are issued to persons who do not actually apply for admission to the United States. All these quota visas are lost under the present law. Such a result is inconsistent with the aim of the bill that all authorized quota numbers shall be used. The amended section 207 specifically authorizes the issuance of a quota visa in lieu of one improperly issued or not actually used, utilizing the same quota number.

Section 8 amends section 101(a)(27)(A) of the Immigration and Nationality Act, which grants nonquota status to spouses and children of U.S. citizens, so as to extend nonquota status to parents of U.S. citizens as well.

Section 9 amends section 101(a)(27)(C) of the Immigration and Nationality Act so as to extend nonquota status to natives of all independent Western Hemisphere countries. Under present law, such status is granted to natives of all independent North, Central, and South American countries, and of named Caribbean island countries which were independent when the Immigration and Nationality Act was enacted in 1952. The amendment extends nonquota status to natives of countries in these areas which have gained their independence since then, or may gain their independence hereafter.

Section 10 amends section 203(a) of the Immigration and Nationality Act, which establishes preferences for immigrants with special skills and for relatives of U.S. citizens and resident aliens.

Subsection (a) relaxes the test for the first preference accorded to persons of high education, technical training, specialized experience, or exceptional ability. Under present law, such persons are granted preferred status only if the Attorney General determines that their services are "needed urgently" in the United States. The amendment allows them first preference if their services, as determined by the Attorney General, would be "especially advantageous" to the United States.

Subsection (b) eliminates the second preference for parents of American citizens, now accorded nonquota status by the amendment made by section 8 of the bill.

Subsection (c) grants a fourth preference, up to 50 percent of numbers not issued to the first three preferences, to parents of aliens lawfully admitted for permanent residence. It also grants a subsidiary preference to qualified quota immigrants capable of filling particular labor shortages in the United States. Under present law, immigrants who do not meet the rigorous standards of the skilled specialist category are not preferred over any other immigrants even though they can fill a definite labor need which other immigrants cannot fill. The amendment allows to such immigrants a preference of 50 percent of the quota visas remaining after all family preferences have been satisfied or exhausted.

Section 11 amends section 204 of the Immigration and Nationality Act, which establishes the procedure for determining eligibility for preferred status under section 203.

The amendments made by paragraphs (1), (2), (3), and (4) cover the filing of petitions, on behalf of the workers accorded a fourth preference, by the persons who will employ them to fill the special labor needs. Paragraph (1) provides for approval of these petitions by the Attorney General, and paragraph (2) requires that he consult with the Immigration Board and interested departments of Government before granting preference to these workers.

Paragraph (2) also exempts first-preference skilled specialists from the present petition procedure because under the bill a new procedure is established for such persons. Under present law, skilled specialists may qualify for preferred status only when a petition requesting their services is filed by a U.S. employer. This requirement unduly restricts our ability to attract those whose services would substantially enhance our economy, cultural interests, and welfare. Many of these people have no way of contacting employers in the United States in order to obtain the required employment. Even if they knew whom to contact, few openings important enough to attract such highly skilled people are offered without personal interviews, and only a few very large enterprises or institutions have representatives abroad with hiring authority. Thus many such skilled specialists cannot obtain the employement presently required for first-preference status.

Moreover, the requirement of prearranged employment is in fact unnecessary. Highly skilled specialists would obviously work at their specialty, provided that employment is open. The only check needed is that the Attorney General ascertain, upon consultation with appropriate Government agencies, that job openings exist in the specialist's particular field. Although the present petition procedure serves to confirm the individual's own evidence of his training, education, or skills, such confirmation is not essential if proper investigation is made of his qualifications before the preference is accorded.

Paragraph (5), therefore, allows the Attorney General to grant a first preference to skilled specialists upon their own petitions, supported by such documentation as the Attorney General shall require. In this connection it is to be noted that the existing law requiring an investigation by the Attorney General of the petitioner's qualifications and a determination of his eligibility for a first preference is continued.

Section 12 amends section 205(b) of the Immigration and Nationality Act, providing for petitions to establish eligibility for preference as a relative of a U.S. citizen or lawfully resident alien, to conform to the substantive amendments made by section 10.

Section 13 amends the "fair share" refugee law so as to remove a provision which has hampered its effective operation. Presently, the entry of refugees is subject to the condition that they be within the mandate of the United Nations High Commissioner for Refugees. The mandate provision is eliminated, so that the refugee law will no longer be subject to outside control. In addition, subsection (b) enlarges the applicable area definition so as to allow the entry of refugees from North Africa generally, and Algeria particularly, who are unable to return to their countries because of their race, religion, or political opinions, and incorporates this new definition in the "fair share" law. The existing definition encompasses refugees from "any country within the general area of the Middle East," which is defined as the area between Libya on the west, Turkey on the north, Pakistan on the east, and Saudi Arabia and Ethiopia on the south. The new definition substitutes Morocco for Libya as the western border of this area.

Section 14 repeals the "fair share" law's special provision for 500 "difficult to resettle" refugees; all such persons have been taken care of, and the authority is therefore no longer necessary.

Section 15 amends section 281 of the Immigration and Nationality Act so as to grant discretionary authority to the Secretary of State to specify the time and manner of payment of the fees for visa applications and issuances. This discretionary authority will allow the Secretary to control two undesirable situations:

First, many people in countries with oversubscribed quotas register their names on visa waiting lists even though they have no present intention of emigrating; they regard the registration as "insurance" for possible future use. Such registrations have the effect of creating a distorted picture of visa backlogs and make efficient administration difficult. The amendment therefore would allow the Secretary of State to require a registrant to deposit a fee at the time of registration. While not unduly burdensome on those who wish to come here, such a procedure would serve to discourage registrations which are not bona fide.

Second, otherwise admissible immigrants, particularly refugees, are often unable to pay the required visa fee. Rather than bar them from obtaining a visa, the Secretary is given authority to postpone payment.

Section 16 is also directed to the problem of "insurance" registrations. Many applicants for visas have been offered visas repeatedly but have turned them down. They wish only to preserve their priority in registration for possible future use. To handle such cases, section 203(c) of the Immigration and Nationality Act is amended so as to allow the Secretary of State to terminate the registrations of persons who have previously declined visas. This amendment is also important in connection with a contemplated reregistration of applicants in certain oversubscribed areas designed to ascertain whether registrants have died, emigrated elsewhere, or changed their minds; the Secretary is authorized to terminate the registration of all persons who fail to reregister.

Section 17 amends subsections (a)(1), (a)(4) and (g), as redesignated, of section 212 of the Immigration and Nationality Act so as to allow the entry of certain mentally afflicted persons. Under present law, no visas may be issued to aliens who are feebleminded or insane, or have had one or more attacks of insanity, or who are afflicted with a psychopathic personality, epilepsy, or a mental defect. These provisions have created hardships for families seeking admission, where one member, often a child, is retarded. Such families are presented with the difficult decision as to whether they should leave the afflicted person behind or stay with him. Such a person cannot enter the United States even if the family is willing and able to care for him here and even if he is within the 85 percent of mentally afflicted persons whose condition can be substantially improved by adequate treatment.

The amendment gives the Attorney General discretionary authority to admit such persons who are the spouses, children, or parents of citizens or resident aliens, or who are accompanying a member of their family. The Attorney General, after consultation with the Surgeon General of the U.S. Public Health Service, would prescribe the controls and conditions on the entry of such persons, including the giving of a bond to insure continued family support.

The bar against the admission of epileptics is removed entirely, since this affliction can effectively be medically controlled. The amendment would also provide that the term "mentally retarded" be substituted for the present term "feeble minded." This is not a substantive change in the law.

Section 18 establishes the Immigration Board, to be composed of seven members. Two Members of the House of Representatives are appointed by the Speaker with the approval of the majority and minority leaders, two Members of the Senate, by the President of the Senate, with the approval of the majority and minority leaders, and three members, including the Chairman, by the President. Members not otherwise in Government service are to be paid on a per diem basis for actual time spent in the work of the Board.

The section provides that the Board's duties shall be to study, and consult with appropriate Government departments on all facets of immigration policy; to make recommendations to the President as to the reservation and allocation of quota numbers, and to recommend to the Attorney General criteria for admission of skilled specialists and workers whose services are needed by reason of labor shortages in this country.

Section 19 grants consular officers discretionary authority to require bonds ensuring that certain nonimmigrants will depart voluntarily from the United States when required. This amendment to section 221(g) of the Immigration and Nationality Act, by providing an additional safeguard against a later refusal to depart, would allow the issuance of visas in many borderline cases in which visas are now refused to students and visitors.

Section 20 amends section 272 of the Immigration and Nationality Act, which imposes a penalty on carriers bringing to the United States aliens afflicted with certain defects, so as to make that section conform with the changes made by this bill and section 11 of the act of September 26, 1961.

[From the New York Times]

I LIFT MY LAMP

President Johnson's forthright message on immigration reform revives an issue that should trouble the American conscience.

Since 1924 the United States has rigged admission to this country on a racist basis. The Nordic countries of northwestern Europe have large immigration quotas, while the Slavic and Latin countries of eastern and southern Europe have tiny quotas. This is the so-called national origins quota system designed to preserve the racial balance and implicitly the racial purity—then thought to exist in this country. The quota system was one ugly fruit of two generations of propaganda about race in Europe and America.

Sharply improved scholarship in ethnic history and in anthropology in recent decades should have had a chastening effect. But when Congress last confronted this problem, it flunked the test. The McCarran-Walter Immigration Act of 1952, which was passed over President Truman's veto, not only confirmed the racial quota system but introduced fresh anomalies and racist theories into the law.

Thus it is that the United States stands self-condemned before the world for imposing severe restraints on immigration by men and women from Athens and Rome—two of the chief sources of glory and greatness in that Western civilization Americans share and defend today. The people who produced Plato, Aristotle and Demosthenes are limited to 308 quota numbers a year. The people of Dante and Michelangelo are limited to 5,666. In this fashion the United States solemnly counts and calibrates the potential worth of all mankind. Is there not something terribly arrogant—and also absurd—in this self-righteous national posture?

President Johnson's proposal would eliminate the racial quota system and place admission to this country basically on a first-come, first-admitted basis. It deserves enact-

ment. It is time to rekindle that lamp beside the golden door and banish forever those shadows that have dimmed its bright flame too long.

Mr. FONG. Mr. President, the President has asked Congress to enact a new immigration law which would basically change American immigration policies. I am very happy to join in sponsoring this bill.

I am heartened that he recognized a compelling need to enact an immigration law that serves the national interest and reflects in every detail the principles of equality and human dignity to which our Nation subscribes.

He has proposed a bill which would eliminate altogether the national origins system for allocating quotas; the Asia Pacific triangle; and other racially discriminatory aspects of our present immigration laws.

The proposed legislation also would establish a series of priorities for admission: first, to immigrants with skills and training needed in our national economy; second, to persons closely related to U.S. citizens and permanent residents; and, third, to all other immigrants on a first-come, first-served basis, with no one nation receiving more than 10 percent of the quota numbers available in any one year.

I am happy to note that the President's proposals would correct two serious defects in our present immigration laws.

First, our present laws often deny admission to immigrants who have outstanding and badly needed skills and talents. The President's proposals would give priority to immigrants who have the kind of skills and talents our economy needs very badly, without affecting our unemployment rates.

Thus, our national economic growth would be enhanced, our economy would be stimulated, and new employment opportunities would be generated.

Second, our present laws often needlessly separate our citizens from their parents or other close relatives. The President's proposals would give preference to close relatives of citizens and permanent residents, and thus serve to promote the reuniting of families.

To insure that the new system would not impose undue hardship on any of our close allies by suddenly curtailing their emigration, the bill authorizes the President, after consultation with an Immigration Board established by the legislation, to utilize up to 30 percent of the quota numbers available in any year for the purpose of restoring cuts made by the new system in the quotas established by existing law.

Similar authority, permitting the reservation of up to 10 percent of the total authorized quota numbers available in any year, would enable us to meet the needs of refugees fleeing from catastrophe or oppression.

In addition, the administration's bill would, first, permit numbers not used by any country to be made available to countries where they are needed; second, eliminate discrimination against newly independent countries of the Western Hemisphere by providing nonquota status for natives of Jamaica, Trinidad, and Tobago; third, afford nonquota status to parents of citizens, and fourth preference to parents of resident aliens; fourth, eliminate the requirement that skilled first preference immigrants needed in our economy must actually find an employer here before they can come to the United States; fifth, afford a preference to workers with lesser skills who can fill specific needs in short supply; and sixth, authorize the Secretary of State to require reregistration of quota immigrant visa applicants and to regulate the time of payment of visa fees.

Under the President's proposal, existing national quotas would be reduced at the rate of 20 percent annually until the allotments were wiped out in 5 years. These quota numbers would go into a reserve pool for redistribution under the system of priorities I mentioned earlier.

The administration's proposal would not change any requirements under existing laws for preventing entry of undesirable persons. Applicants must still satisfy all security requirements we now have, and other requirements designed to exclude persons likely to become public charges.

The measure would only increase by less than 7,000 the total authorized quota immigration annually.

By seeking an immigration policy reflecting America's ideal of the equality of all men without regard to race, color, creed, or national origin, we would accomplish two purposes:

First. We would enhance America's image as leader of the free world in according equal dignity and respect to all peoples of the world, and thus accomplish a significant forward stride in our international relations.

Second. We would recognize the individual worth of each immigrant and his potential contribution to the development and growth of our national economy.

These basic changes in American immigration policy are long overdue. Revision of our immigration laws is a logical extension of our efforts to achieve our ideal of equality.

Last year we enacted the historic Civil Rights Act of 1964, which was designed to wipe out the last vestiges of racial discrimination against our own citizens.

As we reappraise the relationship of citizen to citizen under this law, it is also good for us to reexamine this same relationship of man's equality to man with respect to peoples of the world.

For as we move to erase racial discrimination against our own citizens, we should also move to erase racial barriers against citizens of other lands in our immigration laws.

I am encouraged that the President has called upon the Congress to accord priority consideration to immigration reform legislation.

I have long regarded this as an issue of fundamental policy. For our present immigration laws disparage our democratic heritage. They directly contradict the spirit and principles of the Declaration of Independence, the Constitution of the United States, and our traditional standards of justice, decency, and the dignity and equality of all men.

No legislation could more cogently and with more telling effect reaffirm our fundamental belief in the equality of man.

INCREASE IN MILEAGE OF NATIONAL SYSTEM OF INTERSTATE HIGHWAYS

Mr. CASE. Mr. President, I introduce, for appropriate reference, a bill to amend title 23 of the United States Code to increase the total mileage of the National System of Interstate Highways from 41,000 miles to 50,000 miles.

The Federal Bureau of Public Roads has requests from numerous States, including New Jersey, for an additional 20,000 miles of highway, over and above the existing authorization. The Bureau cannot consider these because all of the mileage authorized under the Federal-Aid Highway Act of 1956 has been allocated.

The growth of our population and the increasing use of motor vehicles make it advisable that the Interstate System be expanded now from its presently authorized 41,000 miles. We cannot wait until 1972 and then begin thinking about adding new highways.

The need is here and now. For example, in New Jersey there is the pressing need for an expressway to link Trenton with the shore area. But as I have already stated, because all mileage in the Interstate Highway System has already been allocated, New Jersey is unable to get additional 90–10 Federal funds for this much-needed road. There are also other expressways needed in our State which cannot be built for this same reason.

Equally important with meeting traffic needs are the safety features that a modern highway meeting Interstate System standards provides.

In 1963, there were over 43,000 fatalities in our Nation. In the first 10 months of 1964 this figure jumped 11 percent over the comparable 10 months in 1963. If we project this 11 percent increase for the entire year of 1964, traffic fatalities for the year just passed will amount to more than 48,000. This is an appalling figure.

Recent figures provided by the Bureau of Public Roads show that those portions of the Interstate Highway System now open have a traffic-accident fatality rate of 2.6 per hundred million vehicle-miles. On old conventional highways in the same traffic corridors, this figure rises to 9.7 fatalities per hundred million vehicle-miles.

Funds for the construction of the Interstate System are derived from the trust fund which was established by Congress and administered by the Federal Bureau of Public Roads, which is financed primarily through taxes on petroleum products used in motor vehicles. This fund is self-sustaining, and the revenues are derived solely from those making use of our roads. No additional tax assessment is required.

I hope the Senate will give early consideration and approval to my bill which

would expand this great Interstate Highway System of ours.

I ask unanimous consent that the text of my bill be printed in full at this point in the RECORD.

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

The bill (S. 501) to amend title 23 of the United States Code to increase the total mileage of the National System of Interstate and Defense Highways, introduced by Mr. CASE, was received, read twice by its title, referred to the Committee on Public Works, and ordered to be printed in the RECORD, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the first sentence of subsection (d) of section 103 of title 23 of the United States Code is amended by striking out "forty-one thousand miles" and inserting in lieu thereof "fifty thousand miles."

AMENDMENT OF RURAL ELECTRIFICATION ACT

Mr. LAUSCHE. Mr. President, I introduce, for appropriate reference, a bill to amend the Rural Electrification Act of 1936, as amended, to make more specific the purpose for which loans may be made under sections 2 and 4 of such act and to modify the provisions relating to interest rates on loans made under such act. I ask unanimous consent that the text of the bill be printed at this point in the RECORD.

Mr. President, the bill would require the Rural Electrification Administration to finance its future operations in the open market, except in cases where it may be called upon to furnish electric power to rural areas to which central power service is not available. Secondly, the bill would require that loans made by the Rural Electrification Administration shall bear interest at a rate equal to the average rate of interest payable by the United States on its marketable obligations, having maturities of 10 years or more, issued during the last preceding fiscal year in which any such obligations were issued and adjusted to the nearest one-eighth of 1 percent.

This bill, in part, seeks to correct some of the inequities and loose practices described by the Comptroller General in his report to the Congress made in November of 1963. I contemplate at a later date to suggest to the Senate Committee on Agriculture and Forestry amendments to this bill which would further implement the recommendations made by the Comptroller General.

Mr. President, amendments to the Rural Electrification Act of this nature are long overdue. The Rural Electrification Administration was originally established by Executive Order No. 7037, signed by President Roosevelt, May 11, 1935. The Department of Agriculture Organic Act of 1944, approved September 21, 1944, established a flat rate of 2 percent on unmatured, unpaid balances of REA borrowers. At that time, the Treasury Department was paying an average interest rate of 2.30 percent on its marketable issues of 10 years or more.

The reason for the differential in the interest rate charged REA borrowers as compared to the rate the Treasury was paying, was to lend more encouragement for the establishment of new REA units and the building of additional lines to serve the rural population. This obviously was successful for, according to the tabulation which I shall refer to later, 1944 marked the beginning of a very substantial increase in REA units and line construction.

I believe that the Rural Electrification Administration has been an outstanding asset and a program which has brought much comfort, lightened the burdens, and stimulated the economy of our Nation's rural areas. The purpose for which the Rural Electrification Administration was created has largely been fulfilled. Its continued operations under the same terms and provisions provided in the present law permit the REA to go far beyond the original intent of the Congress and its activities now are in direct conflict to our basic free enterprise system.

During the first 18 years of the REA's existence through fiscal 1954, about $2.3 billion in loans were granted for distribution systems to carry power directly to rural customers. Over the same period a total of $550 million was granted for generation and transmission—G. & T.—purposes. This was 18.8 percent of all electrification loans granted. During the 6 fiscal years 1955–60, G. & T. loans totaled $463 million, or 35.7 percent of all electrification loans. This was an average of $77 million a year for G. & T. purposes.

In fiscal 1961, G. & T. loans rose to $152 million, or 55.3 percent of total loans. The sharp increase in amount and proportion of G. & T. loans in 1961 was accounted for by approval on June 15, 1961, of a $60 million G. & T. loan which was the largest single REA loan ever granted. Loans for G. & T. purposes in 1962 amounted to $155 million, or 59.4 percent of total loans. The estimate for the current year is $250 million which would be about 62 percent of all loans. Of the $425 million authorization request for 1964, about $290 million would be available for G. & T. purposes. This would be 68 percent of the total authorization.

Thus, in the 4-year period 1961–64, the funds loaned and budgeted for G. & T. purposes total $847 million. This 4-year total is more than four-fifths of the $1,013 million total which was granted in G. & T. loans over the 24 years of REA's existence prior to 1961.

If the true economic cost of power financed by G. & T. loans were taken into account in justifying the loans, there would be few instances where such loans could be justified on the basis of cost. The economic cost of power sold by investor-owned utilities includes the cost of interest, operating expenses, depreciation, and taxes. The true economic cost of power sold by the G. & T. cooperatives includes these same elements of cost although the cooperative itself does not bear all the costs. By having to pay only 2 percent interest to the U.S. Treasury on money which costs the Treasury 4 percent, the cooperative shifts one-half of the true interest cost to taxpayers generally. Also by being exempt from the Federal income tax and a sizable portion of State and local taxes, the cooperative shifts to taxpayers generally the burden of taxes it foregoes.

Mr. President, the Rural Electrification Administration has been non-self-sustained financially and subsidized by the general taxpayer for a period far too long. After exhaustive studies the second Hoover Commission made the following report and recommendation to the Congress in 1954:

> It is our belief that the time has arrived for the reorganization of the Rural Electrification Administration into a self-supporting institution securing its own finance from private sources in a manner similar to that of other agencies. Moreover, the operations of Rural Electrification should be made subject to the Government Corporation Control Act in order to secure the advantages of more efficient organization under that act.

Unfortunately, that recommendation was ignored and the REA has gone ahead in ways that were never intended, and certainly never conceived of, when it was given its first instruction to bring electricity to the rural areas of our country.

A beginning of sanity in the Rural Electrification Administration's operations can be made by the adoption of my bill, for I am convinced that much of today's waste arises from the fact that easy 2 percent money is available in practically unlimited quantities—and that no one is watching to see what is done with it.

Mr. President, to illustrate that the REA has accomplished the mission for which it was created, I submit statistics supplied to me by the Rural Electrification Administration itself.

Of the 3,818,200 farms in the United States, 3,726,850—or 97.6 percent—had central station electric service as of July 1, 1962. Of these electrified farms, approximately 54 percent are served by REA-financed electric systems. The balance are served by other suppliers, principally commercial power companies. Therefore, REA has accomplished its intended mission to fill up that gap which could not profitably be served by private power companies. In 1935, when REA was created, 743,954 farms in the United States had central station electric service. This was only 10.9 percent of all farms in the Nation which then totaled 6,812,350.

Mr. President, I ask unanimous consent to insert at this point in the RECORD as a part of my remarks a table revealing the number of loans and amounts thereof for the years 1935 to 1964, inclusive. This table clearly reveals the recent expansion of this program.

PEGGED REA—2 PERCENT INTEREST RATE

Mr. President, I now want to refer to the pegged 2 percent interest rate charged on REA loans since 1945. This practice has caused an unjustified expense to the taxpayers in the sum of more than $¼ billion. I ask unanimous consent to insert in the RECORD at this point as a part of my remarks a table compiled by the U.S. Treasury Department showing interest rate charged by REA, com-

puted annual interest rate paid by U.S. Treasury on securities outstanding, variance between interest rate charged by REA and paid by U.S. Treasury, average REA loans outstanding, and excess of interest cost to U.S. Treasury over interest rate charged by REA, all for the years 1936 to 1962 inclusive.

Mr. President, our country, a world leader and the richest and most progressive in the world, was able to attain this position largely because its economy was based on the philosophy of free enterprise. I will admit that there have been occasions when it was necessary for the Federal Government to underwrite and foster certain programs that could not be performed by private enterprise. It is only sensible, however, and in the best interests of our economy and the perpetuation of the free enterprise system that once these Federal Government-fostered programs have fulfilled their mission, they should be curtailed.

Mr. President, I ask unanimous consent that this bill may lie on the desk for 3 days in order that other interested Senators may join as cosponsors should they so desire.

The PRESIDING OFFICER. The bill will be received and appropriately referred; and, without objection, the bill and statistics will be printed in the RECORD.

The bill (S. 503) to amend the Rural Electrification Act of 1936, as amended, to make more specific the purpose for which loans may be made under sections 2 and 4 of such act, and to modify the provisions relating to interest rates on loans made under such act, introduced by Mr. LAUSCHE, was received, read twice by its title, referred to the Committee on Agriculture and Forestry, and ordered to be printed in the RECORD, as follows:

S. 503

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) the next to the last sentence of section 4 of the Rural Electrification Act of 1936, as amended (7 U.S.C. 904), is amended by striking out "and shall bear interest at the rate of 2 per centum per annum; interest rates on the unmatured and unpaid balance of any loans made pursuant to this section prior to the effective date of this amendment shall be adjusted to 2 per centum per annum, and the maturity date of any such loans may be readjusted to occur at a date not beyond thirty-five years from the date of such loan:" and inserting in lieu thereof the following: "and shall bear interest at a rate equal to the average rate of interest payable by the United States of America on its marketable obligations, having maturities of ten or more years, issued during the last preceding fiscal year in which any such obligations were issued and adjusted to the nearest one-eighth of 1 per centum:".

(b) Section 4 of such Act is further amended by adding at the end thereof a new sentence as follows: "No loan shall be made under authority of this section or section 2 of this Act after June 30, 1965, except for the sole purpose of furnishing electric energy to persons in rural areas who are not receiving central station service and who are not in a rural area being served by a central station; and the Administrator shall, with respect to any loan made under authority of this section or section 2 of this Act after June 30, 1965, impose such terms and conditions as may be necessary to insure that the proceeds of such loan are not used, directly or indirectly, for any purpose other than to furnish electric energy to persons in rural areas who are not receiving central station service and who are not in a rural area served by a central station."

SEC. 2. The last sentence of section 5 of the Rural Electrification Act of 1936, as amended (7 U.S.C. 905), is amended by striking out "and shall be at a rate of interest of 2 per centum per annum; interest rates on the unmatured and unpaid balance of any loans made pursuant to this section prior to the effective date of this amendment shall be adjusted to 2 per centum per annum", and inserting in lieu thereof "and shall bear interest at a rate equal to the average rate of interest payable by the United States of America on its marketable obligations, having maturities of ten or more years, issued during the last preceding fiscal year in which any such obligations were issued and adjusted to the nearest one-eighth of 1 per centum".

SEC. 3. The amendments made by this Act relating to interest rates shall be effective with respect to all loans made on and after the date of enactment of this Act.

The statistics presented by Mr. LAUSCHE are as follows:

Loans made by the Rural Electrification Administration, fiscal years 1935–64

Fiscal year	Electric loans	
	Number	Amount
1935–36		$17,929,017
1937		50,347,265
1938		31,559,719
1939		141,899,413
1940		44,880,216
1941		101,710,165
1942		91,282,300
1943		8,225,380
1944		34,002,078
1945		26,343,238
1946		290,913,868
1947		256,389,000
1948		319,110,000
1949		449,317,700
1950	651	376,199,000
1951	472	221,815,500
1952	295	165,758,731
1953	345	164,972,662
1954	325	167,104,100
1955	349	167,530,430
1956	344	189,804,800
1957	404	300,461,514
1958	337	241,636,865
1959	250	177,292,100
1960	276	220,108,000
1961	255	274,507,218
1962	242	261,374,500
1963	262	341,021,500
1964	285	261,500,000

LOAN FUNDS OUTSTANDING

The following amounts in REA loan funds were outstanding December 31, 1964:

Electric loans	$3,128,901,922
Telephone loans	827,566,993

The table below shows the estimated variances between the interest rate charged by REA and the rate paid by the U.S. Treasury on outstanding securities:

Year ended June 30	Interest rate charged by REA	Computed annual interest rate paid by U.S. Treasury on securities outstanding	Variance between interest rate charged by REA and paid by U.S. Treasury	Average REA [1] loans outstanding	Excess of interest cost to U.S. Treasury over interest rate charged by REA
	Percent	*Percent*	*Percent*	*Thousands*	*Dollars*
1936	3.00	2.56	(0.44)	$412	(1,813)
1937	2.77	2.53	(.19)	6,344	(12,054)
1938	2.88	2.59	(.29)	35,954	(104,267)
1939	2.73	2.60	(.13)	90,974	(118,266)
1940	2.69	2.58	(.11)	170,771	(187,848)
1941	2.46	2.52	.06	254,539	152,723
1942	2.48	2.29	(.19)	315,722	(599,872)
1943	2.57	1.98	(.59)	343,245	(2,025,145)
1944	[2] 2.67	1.93	(.74)	346,239	(2,562,169)
1945	2.00	1.94	(.06)	362,603	(217,562)
1946	2.00	2.00		415,289	
1947	2.00	2.11	.11	541,621	595,783
1948	2.00	2.13	.18	742,256	1,366,061
1949	2.00	2.24	.24	866,633	2,079,919
1950	2.00	2.20	.20	1,148,165	2,296,330
1951	2.00	2.27	.27	$1,403,926	3,790,600
1952	2.00	2.33	.33	1,629,020	5,375,766
1953	2.00	2.44	.44	1,832,024	8,060,906
1954	2.00	2.34	.34	2,011,927	6,840,552
1955	2.00	2.35	.35	2,148,828	7,520,898
1956	2.00	2.58	.58	2,274,876	13,194,281
1957	2.00	2.73	.73	2,431,114	17,747,132
1958	2.00	2.64	.64	2,623,500	16,790,400
1959	2.00	2.87	.87	2,825,500	24,581,850
1960	2.00	3.30	1.30	3,039,000	39,507,000
1961	2.00	3.07	1.07	3,243,500	34,705,450
1962	2.00	3.24	1.24	3,407,850	42,257,340
July 1 to Nov. 30, 1962	2.00	3.29	1.29	3,568,707	[3] 19,181,318
Total					240,215,813

[1] 1936 through 1948: mean value of principal balances outstanding at July 1 and June 30 each fiscal year on electric loans by REA. 1949 through 1962: mean value of loans by U.S. Treasury Department to REA. July 1, 1962, to Nov. 30, 1962: balance of U.S. Treasury loans outstanding to REA on June 30, 1962, plus ½ of REA loans granted in the interim.

[2] REA charged 2.49 percent on new loans during the period, July 1 to Sept. 20, 1944.

[3] Based on a 5-month period.

NOTE.—All figures shown in parentheses are negative amounts.

THE PASSAMAQUODDY TIDAL POWER PROJECT

Mr. MUSKIE. Mr. President, I introduce, on behalf of myself and my senior colleague from Maine [Mrs. SMITH], a bill to authorize the construction of the Passamaquoddy-St. John hydroelectric project, subject to appropriate agreements between the United States and Canada.

This bill, which would authorize harnessing of the vast tidal energy of Passamaquoddy and Cobscook Bays in Maine and New Brunswick, and developing of the resources of the upper St. John River,

is significant to the economy of the Northeast region of our country, while at the same time serving the interests of the country as a whole. The bill is being cosponsored also by Mr. AIKEN, Mr. KENNEDY of Massachusetts, Mr. MCINTYRE, Mr. PELL, and Mr. PROUTY, and it has the backing of members of both parties, in and out of Maine.

Sound and imaginative engineering studies have demonstrated the Quoddy project to be economically feasible.

Congressional hearings last August on technical studies by the Department of the Interior and by the U.S. Corps of Engineers reaffirmed Quoddy's economic feasibility.

In addition, the Quoddy-St. John project would be a pertinent and important step toward the protection and the development of the Allagash region of Maine, one of the most beautiful sections of our country.

Those of us who are concerned with the future of the Northeastern corner of our country see the Quoddy-St. John project as a vital link in the long-term expansion of the economy there and of the country as a whole.

To those of us with a desire to restore an area beset by adversity, where the unemployment rate ranges as high as 25 percent, Quoddy makes sense as resource utilization. We see Quoddy as essential to the revitalization of a sagging economy, and we see Quoddy opening the door to the integration of a natural economic unit, including the New England States and the Canadian Maritime Provinces.

And I repeat, Mr. President, that professional engineering surveys show that the Passamaquoddy-St. John project is economically feasible.

In addition to the many other advantages of this undertaking, Quoddy would provide electrical power for the northeast region at prices 25 percent below prevailing rates.

This legislation would authorize construction of the necessary civil works and powerplants by the Corps of Engineers, construction of high voltage transmission lines by the Department of the Interior, and the marketing of the power developed by the project by the Secretary of the Interior.

This legislation opens the way to the development of a million kilowatts of peaking power, 250,000 kilowatts of firm energy and a billion kilowatt hours of dependable off-peak energy annually for the northeast region.

Each day, more than a million kilowatts of power surge in and out of Passamaquody Bay. As President Kennedy said when he endorsed Quoddy:

> Man needs only to exercise his engineering ingenuity to convert the ocean's surge into a national asset.

President Kennedy said Quoddy meets the national interest test because it strengthens the economy of the whole Nation and enables America to better compete in the marketplaces of the world.

We hope our Government, and that of Canada, will negotiate an agreement on an equitable sharing of the benefits from this combined project. With this accomplished, we will be able to move ahead on Quoddy-St. John, and transform a potential asset into a national asset.

We want to take this opportunity to express our appreciation to Secretary Udall, the members of his Interior Department, to the Corps of Engineers and to the Department of State for their cooperation and the technical advice they have given us.

Since President Kennedy referred the 1961 International Joint Commission Report on the Quoddy project to Secretary Udall, we have enjoyed the closest cooperation and assistance as we have worked to make our dream a reality. The help we have received has given us great optimism in the pursuit of our goal of new opportunities from Quoddy for our region and our Nation.

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

The bill (S. 515) to authorize the international Passamaquoddy tidal power project, including hydroelectric power development of the upper Saint John River, and for other purposes, introduced by Mr. MUSKIE (for himself and other Senators), was received, read twice by its title, and referred to the Committee on Public Works.

RELIEF FOR OUR ELDERLY

Mr. YOUNG of Ohio. Mr. President, we have created a society in which most people now survive well beyond their retirement. The retirement age of 65 fixed by the German Chancellor von Bismarck 76 years ago, when the life expectancy of an individual was far less than it is today, makes the present retirement age enforced in many industries unrealistic. Today, many men and women who are retired from their employment at the age of 65 have 10 or 20 years of useful life before them. In the long span of three quarters of a century the life expectancy of men and women has lengthened by many years. In fact, in that period of time nearly doubled. However, because of the arbitrary retirement age of 65 our country now has 18 million elderly citizens, so-called, many of them unemployed, retired to idleness, and many in need.

For too many Americans, retirement really means the end of a worthwhile active, interesting life and an end to a comfortable standard of living. It too often means the beginning of poverty, substandard housing, lack of adequate medical care and days filled with nothingness. Our problem lies in the fact that to date the planning necessary to meet the economic, social, and medical needs of the aged has been inadequate. As a result, too many of our elderly citizens feel unwanted, unneeded, isolated, and neglected.

During the closing days of the 88th Congress, I spoke at length on the needs of our elderly citizens and on methods of fulfilling them. Among these needs is the right of access to community resources. Too many older persons are unable to obtain effective access to community health, recreation, and social services so essential to meaningful living in retirement. In many cases, this is due to lack of ability to pay for the services; in other instances, the elderly are unaware of the existence of these services; in still other cases, older persons hesitate to pay for the cost of public transportation to the facility.

Therefore, Mr. President, I send to the desk, for appropriate reference, a bill authorizing the Housing and Home Finance Administrator to make grants to metropolitan and other transportation systems which will carry on demonstration projects providing low fares for elderly citizens during the nonpeak hours of the day. As a minimum, elderly men and women should be permitted to ride on public transportation at one-half fare during the hours in which buses and streetcars are least used. This will add income to public transportation systems and benefit older people at the same time.

Similar programs have been tried in three major metropolitan areas—Detroit, Cleveland, and Los Angeles. I am informed that they have met with a great deal of success.

Section 6 of the Urban Mass Transportation Act of 1964 does provide a basis for beginning the project proposed in this bill. I hope that this proposed legislation for the welfare of more than 18 million of our fellow citizens will be enacted into law in the very near future.

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

The bill (S. 519) to direct the Housing and Home Finance Administrator to cause certain demonstration and research projects to be carried out to determine the economic feasibility of providing urban mass transportation service to elderly persons during nonrush-hour periods at reduced fares introduced by Mr. YOUNG of Ohio, was received, read twice by its title, and referred to the Committee on Banking and Currency.

EXTENSION OF ARMED SERVICE BENEFITS TO VETERANS NOT ENGAGED IN ARMED CONFLICT

Mr. SALTONSTALL. Mr. President, as the leader of the free world, the United States bears heavy responsibilities which we attempt to meet in many ways. In one expression of this leadership we have sought to assist many countries, which share our basic belief in democracy and freedom, to maintain their identity as nations and to resist attempts to oppress them. In providing this assistance we sometimes call upon the men and women in our Armed Forces to expose themselves to dangers to which they would not ordinarily expect to be exposed while serving in the armed forces of a nation which is not at war. The special circumstances in which some of our service personnel find themselves should be recognized by the Congress and special benefits should be provided.

It is with that purpose in mind that on behalf of myself and 25 of my colleagues I introduce for appropriate reference a bill designed to provide benefits substantially the same as those provided for

veterans of the Korean conflict to veterans of our Armed Forces who, when the United States is not engaged in a formally declared war, serve in areas of the world in which armed conflict or other warlike conditions exist.

The President would be responsible for declaring an area an "area of hostilities" and for determining how long the area would be so regarded. If members of our armed services are to be sent to these critical areas of the world and are to be subjected to the risks involved, then it seems simple justice to me that they should be eligible for benefits similar to those received by men and women who served in the Korean conflict.

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

The bill (S. 520) to authorize wartime benefits under certain circumstances for peacetime veterans and their dependents, introduced by Mr. SALTONSTALL (for himself, Mr. ALLOTT, Mr. BENNETT, Mr. BOGGS, Mr. CARLSON, Mr. CASE, Mr. COOPER, Mr. CURTIS, Mr. DIRKSEN, Mr. DOMINICK, Mr. FANNIN, Mr. FONG, Mr. HICKENLOOPER, Mr. HRUSKA, Mr. JAVITS, Mr. JORDAN of Idaho, Mr. KUCHEL, Mr. MILLER, Mr. MORTON, Mr. MUNDT, Mr. PEARSON, Mr. PROUTY, Mr. SIMPSON, Mr. THURMOND, Mr. TOWER, and Mr. YOUNG of North Dakota), was received, read twice by its title, and referred to the Committee on Armed Services.

AMENDMENT OF FEDERAL FARM LOAN AND FARM CREDIT ACTS

Mr. ELLENDER. Mr. President, I am introducing, for appropriate reference, a bill to amend the Federal Farm Loan Act and the Farm Credit Act of 1933 to improve the operations of the 12 Federal intermediate credit banks and the 482 production credit associations that operate under those laws. The credit banks finance the associations in making short- and intermediate-term loans to farmers and ranchers. The banks also finance agricultural lending by around 100 other institutions but about 95 percent of the business of the banks is with the associations. At present the associations have some $2.3 billion of loans outstanding to 290,000 members. The loanable funds are obtained largely by selling consolidated collateral trust debentures of the banks to the investing public. An overall purpose of the bill is better to assure a cooperative basis of operation and replacement of Government capital in the banks with private capital. This is what was intended when we passed the Farm Credit Act of 1956 but experience shows that further amendments will be necessary.

From 1923 through 1956, the United States owned all of the capital stock of the Federal intermediate credit banks. Under the 1956 amendments, the credit banks were changed to a cooperative basis of operation and it was intended that the Government capital gradually would be retired and that the associations eventually would own all of the capital stock of the credit banks. In the last 8 years, the associations through purchase and patronage have come to own about one-third of the total capital stock of the credit banks. During the same period, some Government capital was retired from all of the banks but it has also been necessary for the United States to purchase additional capital stock in six of the banks in order to meet their credit needs. This was because the demand of farmers and ranchers for loans was much greater than anticipated in some areas and, since the aggregate amount of outstanding debentures by which a bank provides loanable funds for the associations may not exceed 10 times the surplus and paid-in capital of the bank, more such capital had to be provided if the farmers and ranchers were to be served The amount of Government capital that had to be put into six of the banks, in order to keep them within the 10-to-1 debt-to-net-worth limitation, is nearly 3½ times the amount of Government capital retired from all of the banks since the 1956 amendments became effective. It seems clear, therefore, that further legislation will be necessary to complete the shift from Government to private ownership while at the same time fulfilling the credit needs of the farmers and ranchers.

The present bill is designed to reverse the trend of the Federal intermediate credit banks requiring more Government capital. The bill would do this both by reducing the level of required capital and providing another source for capital. The 10-to-1 debt-to-net-worth limitation would be changed to 15 to 1 and would be applied to the 12 banks collectively instead of individually—section 1(b). To provide capital to meet the credit needs of a Federal intermediate credit bank, the production credit associations in the farm credit district served by the bank may be required, in appropriate circumstances, to subscribe to additional capital stock in the bank; and the capital stock held by each association could be adjusted to bring the amount into proportion with the indebtedness of each association to the bank—section 1(c)(ii). While each bank annually determines the amount of its capital stock owned by the United States to be retired, there is a specified minimum to be retired whenever its net worth is more than one-eighth—instead of one-sixth as now—of the highest month-end balance of its debentures and other obligations outstanding during the immediately preceding 5 years—section 1(c)(i).

There would be no change in the limitation that a production credit association may not rediscount paper with or borrow from a Federal intermediate credit bank to the extent that the total liabilities of the association would exceed 10 times its paid-in and unimpaired capital and surplus (12 U.S.C. 1032); but the surplus against which the limitation is applied would be increased. Net earnings of each Federal intermediate credit bank applied to reserve account since January 1, 1957, would be allocated to the production credit associations and other financing institutions served by the bank in the same proportion that patronage refunds are now paid—section 1(d)(ii). Such amounts allocated to a production credit association would have the effect of increasing its net worth. A production credit association would also be authorized to obtain loans from the Federal intermediate credit bank without collateral to the extent authorized under rules and regulations prescribed by the Farm Credit Administration—section 1(a). Further, each production credit association would be given the option to allocate to borrowers future earnings retained in the surplus account of the association—section 2(a) and the option to require borrowers to invest in an equity reserve in the association as a means of providing capital other than selling capital stock to borrowers or investors—section 2(b).

It is estimated that the future demands of farmers and ranchers for loans from the production credit associations and other institutions financed by the Federal intermediate credit banks could be handled under the new amendments without calling on the United States to purchase more capital stock in the credit banks. The new amendments are also expected to expedite the return of the Government capital now in the banks.

I ask unanimous consent that a general explanation of the bill, a letter from the Farm Credit Administration, and a letter from the Bureau of the Budget, relating to the bill, be printed in the RECORD.

The PRESIDING OFFICER. The bill will be received and appropriately referred; and, without objection, the general explanation of the bill and letters will be printed in the RECORD.

The bill (S. 522) to amend the Federal Farm Loan Act and the Farm Credit Act of 1933 to provide means for expediting the retirement of Government capital in the Federal intermediate credit banks, including an increase in the debt permitted such banks in relation to their capital and provision for the production credit associations to acquire additional capital stock therein, to provide for allocating certain earnings of such banks and associations to their users, and for other purposes, introduced by Mr. ELLENDER, was received, read twice by its title, and referred to the Committee on Agriculture and Forestry.

The general explanation and letters presented by Mr. ELLENDER are as follows:

GENERAL EXPLANATION OF PROPOSED BILL TRANSMITTED BY FARM CREDIT ADMINISTRATION

On December 21, 1964, the Farm Credit Administration transmitted to the President of the Senate and to the Speaker of the House a draft of a proposed bill to amend the Federal Farm Loan Act and the Farm Credit Act of 1933 as respects the 12 Federal intermediate credit banks and the 483 production credit associations that operate under those laws. In each of the 12 farm credit districts into which the country is divided, there is 1 Federal intermediate credit bank and from 26 to 77 production credit associations. Each association in its own territory makes short- and intermediate-term loans to farmers and ranchers. These loans are then rediscounted with or used as collateral for a loan from the Federal intermediate credit bank of the district which also serves certain other financing institutions in the same way. The Federal intermediate credit banks in turn obtain loan

funds by selling their consolidated collateral trust debentures to the investing public.

The aggregate amount of outstanding debentures and similar obligations issued by or on behalf of a Federal intermediate credit bank may not exceed 10 times the surplus and paid-in capital of the bank (12 U.S.C. 1041). Once this maximum is reached, or nearly so, an increasing volume of loans and discounts can be handled within the statutory limitation only if the surplus and paid-in capital of the bank is increased. Although the banks have increased their surplus and paid-in capital from earnings and class B stock purchased by production credit associations by more than $80 million as hereafter noted, that has not been sufficient to support the increased lending by some of the banks. Under present law the practice is to provide additional capital from the revolving fund in the Treasury that is available for the purchase of class A (Government) capital stock in such amount as the Governor of the Farm Credit Administration determines is needed to meet the credit needs of the bank.

Since January 1, 1957, the intermediate credit banks have been operating under amendments made by the Farm Credit Act of 1956. Thereunder, the credit banks were changed to a cooperative basis of operation and started from exclusive Government ownership toward eventual private ownership by the production credit associations. The Government capital became class A capital stock. The patronage refunds declared by a bank each year are paid in class B stock to production credit associations and in participation certificates to other financing institutions. The production credit associations had to purchase class B stock of the credit banks in an amount equal to 15 percent of the class A stock then held by the Government. The amount so purchased was $13,112,015; and a corresponding amount of Government capital was retired.

In addition to the initial retirement of class A stock, each credit bank is to determine annually the amount of Government capital to be retired. Whenever its net worth at the close of any fiscal year is more than one-sixth of the highest month-end balance of its debentures and other obligations outstanding during the immediately preceding 5 years, the minimum amount of class A (Government) stock to be retired each year is an amount equal to the class B stock and participation certificates issued for that year. Under the annual retirement provisions, seven of the banks have retired $453,865 of Government capital.

The intent of the 1956 amendments was that the Government capital gradually would be retired and that the production credit associations in each district eventually would own all of the capital stock of the Federal intermediate credit bank. However, although a total of $13,565,880 of Government capital has been retired from the 12 banks while they were increasing their net worth by $67,133,740 from earnings, since the 1956 amendments became effective, it has been necessary for the Governor of the Farm Credit Administration to purchase $46,750,000 of additional capital stock in six of the banks to keep their debt-to-net worth ratio within the stautory limit of 10 to 1. In other words, the amount of Government capital that had to be put into six of the banks, in order to keep them within the 10 to 1 debt-to-net worth limitation, is nearly 3½ times the amount of Government capital retired from all of the banks since the 1956 amendments became effective. Experience indicates, therefore, that further amendments will be necessary to fully accomplish the shift from Government to private ownership.

The proposed bill recommended by the Farm Credit Administration is designed to reverse the trend of the Federal intermediate credit banks requiring more Government capital. The bill would do this both by reducing the level of required capital and providing another source for capital. The 10 to 1 debt-to-net worth limitation on a Federal intermediate credit bank would be changed to 15 to 1 and would be applied to the 12 banks collectively instead of individually (sec. 1(b)). To provide capital to meet the credit needs of a Federal intermediate credit bank, the production credit associations in the farm credit district served by the bank may be required, in appropriate circumstances, to subscribe to additional class B stock in the bank; and the class B stock held by each association could be adjusted to bring the amount into proportion with the indebtedness of each association to the bank (sec. 1(c)(ii)). The minimum amount of class A (Government) stock to be retired each year would equal the amount of class B stock and participation certificates issued for that year whenever the net worth of a Federal intermediate credit bank is more than one-eighth—instead of one-sixth as now—of the highest month-end balance of its debentures and other obligations outstanding during the immediately preceding 5 years (sec. 1(c)(i)).

There would be no change in the limitation that a production credit association may not rediscount paper with or borrow from a Federal intermediate credit bank to the extent that the total liabilities of the association would exceed ten times its paid-in and unimpaired capital and surplus (12 U.S.C. 1032); but the surplus against which the limitation is applied would be increased. Net earnings of each Federal intermediate credit bank applied to reserve account since January 1, 1957, would be allocated to the production credit associations and other financing institutions served by the bank in the same proportion that patronage refunds are now paid (sec. 1(d)(ii)). Such amounts allocated to a production credit association would have the effect of increasing its net worth. A production credit association would also be authorized to obtain loans from the Federal intermediate credit bank "without collateral to the extent authorized under rules and regulations prescribed by the Farm Credit Administration" (sec. 1(a)). Further, each production credit association would be given the option to allocate to borrowers future earnings retained in the surplus account of the association (sec. 2(a)) and the option to require borrowers to invest in an equity reserve in the association as a means of providing capital other than selling capital stock to borrowers or investors (sec. 2(b)).

The collective purpose of the amendments is to enable the Federal intermediate credit banks and production credit associations to continue the service expected of them while at the same time reducing or eliminating the need for more Government capital and expediting the return of Government capital now in the banks. It is estimated that the future demands of farmers and ranchers for loans could be handled under the new amendments without requiring the United States to purchase more capital stock in the credit banks.

FARM CREDIT ADMINISTRATION,
Washington, D.C., December 21, 1964.

The Honorable the PRESIDENT OF THE SENATE,
U.S. Senate.

DEAR MR. PRESIDENT: There is transmitted herewith a proposed bill to amend the Federal Farm Loan Act and the Farm Credit Act of 1933 to provide means for expediting the retirement of Government capital in the Federal intermediate credit banks, including an increase in the debt permitted such banks in relation to their capital and provision for the production credit associations to acquire additional capital stock therein, to provide for allocating certain earnings of such banks and associations to their users, and for other purposes. At appropriate places in the explanation of the present status and method of operation of the banks and associations which now follows, note will be made in parentheses of the relevant changes that would be made by the proposed bill. A more detailed explanation of such changes will be given later in this letter.

The Federal intermediate credit banks, one in each of the 12 farm credit districts into which the 50 States and Puerto Rico are divided, were established in 1923. They were organized and operate under title II of the Federal Farm Loan Act as added by the Agricultural Credits Act of 1923 and since amended. Their primary function is to discount for, or purchase from, production credit associations and other financing institutions, with their endorsement, notes representing loans made by them to farmers and ranchers; and to make loans and advances to such associations and other financing institutions secured by collateral approved by the Governor of the Farm Credit Administration. (The proposed bill, section 1(a), would also authorize loans and advances to be made to production credit associations without collateral to the extent authorized by the Farm Credit Administration.) There now are about 100 other financing institutions being served by the Federal intermediate credit banks but approximately 95 percent of the discounting and lending by such banks is for the production credit associations.

Throughout the country there are 483 production credit associations, with the number in the 12 farm credit districts varying from 26 to 77. The associations are chartered by the Farm Credit Administration and operate under the provisions of the Farm Credit Act of 1933, as amended. Each association has a prescribed territory, usually ranging from one or more counties up to as much as one State or more, within which it makes loans to farmers and ranchers. Loan maturities usually are not more than a year but loans may be made for terms up to 7 years.

Aside from its paid-in capital and surplus each association is financed by rediscounting the farmers' and ranchers' notes with, or using them as collateral for a loan from, the Federal intermediate credit bank of the district. The amount of the farmers' and ranchers' notes which a Federal intermediate credit bank may purchase from or discount for a production credit association, added to the other liabilities of the association, may not exceed 10 times the paid-in and unimpaired capital and surplus of the association (12 U.S.C. 1032). The banks in turn obtain the funds required for such financing, aside from their own surplus and paid-in capital, by selling their consolidated collateral trust debentures to the investing public and through other borrowings. This must be done, though, within the statutory limitation (12 U.S.C. 1041) that the debentures and similar obligations outstanding for a Federal intermediate credit bank may not exceed 10 times its surplus and paid-in capital. (Sec. 1(b) of the proposed bill would change the foregoing limitation from 10 to 1 to 15 to 1 and apply it to the 12 Federal intermediate credit banks collectively instead of individually.) When the debt-to-capital ratio of a bank is close to 10 to 1, and loans and discounts are increasing rapidly, the bank can continue to operate within the ratio only if additional capital is paid in.

From 1923 through 1956, the Federal intermediate credit banks were wholly owned by the United States. Beginning with 1957, under amendments made by the Farm Credit Act of 1956, the capital stock of the banks was divided into class A stock, to be issued to and held only by the Governor of the Farm Credit Administration on behalf of the United States, and class B stock to be issued only to production credit associations, and

the plan of operation for the banks was changed toward a cooperative basis. Since then, and as long as there is Government capital in a Federal intermediate credit bank, its net earnings each year, after restoring any impairments of capital stock, participation certificates and surplus account, must be applied as follows: 25 percent to reserve account until it reaches a specified level; up to 25 percent of what then remains, but not more than the cost to the Treasury of the Government capital in the bank, is next paid to the United States as a franchise tax; and the remaining net earnings are distributed as patronage refunds, in the form of class B stock to production credit associations and in the form of participation certificates to other financing institutions. (Under sec. 1(d) of the proposed bill, amounts applied to reserve account also would be allocated on a patronage basis.)

Under the 1956 amendments, it was expected that the capital stock of the Federal intermediate credit banks held by the United States gradually would be retired and that eventually all of the capital stock of such banks would be owned by production credit associations. As a first step, the production credit associations were required to purchase class B stock of the banks in an aggregate amount equal to 15 percent of the total amount of class A stock of the banks then owned by the United States and a corresponding amount of class A (Government) stock was retired, or about $13.1 million. (Section 1(c)(ii) of the proposed bill would authorize each Federal intermediate credit bank, with the approval of the Farm Credit Administration, to require the production credit associations in its district to purchase additional class B stock of the bank.) In addition to the initial 15 percent retirement, each Federal intermediate credit bank annually must determine the amount of its class A (Government) stock that shall be retired. Whenever the total of the capital stock, participation certificates, surplus, and reserves (net worth) of the bank is more than one-sixth of the highest month-end balance of debentures and other obligations issued by or for the bank, outstanding during the immediately preceding 5 years, the minimum amount of class A (Government) stock to be retired is the total amount of class B stock and participation certificates issued for that year. (Section 1(c)(i) of the proposed bill would substitute "one-eighth" for "one-sixth" in the foregoing requirement.) Under the annual retirement provisions, seven of the banks have retired a total of $454,000 of class A (Government) stock out of earnings since January 1, 1957. During the same period, though, out of the revolving fund available for that purpose, it has been necessary for the Governor of the Farm Credit Administration to purchase some $46.75 million of additional class A (Government) stock in six of the banks to keep the debt-to-capital ratio within the statutory limit of 10 to 1.

In developing any proposals to expedite the retirement of Government capital from the Federal intermediate credit banks, there is also for consideration the statutory plan for the capitalization and operation of the production credit associations. Upon obtaining a loan from a production credit association, a farmer or rancher is required to own class B capital stock in the association in the amount of $5 per $100 of loan and such stock is not canceled or retired upon payment of the loan (12 U.S.C. 1131g). Two years after the holder ceases to be a borrower class B stock is required to be exchanged for class A stock. Class B stock may only be transferred to another farmer borrower or an individual eligible to become a borrower, but class A stock may be purchased and held by the Governor of the Farm Credit Administration and by investors (12 U.S.C. 1131e). There is also provision for a class C stock which may be purchased and held by the Governor of the Farm Credit Administration and by investors (12 U.S.C. 1131e–1), but only one of the production credit associations has such class C stock outstanding and all of it is held by the Governor. Through the Governor, and by drawing on the revolving fund available for that purpose, the United States owns a total of $65,000 of capital stock in the associations, i.e., $40,000 of class A stock in two associations and $25,000 of class C stock in one association. The other 480 associations have retired all Government capital. (As a further means of providing capital, section 2(b) of the proposed bill would authorize a production credit association, if its bylaws so provide, to require borrowers to invest in an equity reserve in the association.)

At the end of each fiscal year (12 U.S.C. 1131f) the earnings of a production credit association in excess of operating expenses must be applied, first, to restore any capital impairment and, second, to maintain a surplus account, the minimum amount of which is prescribed by the Federal intermediate credit bank. Dividends on capital stock not to exceed 7 percent a year may be paid when approved by the Federal intermediate credit bank and consistent with policies established by the Farm Credit Administration. Beyond this, 342 of the associations have adopted bylaws under which any remaining net earnings may be returned to their borrowers as patronage refunds. (Section 2(a) of the proposed bill would specifically authorize such bylaws also to provide for allocation and eventual distribution on a patronage basis of any net earnings retained in the surplus account.)

Under existing law the Federal intermediate credit banks have not been making the progress in retiring Government capital that was expected when the 1956 amendments were adopted. Although the 12 banks added $67.1 million to net worth out of earnings during the 7½-year period from January 1, 1957, through June 30, 1964, the growth in loan volume that caused some of the banks to obtain additional Government capital out of the revolving fund available for that purpose, in order to stay within the statutory 10-to-1 debt-to-capital ratio, has resulted in the banks now having nearly $33.2 million more Government capital than on January 1, 1957. To expedite the return of Government capital and help avoid going to the revolving fund for more, and yet enable the banks and associations to continue the service expected of them, the proposed bill includes certain provisions already mentioned that now will be discussed in more detail.

ANALYSIS OF PROPOSED BILL

Section 1

(a) Unsecured loans from FICB's to PCA's (12 U.S.C. 1031(1)): In addition to discounting for, or purchasing from, a production credit association, the farmers' and ranchers' notes representing loans made by the association, a Federal intermediate credit bank may also "make loans and advances to any such association secured by such collateral as may be approved by the Governor of the Farm Credit Administration." To this would be added authority to make loans and advances to production credit associations "without collateral to the extent authorized under rules and regulations prescribed by the Farm Credit Administration." This will provide greater flexibility in utilizing the resources of an association.

(b) Debt-to-capital ratio for FICB's (12 U.S.C. 1041): The amount of collateral trust debentures which the Federal intermediate credit banks now may have outstanding is subject to the statutory limitation "That the aggregate amount of the outstanding debentures and similar obligations issued individually by any Federal intermediate credit bank, together with the amount of outstanding consolidated debentures or other similar obligations issued for its benefit and account, shall not exceed 10 times the surplus and paid-in capital of such bank." The proposal is to change the foregoing limitation from a 10-to-1 to a 15-to-1 ratio and to apply it to the 12 Federal intermediate credit banks collectively instead of individually. The amended limitation would be "That the aggregate amount of the outstanding debentures and similar obligations issued by the Federal intermediate credit banks shall not exceed 15 times the surplus and paid-in capital of all such banks." To the extent practicable, the presently intended policy is that the debt-to-capital ratio of each bank should not be permitted to exceed 12 to 1 except for temporary periods such as seasonal peaks in outstanding borrowings.

(c)(i) Mandatory retirement of Government capital by FICB's (12 U.S.C. 1061(a)(1)): Annually at the end of its fiscal year, it is for each Federal intermediate credit bank to determine the amount of its class A (Government) stock which shall be retired. The only further requirement in this respect is that "Whenever the total of the capital stock, participation certificates, surplus, and reserves of the bank is more than one-sixth of the highest month-end balance of debentures and other obligations issued by or for the bank, outstanding during the immediately preceding 5 years, the minimum amount of class A stock to be retired shall be the total amount of class B stock and participation certificates issued for that year." The proposed change is to substitute "one-eighth" for "one-sixth" in the quoted sentence. This is deemed warranted because of the increase in the debt-to-capital ratio being proposed under the preceding amendment. The class B stock and participation certificates referred to in the quoted sentence includes not only those issued to the production credit associations and other financing institutions as patronage refunds but also any additional class B stock purchased by production credit associations as may be required under the next amendment.

(c)(ii) Additional purchases by PCA's of class B stock in FICB's (12 U.S.C. 1061(a)(2)): Under the amendments made by the Farm Credit Act of 1956, the production credit associations were required to purchase class B stock in the Federal intermediate credit banks in an amount equal to 15 percent of the class A (Government) stock outstanding on January 1, 1957, and a corresponding amount of such class A (Government) stock was retired. Subsequently, when increased business made more capital necessary in order for a bank to stay within the statutory 10 to 1 debt-to-capital ratio, the Governor of the Farm Credit Administration, out of the revolving fund available for that purpose, purchased additional class A stock on behalf of the United States. Under section 1(c)(ii) of the proposed bill, a Federal intermediate credit bank, in order to provide capital to meet its credit needs, may require the production credit associations of its district to subscribe for or otherwise acquire additional class B stock in the bank where necessary and feasible. The relative amount of class B stock in the bank to be held by each association would be in the general proportion that its indebtedness to the bank is to the total of all association indebtedness to the bank. All demands under the new legislation that the associations acquire additional class B stock in a bank would be subject to approval by the Farm Credit Administration and would be with due regard for the circumstances of the associations. The revolving fund mentioned above would continue available for further subscriptions to class A (Government) stock of the banks if needed.

(d) Allocation to users of FICB's of net earnings applied to reserve account (12 U.S.C. 1072): Since January 1, 1957, each Federal intermediate credit bank, at the

end of its fiscal year, after restoring any impairments of capital stock, participation certificates and surplus account, is required to apply 25 percent of its net earnings then remaining to create and maintain a reserve account equal to 25 percent of the outstanding capital stock and participation certificates of the bank. And "if at the end of any fiscal year the sum of the surplus and the reserve account of any bank is less than its outstanding capital stock and participation certificates, the bank shall continue to apply such 25 percent of its net earnings to the reserve account until the sum of the surplus and the reserve account is equal to its outstanding capital stock and participation certificates." The net earnings finally remaining after paying a franchise tax to the United States, while there is Government capital in a bank, must be distributed as patronage refunds, in class B stock to production credit associations and participation certificates to other financing institutions. There now is no provision for allocating or distributing the earnings applied to reserve account.

Under the proposed bill, the 15 percent of net earnings remaining after restoring impairments would always be applied to the reserve account each year. All amounts so applied, whether heretofore or hereafter, would be allocated to the production credit associations and other financing institutions on a patronage basis. These allocations would have the same general treatment for tax and other purposes as is provided for patronage refunds. If a holder of such allocations is in default on indebtedness to the bank, it would be within the discretion of a bank to cancel and retire such allocations for application on the indebtedness. There would be a similar discretion to retire allocations when a holder is liquidated or dissolved. When the total of such allocations exceeds 25 percent of the outstanding capital stock and participation certificates of a bank, such excess may be distributed, oldest allocations first, in class B stock and participation certificates issued as of the date of the allocations and, whenever the bank has no class A stock outstanding, also in money. In brief, that is what paragraphs (i), (ii), and (iii) of subsection (d) of section 1 would provide.

Section 2

(a) Option of PCA to pay patronage refunds and allocate to borrowers net earnings retained in surplus account (12 U.S.C. 1131f): Presently 342 production credit associations have bylaws, adopted with the approval of the Farm Credit Administration, under which certain net earnings may be paid to the borrowers as patronage refunds. These are the net earnings remaining each year after applying earnings as specifically directed or authorized by statute or the bylaws. The pertinent statutory provisions are that earnings in excess of operating expenses must be applied, first, to restore any capital impairment and, second, to maintain a surplus account, the minimum amount of which is prescribed by the Federal intermediate credit bank. Dividends on capital stock not to exceed 7 percent a year may be paid when approved by the Federal intermediate credit bank and consistent with policies established by the Farm Credit Administration. The first sentence of section 2(a) of the proposed bill would provide that, when so specified in the credit bank approval, such dividends may may be paid even though the amount in the surplus account is less than the prescribed minimum. In addition to recognizing that the finally remaining net earnings may be paid as patronage refunds, the rest of section 2(a) of the proposed bill specifically would authorize an association to adopt a bylaw providing for allocation to the borrowers on a patronage basis of any part of the net earnings required to be applied to surplus account or otherwise retained therein. For tax and other purposes this would permit any net earnings hereafter applied to or retained in the surplus account to be accorded the same treatment as now is given the patronage refunds paid by associations. Inasmuch as all bylaws of the production credit associations are subject to approval of the Federal intermediate credit bank and the Farm Credit Administration, the policy presently intended to be followed is that bylaws should not be approved which would permit an association to allocate to its borrowers any allocations received by the association from the Federal intermediate credit bank with respect to net earnings included in the reserve account of the bank prior to July 1, 1965.

(b) Option of PCA to require borrowers to invest in equity reserve in the association as a means of providing capital (12 U.S.C. 1131g): In addition to the capital stock in the production credit association which a borrower is required to own, section 2(b) of the proposed bill would authorize an association, if its bylaws so provide, to require borrowers to invest in an equity reserve in the association upon such terms and conditions as may be provided in its bylaws. Such an equity reserve would be part of the surplus of the association in applying the 10-to-1 debt-to-capital ratio under which the production credit associations must operate. The equity reserve would serve that purpose and without the expense of dividends as would be expected if the same amounts were invested in class A capital stock of the association.

In addition to the draft of proposed bill, there is enclosed herewith a copy of those sections of the Federal Farm Loan Act and the Farm Credit Act of 1933 proposed to be amended, on which is indicated the changes that would be made by the proposed bill.

This submission is as directed by the Federal Farm Credit Board and early consideration and enactment of the proposed bill is recommended.

The Bureau of the Budget has advised that there is no objection from the standpoint of the administration's program to the basic objectives of the proposed legislation and has suggested that it be presented for congressional consideration. Such clearance was given us in a letter dated December 1, 1964, which also includes some further comment, and a copy of that letter is being included with this submission as requested by the Budget Bureau.

Very truly yours,

R. B. TOOTELL,
Governor.

EXECUTIVE OFFICE OF
THE PRESIDENT,
BUREAU OF THE BUDGET,
Washington, D.C., December 1, 1964.

Hon. R. B. TOOTELL,
Governor, Farm Credit Administration,
Washington, D.C.

DEAR MR. TOOTELL: This is in further reference to your letter of February 7, 1964, transmitting a draft bill "To amend the Federal Farm Loan Act and the Farm Credit Act of 1933 to provide means for expediting the retirement of Government capital in the Federal intermediate credit banks, including an increase in the debt permitted such banks in relation to their capital and provision for the production credit associations to acquire additional capital stock therein, to provide for allocating certain earnings of such banks and associations to their users, and for other purposes." It also is in reply to your response of September 22, 1964, to our September 15 advice regarding this legislation.

Extensive discussions between our respective offices have not made it possible to resolve the matters referred to in our letter of September 15, 1964. Given all the circumstances, and since there is no objection from the standpoint of the administration's program to the basic objectives of the legislation, we suggest that it be presented for congressional consideration. However, it is requested that a copy of this letter accompany your submission of the draft bill to the Congress.

With respect to specific provisions of the bill, we regard the proposed section 1(d), relating to the allocation of FICB earnings, as adversely affecting the Government's interest and unnecessary to the basic objective of the bill. Further, we believe that the basis for computing the franchise tax paid by the FICB's should be modified to make it more consistent with the credit program policy guidelines. We also believe that, in line with general tax policy, patronage refunds received by the PCA's from FICB's in which the Government owns stock should be made taxable. Finally, we believe that there should be provision for the elimination, upon retirement of Government stock, of existing tax exemptions afforded the FICB's.

Sincerely yours,

PHILLIP S. HUGHES,
Assistant Director for Legislative Reference.

EXTENSION OF TIME FOR APPLICATION FOR MUSTERING-OUT PAYMENTS

Mr. YARBOROUGH. Mr. President, the bill which I am introducing will rectify an unjust situation which has arisen in regard to mustering-out payments under section 2104 of title 38, United States Code. Under the present law, receipt of this mustering-out payment is precluded unless application was made prior to July 17, 1959. There is a small group of officers who were advised of their nonentitlement to these payments in 1957, but this decision was reversed in 1962. Hence, these officers are in the position of having their eligibility for the mustering-out payments conceded in 1962, but precluded from receiving them because they did not apply before 1959. It would certainly be an injustice to deny this payment to such officers because of their failure to make timely application for payment.

The purpose of the proposed legislation is to extend the time within which certain veterans who were discharged or relieved from active duty under honorable conditions before July 16, 1952, may file claims for mustering-out payments under section 2104 of title 38, United States Code. Under the provisions of that section as originally enacted—title V of the Veterans' Readjustment Assistance Act of 1952—66 Statute 688, eligible veterans were required to make application for mustering-out payments within 2 years after July 16, 1952, the date of enactment of title V. By the act of July 26, 1955, chapter 388—69 Statute 380, the time within which veterans could file such applications was extended to July 16, 1956. By the act of August 14, 1958, Public Law 85-638—72 Statute 593—the time within which applications could be filed was extended to July 16, 1959. This bill would now extend that time to January 30, 1966.

Section 2101 of title 38, United States Code, provides that each member of an armed force, with certain exceptions, who served on active duty during the Korean conflict and who was discharged or released from active duty under honorable conditions is eligible for muster-

ing-out payment in the amount of $100, $200, or $300, depending on length and type of service. Section 2102 of title 38, United States Code, provides that payment shall accrue and the amount thereof shall be computed as of the time of discharge for the purpose of effecting a permanent separation from the service or of ultimate relief from active service or, at the option of the member, for the purpose of enlistment, reenlistment, or appointment in a Regular component of an armed force. Payment to a member discharged or relieved from active duty after June 26, 1950, and before July 16, 1952, is precluded by section 2104 of title 38, United States Code, unless application for payment was made before July 17, 1959.

In interpreting the pertinent statute, the Comptroller General of the United States held that Reserve officers who became members of a Regular component were entitled to mustering-out payment because their acceptance of a Regular commission automatically terminated their Reserve commission—36 Comptroller General 283, 1956—while members of the Army or Air Force without specification of component whose orders appointing them as Regular commissioned officers of an armed force did not expressly terminate their prior status were held not to be entitled to the mustering-out payment—36 Comptroller General 645, 1957. Therefore, officers who held a commission in the Army or Air Force of the United States without specification of component and those who held both a commission in a Reserve component and a commission in the Army or Air Force of the United States without specification of component at the time of acceptance of an appointment in the Regular Army were advised of their nonentitlement to mustering-out payment, and collection action was taken in those cases in which payment had been made.

In the case of *Dowling* v. *United States*, Court of Claims No. 174–60, February 7, 1962, the Court of Claims held that under the provisions of section 2101 of title 38, United States Code, reservists serving on active duty in a temporary officer—without specification of component—status were entitled to mustering-out payment incident to appointment in a Regular component. Subsequently, the Comptroller General of the United States announced that the decision of the Court of Claims regarding mustering-out payment would be followed in similar cases—Ms. Comp. Gen. B–139107, June 21, 1961—and extended the holding to apply not only to an officer who held a dual status—Reserve and Army or Air Force of the United States without specification of component—at the time of acceptance of a Regular commission, but also to an officer who held only a commission in the Army or Air Force of the United States without specification of component. It was stated, however, that section 2104 of title 38, United States Code, precluded payment to officers otherwise eligible who were appointed in a Regular component after June 26, 1950, and before July 16, 1952, unless application for payment was made prior to July 17, 1959.

Consequently, while the majority of officers affected by court decision have now been paid mustering-out pay, a relatively small number of officers who were integrated into the Regular Army or Air Force after June 26, 1950, and before July 16, 1952, are still precluded from receiving payment as a result of failure to make application therefor prior to July 17, 1959, even though their entitlement to mustering-out payment was not conceded until 1962. It would be a gross injustice to continue to deny payment to such officers because of their failure to make timely application for payment.

While the exact number of officers in this category is not known, since the Dowling decision the Army has received and denied claims from 46 officers so affected. It is believed that the total number of Army officers involved does not exceed 100. It is estimated that a similar number of Air Force officers are involved. As no officers of the Navy served as members of the Navy without component during this period, no Navy officers are involved.

The bill (S. 528) to amend section 2104 of title 38, United States Code, to extend the time for filing certain claims for mustering-out payments, introduced by Mr. YARBOROUGH, was received, read twice by its title, and referred to the Committee on Armed Services.

AN ACT TO LIBERALIZE TIME LIMITS ON VETERANS REHABILITATION TRAINING

Mr. YARBOROUGH. Mr. President, the purpose of this bill is to extend to all totally disabled veterans entitled to vocational rehabilitation training under chapter 31, title 38, United States Code, the liberalization of the time limits for pursuing such training which was authorized for blinded veterans by Public Law 87–591. It also makes a number of changes which are designed to clarify the provisions of the vocational rehabilitation law relating to the delimiting periods during which vocational rehabilitation training may be afforded.

Public Law 87–591 added section 1502A to title 38, United States Code, and provided that a veteran who was in need of vocational rehabilitation to overcome blindness could be afforded rehabilitation training after the termination date otherwise applicable—but not beyond June 30, 1975—if:

(1) he had not previously been rehabilitated (that is, rendered employable) as the result of training furnished under this chapter, or

(2) his blindness either has worsened, or has developed as a result of the worsening of this service-connected disability, since he was declared rehabilitated to the extent that it precludes his performing the duties of the occupation for which he was previously trained under this chapter.

The report of the Senate Committee on Labor and Public Welfare, to accompany the bill which became Public Law 87–591—Senate Report No. 1694, 87th Congress—stated the need for the legislation arose from the fact that there are a small number of World War II and Korean conflict veterans with disabilities "that have been slow in producing or progressing to a seriously disabling condition."

The committee in its report further recognized that, as the Veterans' Administration had pointed out in both its report and oral testimony on the bill, special legislation for blinded veterans excluded other classes of veterans with severe disabilities—for example, paraplegics—who rightly could urge their entitlement to similar treatment.

The current bill is designed to equalize the situation by affording the same treatment to other totally disabled veterans. It recognizes that with the passage of time injuries or conditions may so progress as to preclude continuance by the veteran in his present field of endeavor. Thus, the veteran who may have been trained to overcome the handicaps of a partial disability will have an urgent need for retraining as a totally disabled person. Examples of the types of cases which would be included by this amendment are veterans with progressive diseases, or paraplegics, who as time passes will become unemployable in the positions for which they are now trained, due to their deteriorating conditions, and will therefore need to be retrained in order to take their rightful places in society. In addition, recent medical developments, in the psychiatric field for example, are making it possible for many veterans who have been hospitalized for extended periods of time to avail themselves of vocational rehabilitation training.

While the broadening of what is now section 1502A to cover all other eligible totally disabled veterans is the sole substantive change made by the bill, the bill also clarifies the existing law. The current provisions are the result of numerous amendments and have not been thoroughly revised since the enactment of Public Law 87–815 which placed the vocational rehabilitation training program on a permanent basis. To the extent feasible the revision provides integrated delimiting requirements of general applicability rather than continuing to treat veterans of different service periods as discrete groups but subject to the same general rules.

The bill (S. 529) to amend chapter 31 of title 38, United States Code, to extend to all totally disabled veterans the same liberalization of time limits for pursuing vocational rehabilitation training as was authorized for blinded veterans by Public Law 87–591, and to clarify the language of the law relating to the limiting of periods for pursuing such training, introduced by Mr. YARBOROUGH, was received, read twice by its title, and referred to the Committee on Labor and Public Welfare.

PROPOSED LEGISLATION BY SENATOR THURMOND

Mr. THURMOND. Mr. President, I send to the desk 6 Senate joint resolutions, 1 Senate resolution, and 13 bills and ask that they be appropriately referred.

These proposals, together with others which I am cosponsoring along with other Members of the Senate, represent

a progressive and constructive conservative legislative program for the 89th Congress. I am confident that these measures, taken individually and as a group, have the overwhelming support of a vast majority of the citizens of this country. They are designed to encourage the State governments in the performance of their duties and responsibilities to the citizens of their State, and at the same time, provide solutions to those problems which are susceptible to solution by the Central Government.

Three of the Senate joint resolutions propose amendments to the Constitution whereby the authority and prerogatives of the States would be preserved and enhanced. One calls for the formation of a Court of the Union to be composed of the chief justices of the highest courts of the several States. This Court would be empowered to pass upon any decision of the Supreme Court which relates to the rights reserved to the States or to the people by the Constitution and would be the final judgment in such matters. Another of the Senate joint resolutions would provide a new method for amending the Constitution so that the States may initiate proposed constitutional amendments without being required to rely upon Congress to take any action. Another of the proposed constitutional amendments would reenforce the original meaning of the first amendment to the Constitution so far as it relates to the establishment of a religion clause. The next constitutional amendment which I propose would require a balanced budget, except in case of war or other grave national emergency. In the latter case the Congress may suspend the requirement for that fiscal year upon the recommendation of the President.

I am offering a proposed constitutional amendment dealing with the problem of selecting a new Vice President when a vacancy occurs in that office. Under this proposal, the electoral college would meet at a specified time after a vacancy occurs and elect a new Vice President. The proposed amendment provides a method for filling any vacancies which may occur among the electors.

Another Senate joint resolution expresses the indomitable will of the American people and purpose of their Government to achieve total victory over the forces of the world Communist movement. This entails maintaining a substantial military superiority over the forces of communism in order to deter armed aggression, while at the same time demonstrating the resolve to successfully combat their advances by other methods, such as psychological and economic warfare.

The Senate resolution which I am introducing proposes an amendment to rule XVI of the Standing Rules of the Senate and would require the approval of the Appropriations Committee for any proposal authorizing "backdoor" spending. Any bill, amendment to a bill, or joint resolution which authorizes either expenditures from debt receipts or the creation of obligations by contract in advance of appropriations would have to be referred to the Appropriations Committee for approval.

In addition to these proposals, the 13 bills I am introducing are as follows:

First. To withdraw from the Federal courts jurisdiction to hear and decide cases concerning the apportionment of State legislatures.

Second. To provide for a jury trial in all criminal contempt cases in the Federal courts, at the option of the accused.

Third. To change the appellate jurisdiction of Federal circuit courts in appeals from executive agency orders and to empower the district courts of the United States to hear and decide unfair labor practice cases.

Fourth. To clarify and safeguard the right of any officer or employee of a Federal agency or department to testify before a duly constituted and empowered congressional committee or subcommittee without being subjected to reprisals.

Fifth. To provide for a 20-percent credit against individual income tax for certain educational expenses incurred at an institution of higher education.

Sixth. To equalize the treatment of Reserves and Regulars of the armed services in the payment of per diem.

Seventh. To change the method of computing retired pay of certain enlisted members of the Army, Navy, Air Force, and Marine Corps.

Eighth. To permit a taxpayer carrying on a trade or business in the conduct of which 10 or less persons are engaged to elect to take a standard deduction, in lieu of itemized deductions for expenses attributable to such trade or business.

Ninth. To repeal the Federal excise taxes on alcohol and tobacco in order to provide an additional field of revenue for the States.

Tenth. To remove the limitations on the deductibility of medical expenses for the care of dependents who have attained the age of 65.

Eleventh. To increase to $1,800 the annual amount individuals are permitted to earn without suffering deductions from the benefits payable to them under the Social Security Act.

Twelfth. To amend the Railroad Retirement Act of 1937 to eliminate the provisions which reduce the annuities of the spouses of retired employees by the amount of certain monthly benefits payable under title II of the Social Security Act.

Thirteenth. To provide a "habitual criminal" act for the District of Columbia similar to that which has been adopted by many of the States.

The PRESIDING OFFICER. The several measures will be received and appropriately referred.

The bills, joint resolutions, and resolution, submitted by Mr. THURMOND, were received and referred as indicated:

To the Committee on the Judiciary:

S. 534. A bill to amend title 28, United States Code, to withdraw from courts of the United States jurisdiction with respect to State legislative apportionment proceedings;

S. 535. A bill to provide for a jury trial in all cases of criminal contempt in the U.S. courts;

S. 536. A bill to amend the provisions of the United States Code with respect to the jurisdiction of courts of appeals of the United States to review orders of administrative officers and agencies, and for other purposes; and

S. 537. A bill to amend title I of the Internal Security Act of 1950.

To the Committee on Finance:

S. 538. A bill to amend the Internal Revenue Code of 1954 to provide a 20-percent credit against the individual income tax for certain educational expenses incurred at an institution of higher education.

To the Committee on Armed Services:

S. 539. A bill to equalize the treatment of Reserves and Regulars in the payment of per diem; and

S. 540. A bill to amend title 10, United States Code, to change the method of computing retired pay of certain enlisted members of the Army, Navy, Air Force, or Marine Corps.

To the Committee on Finance:

S. 541. A bill to permit a taxpayer carrying on a trade or business in the conduct of which 10 or less persons are engaged to elect to take a standard deduction, in lieu of itemized deductions, for expenses attributable to such trade or business;

S. 542. A bill to repeal the Federal excise taxes on alcohol and tobacco;

S. 543. A bill to amend the Internal Revenue Code of 1954 to remove the limitations on the deductibility of medical expenses for the care of dependents who have attained the age of 65; and

S. 544. A bill to amend title II of the Social Security Act to increase to $1,800 the annual amount individuals are permitted to earn without suffering deductions from the insurance benefits payable to them under such title.

To the Committee on Labor and Public Welfare:

S. 545. A bill to amend the Railroad Retirement Act of 1937 to eliminate the provisions which reduce the annuities of the spouses of retired employees by the amount of certain monthly benefits payable under title II of the Social Security Act.

To the Committee on the District of Columbia:

S. 546. A bill to provide increased punishment for a person convicted in the District of Columbia of a fourth or subsequent felony.

To the Committee on the Judiciary:

S.J. Res. 21. Joint resolution proposing an amendment to the Constitution of the United States providing for the establishment of a court of the Union;

S.J. Res. 22. Joint resolution proposing an amendment to the Constitution of the United States relating to the process of amending the Constitution;

S.J. Res. 23. Joint resolution proposing an amendment to the Constitution of the United States relating to religion in the United States;

S.J. Res. 24. Joint resolution proposing an amendment to the Constitution of the United States relative to the balancing of the budget; and

S.J. Res. 25. Joint resolution proposing an amendment to the Constitution to provide for the succession of the Vice President to the office of President, and for the selection of a new Vice President whenever there is a vacancy in the office of Vice President.

To the Committee on Foreign Relations:

S.J. Res. 26. Joint resolution expressing declaration of will of the American people and purpose of their Government to achieve complete victory over the forces of the world Communist movement.

S. Res. 31. Resolution to amend rule XVI relative to amendments to appropriation bills; to the Committee on Rules and Administration, as follows:

S. RES. 31

Resolved, That rule XVI of the Standing Rules of the Senate is amended (1) by striking out the heading thereto and inserting in

lieu thereof "AMENDMENTS TO APPROPRIATION BILLS AND AMENDMENTS CREATING A CHARGE ON THE TREASURY", and (2) by adding at the end thereof a new paragraph as follows:

"8. No amendment to a bill or joint resolution shall be received or considered if it authorizes (A) expenditures from debt receipts, or the creation of obligations by contract in advance of appropriations, and (B) is not moved by direction of a standing committee of the Senate."

SEC. 2. Subsection (b) of rule XXV of the Standing Rules of the Senate is amended to read as follows:

"(b) Committee on Appropriations, to consist of twenty-seven Senators, to which committee shall be referred—

"(1) All proposed legislation, messages, petitions, memorials, and other matters relating to the appropriation of the revenue for the support of the Government; and

"(2) All proposed legislation (other than legislation within the purview of paragraph (1) above, or relating to claims against the United States) authorizing expenditures from debt receipts, or the creation of obligations by contract in advance of appropriations; except that any proposed legislation carrying such authority which relates to a substantive matter within the jurisdiction of any other standing committee of the Senate shall be referred first to such committee."

CIGARETTE ADVERTISING AND LABELING ACT

Mrs. NEUBERGER. Mr. President, 1 year ago this week the Surgeon General's Committee on Smoking and Health issued its report. The committee found cigarette smoking contributed substantially to mortality from certain specific diseases and to the overall death rate; that it was causally related to lung cancer in men, and that the data for women pointed in the same direction; and that it was the most important cause of chronic bronchitis and bronchitis deaths in the United States. In short, the report said:

> Cigarette smoking is a health hazard of sufficient importance in the United States to warrant appropriate remedial action.

What remedial action has in fact taken place in the intervening 12 months? The Public Health Service requested $1.9 million to finance a national clearinghouse for information on smoking and health. Thanks to the efforts of tobacco State representatives, even this modest request for funds to educate children to the potential dangers of smoking was denied.

In June of last year the Federal Trade Commission, after extensive public hearings, issued rules requiring appropriate health hazard warnings on cigarette packages and in cigarette advertising. It is obvious that until such warnings are required, it will be very difficult to convince the great majority of smokers that the Government takes the report seriously. Yet, in August the FTC was pressured by the House Interstate and Foreign Commerce Committee to postpone for 6 months the enforcement of its rulings.

Legislation which would strengthen the FTC's proposed rules was introduced last year by me, and others; those measures called for congressional approval of the regulation of the labeling and advertising practices and for massive educational campaigns. But those measures were interred without ceremony in both the House and Senate.

Thus, 1 year from the delivery of the Surgeon General's unequivocal verdict against the cigarette, Congress has not provided funds for smoking education, or regulations to warn the smoker or potential smoker, of the hazards of smoking, or laws to inhibit cigarette advertising campaigns—nothing, in short, but a directive to the FTC to undo the steps which it had forcefully taken to fulfill its mandate to protect the consuming public.

What must be done? Last month, the President's Commission on Heart Disease, Cancer, and Stroke strongly endorsed the conclusions and recommendations of the Surgeon General's Advisory Committee on Smoking and Health, and urged the appropriation of $10 million to the Public Health Service "for a comprehensive national program of educational public information regarding the hazards of cigarette smoking." Such an appropriation is starkly minimal. But it will be a beginning.

Furthermore, the effort by the tobacco industry and its congressional friends to tie the hands of the FTC in pursuing its duty to require warnings on packages and the advertising must be thwarted.

Congress must not be permitted to enact legislation so mild as to be meaningless. It will not do to require each cigarette package to carry a label which says, "Cigarette smoking is definitely not a cure for cancer." The legislation Congress enacts must be meaningful and responsive to the severity of the problem. It must attack not only the labeling of cigarette packages, but the advertising, as well; and it must strengthen, not erode, the power of the FTC to protect the consumer.

To this end, I reintroduce today the Cigarette Advertising and Labeling Act. In addition to granting the Federal Trade Commission the power and duty to regulate the advertising and labeling of cigarettes, the act declares that Congress accepts the verdict of the Surgeon General's report that cigarette smoking is a critical health problem.

I ask unanimous consent that the text of the act be printed in the RECORD, along with the addresses by Surgeon General Terry and Mr. Emerson Foote to a press conference on the occasion of the meeting of the National Interagency Council on Smoking and Health on January 11, 1965.

The PRESIDING OFFICER. The bill will be received and appropriately referred; and, without objection, the bill and address will be printed in the RECORD.

The bill (S. 547) to confer upon the Federal Trade Commission the power and duty to regulate the advertising and labeling of cigarettes, introduced by Mrs. NEUBERGER, was received, read twice by its title, referred to the Committee on Commerce, and ordered to be printed in the RECORD, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SHORT TITLE

SECTION 1. This Act may be cited as the "Cigarette Advertising and Labeling Act".

FINDINGS OF FACT

SEC. 2. The Congress hereby finds and declares that the unrestricted promotion and advertising of cigarettes in interstate commerce, in the light of the conclusive evidence that cigarette smoking is injurious to health, constitutes a grave threat to the public welfare.

DECLARATION OF POLICY

SEC. 3. It is therefore the policy of the Congress, and the purpose of this Act—

(a) to require that cigarette packages contain a warning that habitual smoking of cigarettes is injurious to health,

(b) to require that each cigarette package disclose the average yields of incriminated agents (as defined in section 4(f)) from the cigarettes contained therein, and

(c) to eliminate cigarette advertising that tends to make cigarette smoking attractive to children.

DEFINITIONS

SEC. 4. As used in this Act—

(a) The term "cigarette" means any roll of tobacco, wrapped in paper or any substance other than tobacco.

(b) The term "Commission" means the Federal Trade Commission.

(c) The term "Federal Trade Commission Act" means the Act entitled "An Act to create a Federal Trade Commission, to define its powers and duties, and for other purposes", approved September 26, 1914, as amended.

(d) The term "commerce" means commerce between any State, territory, or possession of the United States, or the District of Columbia, and any place outside thereof; or between points within the same State, territory, or possession, or the District of Columbia, but through any place outside thereof; or within any territory or possession or the District of Columbia.

(e) The term "United States" means the several States, the District of Columbia, and the territories and possessions of the United States.

(f) The term "incriminated agent" means any substance found in cigarette smoke which, as determined by the Commission, tends to contribute to the medical hazards of smoking.

FALSE ADVERTISING AND LABELING OF CIGARETTES

SEC. 5. (a) The Federal Trade Commission, with the cooperation of the Secretary of Health, Education, and Welfare, shall establish such standards and requirements for the labeling and advertising of cigarettes which are in commerce as it may deem necessary to protect the public health.

(b) Such standards and requirements for the labeling of cigarettes shall include the requirement that each package or container in which cigarettes in commerce are offered for sale to consumers bear a clear and distinct label which—

(1) contains the following words: "Caution—Habitual Smoking Is Injurious to Health"; and

(2) sets forth the average yield, or other index, of each incriminated agent to be found in the smoke of the cigarettes contained in such package or container.

(c) Such standards and requirements with respect to the advertising of cigarettes shall—

(1) provide that each cigarette advertisement contain the following warning: "Caution—Habitual Cigarette Smoking Is Injurious to Health"; and

(2) provide for the elimination of all advertising matter which tends to make cigarette smoking attractive to children.

(d) Any cigarette package or container or any advertisement of cigarettes which fails to comply with the standards and requirements established by the Commission under the preceding subsections of this section shall be deemed to be a false advertisement of drugs for the purposes of sections 12, 13, 14,

and 15 of the Federal Trade Commission Act (38 Stat. 719; 15 U.S.C. 52, 53, 54, and 55), as amended, and the Commission shall have the duty and authority to proceed with respect to any such false advertisement in the same manner and to the same extent as with respect to other false advertisements of drugs which are unlawful under the Federal Trade Commission Act.

The address presented by Mrs. NEUBERGER is as follows:

ADDRESS PRESENTED AT THE CONFERENCE OF THE NATIONAL INTERAGENCY COUNCIL ON SMOKING AND HEALTH, BY LUTHER L. TERRY, M.D., SURGEON GENERAL, PUBLIC HEALTH SERVICE, U.S. DEPARTMENT OF HEALTH, EDUCATION, AND WELFARE

A few weeks ago at our annual Christmas party a group of our people presented their annual good-natured spoof of some of the year's activities.

One of their verses, sung to the tune of "On Top of Old Smoky," went as follows:

"On Top of Old Smoking
A year has gone by
But the smoke we're deploring
Still gets in our eye."

I am happy to say, at this anniversary meeting, that while we still can—and do—deplore the amount of cigarette smoking still going on, measurable and encouraging progress has been made during the year. In a few moments, I shall present some statistical evidence on this progress.

What is equally heartening to me, however, is the national concern which has been expressed about the problem and the national action which has been generated. To my mind, the formation of the National Interagency Council on Smoking and Health represents the finest example of this concern.

All of us know that we are faced with a long, slow, and—to a considerable extent—uphill campaign. The fact that so many organizations represented here today are pooling their efforts on behalf of a single goal is our best guarantee of eventual success.

We are moving forward. And we are moving forward in a united and purposeful way.

When the announcement of the advisory committee's report was made 1 year ago today, there were many questions raised by the press and by others. Some of them were unanswerable then; some are still unanswerable. On the others we are making definite progress.

The principal and obvious question was: Would a substantial number of people stop smoking?

Today we can ask the same question. Many indexes suggest that, after a pronounced downward dip during the spring months, cigarette smoking is once more on the increase. Among these indexes are warehouse shipments and the figures on tax returns.

While these figures certainly have some significance—and I would not pretend that they are not disquieting—they do not tell the whole story.

We have very recently completed some studies which show a different result. Let me place them in historical perspective.

In 1955, a survey made by the Bureau of the Census at the request of the Public Health Service found that 59 percent of adult men and 31 percent of adult women were cigarette smokers.

In 1962, a survey undertaken by the American Cancer Society found that the proportion of male smokers had remained the same and that the proportion of female smokers had increased by 5 percentage points.

In July of last year, the Public Health Service's National Center for Health Statistics began including questions on smoking habits in its surveys.

A preliminary analysis of the Center's figures for the months of July, August, and September indicates that the proportion of adult cigarette smokers has actually declined.

Last fall the Service undertook a survey to gain more accurate data in depth on the smoking habits, knowledge, and attitudes of the general population. More than 300 items of information were sought from a random nationwide sample of 3,500 households. This survey also showed a drop in the proportion of adult cigarette smokers, estimated as follows:

Instead of the 59 percent of 1955 and 1962, there are now only about 52 percent male cigarette smokers in our population.

A decline of 7 percentage points does not appear to be much—and it is certainly less than we would wish. But if these figures stand up under final analysis it means that:

Nearly one out of four adult men has given up cigarettes.

There are now nearly as many men who are noncigarette smokers as there are smokers.

Smoking among women, according to our surveys, has also turned downward. Although the decline is small—only 2 to 3 percentage points—this is the first time on record in which the trend has been downward.

If we consider both men and women, it would appear that there are as many adults today who have never been cigarette smokers as there are smokers.

If smoking habits had continued at the level of 3 years ago, there would be about 3½ million more smokers than there actually are today.

I would repeat that we in the Public Health Service are by no means satisfied with the progress that has been made. On the other hand, I am convinced that our findings of a year ago, widely publicized and followed up throughout the year by an alert and responsible press, have had a discernible and encouraging effect on the smoking problem.

That public awareness of the hazards involved is widespread is evident in other ways.

In the area of beliefs and attitudes the data are both stimulating and encouraging. For this reason, I want to share the first results with you, well in advance of their publication. The figures, I am told, are preliminary but reasonably firm.

Many of the questions asked involved the subject's knowledge or beliefs about the relation of smoking to specific diseases. For example, people were asked: Is there anything a person might do that could cause lung cancer?

Sixty-nine percent spontaneously mentioned smoking cigarettes.

It is, of course, of great importance that smokers themselves become concerned about the habit. A large majority of the cigarette smokers surveyed indicated that they believed smoking to be harmful.

A number of questions sought to explore the possibility of remedial action. Presented with the statement: "Cigarette smoking is enough of a health hazard for something to be done about it," 7 out of 10 agreed and only 1 out of 6 disagreed.

Nine out of ten said they were in favor of more public education on the health hazards of cigarette smoking, for both adults and children.

Four out of five people said they were opposed to the practice of featuring athletes and celebrities in cigarette advertising.

By a ratio of about 2 to 1, those polled favored a compulsory warning on cigarette package labels and in advertising.

Eight out of ten—including 7 out of 10 smokers—also said they believed that a statement on tar and nicotine content should be required on each package.

The Public Health Service during this year has interested itself also in the behavior and attitudes toward smoking of students in the health professions. A study conducted among more than 10,000 senior medical, dental, and osteopathic students is yielding interesting results.

Compared to the general male population of comparable age, senior medical students, for example, show far less tendency to take up cigarettes—55 percent as against 83 percent. And among medical students who take up the habit, there is far greater tendency to quit—44 percent as against 18 percent in a given time period.

This suggests that in groups which hold health important, have the facts, and understand the health implications of the facts, the cigarette habit is reversible. Because the medical profession is frequently able to set an example in personal health that the general population tends to follow, this finding among medical students is a hopeful augury for the future.

The experience of a year, in brief, demonstrates that a deeply ingrained personal habit can be changed where the facts are made widely known. I might add that, so far, most of this has been accomplished through the mass communications media. I doubt that any health message has ever reached so many in so short a time.

What have been some of our Service efforts during this past year?

You will perhaps be interested, first of all, in the distribution of the report itself.

Altogether during the first year, including sales by the Superintendent of Documents, more than 350,000 copies of the full report on smoking and health have been distributed. For a scientific publication, this is quite substantial. Equally gratifying have been the number and distribution of summaries and special-audience publications inspired by the report. The Service has worked closely wtih many Government agencies and voluntary organizations to make these "grandchild" publications both appealing and accurate. Five separate health information pamphlets on various aspects of the report, for example, were prepared and distributed by various units of the Public Health Service.

As one means of promoting distribution as well as assisting health agencies and education groups, we have distributed about 6,000 information kits of sample publications on smoking and health.

We are involved as well in some 15 behavorial studies to get at the psychosocial dynamics of smoking: why some people start smoking and others don't, why some can stop and others have difficulty. These include studies of adult and youth educational programs, withdrawal clinics, the roles of physicians and other professional health workers and the value of group treatment.

One of the most immediate and far-reaching byproducts of the smoking and health report has been the impetus it has given to research on the components of smoke and their physiological effects. Not only has the report stimulated more research, but the field has attracted competent investigators who previously had been giving priority to other problems.

In addition to expanded work at the National Institutes of Health, new research is being sponsored by universities and foundations, and, as you know, by the American Medical Association with financial help from the tobacco industry itself.

Additional data from three long-range studies—of U.S. war veterans, the American Cancer Society, and the study of the British physicians—continue to reinforce the earlier findings evaluated in the smoking and health report. All three strengthen the evidence that people who stop smoking are greatly benefited, even if they have smoked for many years.

The wealth of research information accumulated for the advisory committee is being kept up to date through the use of the

Medlars computer system at the National Library of Medicine. Plans are being developed for a continuing review and analysis of the worldwide literature on this subject.

Most of the activities I have mentioned today are joint programs with State and local health agencies, education institutions, and others. I have omitted a great many which, in the absence of financial support, we have been able to assist only by consultation and technical advice.

One of the principal ways by which we keep informed is through the National Interagency Council, which has brought us together here today. The Public Health Service is delighted with the rapid progress being made by the Council.

We particularly want to welcome our distinguished new chairman, Mr. Emerson Foote, whose enlightened example will serve the Council's cause as it has recently served the President's Commission on Heart Disease, Cancer, and Stroke.

The report of that Commission, as most of you know, included a strong endorsement of the Report on Smoking and Health and recommended an expenditure of $10 million over a 3-year period.

Our request for a supplemental appropriation of $1.9 million last summer was deferred by the Congress. We received encouragement from a number of Members of the Congress to renew the request this year. This we hope to do in the weeks ahead. If we are to put the National Clearinghouse on Smoking and Health into full operation it is clear that funds will be needed.

Last year, the Congress did appropriate $1.5 million to study the health-related problems of tobacco. This appropriation, which was made to the Department of Agriculture, has been highly useful. The Department of Agriculture is working very closely with the Public Health Service in developing suitable research into the properties of tobacco smoke and leaf constituents and their biologic effects.

In summary, where do we stand today, 1 year after the report?

First of all, despite the charge that nothing has really happened, and that the smoking habits of the Nation are right back where they were, many changes have already taken place.

Adult cigarette smokers are showing a clear trend away from the habit. At least 18 million Americans are now ex-cigarette smokers—and they have been off long enough for most of them to stay off.

If we take into consideration the increase in population, the drop in total cigarette consumption this past year is substantial. If, in fact, "nothing had happened," cigarette consumption would now be much higher than it was a year ago—and it isn't.

Much more important have been the changes taking place below the surface—at the levels of attitude and belief, which are often the precursors of change in behavior.

Many smokers have become uneasy about the relationship of cigarettes to illness. Millions of adult cigarette smokers are ready to be fully convinced that the time has come to change their smoking habits. And, therefore, the opportunity to convince them in 1965 and the years ahead is great.

In view of the massive opportunity for positive action, the time is surely ripe to launch a truly national effort that will convince people of the dangers of cigarette smoking.

If we exert such an effort, I am convinced that many millions of smokers, now on the fence, will decide in favor of their own health and well-being.

The facts and figures and surveys I have cited are encouraging. They offer real hope for the future. But, as Winston Churchill phrased it, we are only at the beginning of the beginning.

Unless we continue to exert ourselves in the struggle that lies ahead, we can lose what ground has been gained. In the face of the threat to health which cigarette smoking presents, our gains have been more, perhaps, than we might have expected but they are less than we might have hoped for. The real job lies before us.

For our part, I promise that in the months ahead the Public Health Service will do all it can to bring about a reduction of cigarette smoking, in the clear and established interests of the Nation's health.

STATEMENT BY EMERSON FOOTE, CHAIRMAN, NATIONAL INTERAGENCY COUNCIL ON SMOKING AND HEALTH, JANUARY 11, 1965

The National Interagency Council on Smoking and Health is meeting here in Washington for 2 days to add impetus and planning to a movement already well underway in many parts of the United States.

This movement happens to be the greatest lifesaving and health improvement venture of our time. I refer to the national movement, made up of many local movements, to reduce the consumption of cigarettes.

For cigarettes kill people. And they kill people in very large numbers.

The U.S. Public Health Service knows this. The American Cancer Society knows this. The American Heart Association knows this. The American Public Health Association knows this. The National Tuberculosis Association knows this. The Royal College of Physicians knows this. Physicians all over the world know this.

Just how many people do cigarettes kill? Even the most expensive computer couldn't tell you exactly.

Estimates made by scientists, who have spent years studying the problem, vary depending upon the way that the data are interpreted. But it may be said with sureness that cigarette smoking is today responsible for at least 125,000 deaths each year in the United States. Cigarette smoking may be responsible for as many as 300,000 deaths per year in this country.

Either figure represents a national catastrophe.

There are, of course, many hazards in life but in peacetime there is nothing else like this hazard—not automobiles or anything else anyone can think of.

Now of course the death toll due to cigarette smoking is by no means the only harm that cigarettes do. The amount of illness and suffering short of death, caused by cigarette smoking, is truly of staggering proportions. It may be said that the emerging medical view is not that cigarette smoking seriously damages the health of some people who practice it, but that cigarette smoking damages the health of most people who continue to smoke. All this is why the 17 organizations which make up the National Interagency Council have before them such a great opportunity to help save lives and to help improve health.

It is most encouraging, as Dr. Terry pointed out this morning, that there has already been some reduction in cigarette smoking and we may expect more results from the many well organized education programs now being carried on in this country by thousands of dedicated people—such as the programs referred to by Dr. Merrill.

But we believe that most decisive progress toward reducing cigarette consumption cannot be made while cigarette advertising is allowed to flourish unchecked.

Cigarette advertising is now running at the rate of over $200 million a year. The continued existence of this volume of advertising offsets, or one might say engulfs, counter-educational efforts. Nobody in the Interagency Council believes that the sale of cigarettes should be prohibited, but we do have grave doubts about permitting the promotion of cigarette sales—to people of any age.

We believe it is not morally justifiable to encourage people to kill themselves.

Nevertheless the members of the Council would not favor a law prohibiting cigarette advertising. We do feel, however, that legislation may well be needed to counteract the effect of cigarette advertising—by requiring a warning message in all advertisements and promotional materials. However, there may be another way—even though it may sound rather outlandish on first hearing. That would be for the tobacco companies to voluntarily suspend cigarette advertising. This would be more in the American tradition than any sort of law requiring the restriction or altering of cigarette advertising.

I believe that the tobacco companies would do this now, except for one thing. I can only guess this: but I do not think the people who run the tobacco companies even yet believe the evidence about cigarettes. I think that if they felt as we do in the Council they would not wish to advertise cigarettes.

I have great respect for the tobacco companies of this country and for the contribution they have made to the economic welfare of our Nation for 300 years. I believe that these companies are run by responsible men, who want to do the right thing.

From public statements they have made, it is evident that some of the people in charge of the Nation's tobacco companies feel that tobacco has always been under attack by one group of zealots or another and that, to use a phrase: "this too, shall pass away." But the point is that when King James I was writing his "Counter-Blaste Against Tobacco," there were not any scientific facts on either side. It has only been within the past 30 years that science has really gone to work on the tobacco-health problem; and the evidence confirming the lethal effects of cigarette smoking now amounts to a tidal wave—coming from all countries of the world, on both sides of the Iron Curtain.

I would simply like to suggest, most respectfully, that the gentleman in charge of our tobacco companies rethink and reconsider the whole matter—reexamine the evidence open-mindedly. I think it is possible that such reconsideration might lead to a decision not to advertise cigarettes.

I do not mean to be presumptuous but such a decision would also appear to have this advantage to the companies: it would definitely improve their short-term profit position—during which time conversion to other activities could be undertaken.

Also, while we fully recognize that cigarettes today make up the largest and most profitable part of the tobacco business, they are not all of it. And both pipe smoking and cigar smoking fall into an entirely different category than do cigarettes.

Recent scientific studies indicate that inhaling is probably responsible for most of the health damage caused by cigarette smoking. Not many people inhale pipe or cigar smoke.

There is no question that serious illness is caused in some instances by both cigar and pipe smoking, but every mortality and morbidity study shows this to be at a very much lower level than the effect produced by cigarette smoking.

Speaking personally, I am not against tobacco. I am against cancer, heart disease, and emphysema which are so closely linked to the use of tobacco, specifically in the form of cigarette smoking. Even so, I am not against the sale of cigarettes; but only against the promotion of cigarettes. There are many things that people do for their enjoyment and pleasure which are not good for them; which, in some cases, detract from their longevity or cause their illness. But unless such activity affects a huge proportion

of those engaging in them, then they should not become a matter of public concern.

Based on evidence accumulated up to this point, I would say that cigarette smoking is the only form of the use of tobacco which justifies any kind of restrictive action.

Many people say cigarette smoking is like drinking. But it is not. Only some people are very badly affected by drinking whiskey, or other alcoholic beverages. Recently Rutgers University, which has for years conducted extensive studies of alcoholism, reported that only 10 percent of people who drink alcoholic beverages suffer any ill effects therefrom.

If we thought that cigarette smoking adversely affected the health of only 10 percent of those who smoked cigarettes, we wouldn't be here this morning.

It is only because we feel certain that continued cigarette smoking adversely affects the health of a very large proportion of those who smoke cigarettes, and cause the premature death of a substantial proportion, that we believe special and unusual steps should be taken. And that is why this Council was formed in the first place.

We believe that it is a matter of fact, not of opinion, that cigarette smoking constitutes a totally unique health hazard, fortunately not matched or even approached by any other health hazard; and that it must be recognized and dealt with accordingly.

All members of this Council are well aware of the importance to the Nation's economic well-being of such things as jobs, farm income, profits and taxes. We are aware that a substantial reduction in cigarette consumption—for which we are working—would adversely affect all of these.

However, under no conceivable circumstances is the tobacco industry going to collapse overnight. In the first place, we are talking about suspension or restriction of cigarette promotion only, plus educational activities designed to reduce cigarette consumption. In Italy where cigarette advertising was banned by Government edict, cigarette sales gained at a smaller rate in the first year following the ban. In the 2 years preceding the ban cigarette sales in Italy increased 6 percent each year. In the first year following the ban, they increased only 1½ percent. This reduction was not necessarily a direct result of the ban, but it is one of the few clues we have as to what might happen if there were a suspension of cigarette advertising in this country. One might expect the effect in this country to be greater—because both the relative extent and relative effectiveness of cigarette advertising in the United States are probably at a higher level than they were in Italy.

In any event, cigarette sales are going to decrease slowly and there should be considerable time for all those engaged in the industry to make readjustment.

Outside of the tobacco industry a reduction in cigarette consumption would have economically negligible effects and, on the other hand, would probably promote economic gain through increased length of life and a cut in lost time due to illness. Furthermore, it is hard to think that money not spent for cigarettes would all go into savings. It would most likely be spent for something else; there are still many unsatisfied wants in this country. Finally on the economic side, a nation which has just experienced a $40 billion increase in gross national product cannot conceivably have any great difficulty adjusting to a gradual reduction in one segment of the economy which, by the most elastic computations, account for a total amount of economic activity under $10 billion. And the added productivity of people who live longer and are healthier must all be on the economic plus side.

Going back to the matter of cigarette advertising, if the companies do not wish to consider the matter of suspending this advertising, then we believe steps must be taken, in the public interest, to counteract the effectiveness of cigarette advertising. We believe that this can be done by requiring a clearly worded warning message to appear in all cigarette advertisements and at the end of all cigarette commercials on television and radio.

Senator NEUBERGER has already touched on this point. The council has appointed a legislative committee to recommend steps which we may believe to be necessary.

I am optimistic that it will not be long before people will no longer be encouraged to smoke cigarettes, either by the voluntary suspension of cigarette advertising or by reducing its effectiveness through legislation.

But even before that happens much progress can be made. What is now going on in California and what is being planned for the future in that State, as we have heard this morning, holds much promise. We are going to have a meeting this afternoon of representatives from 25 of the 29 States where interagency councils have been set up. This will be a meeting to exchange information on State programs and to help plan for the future. Most of these State activities are, and will be, carried out mainly by volunteers. These are people deeply devoted to the principle that other people shouldn't die and suffer unnecessarily, in large numbers, when this can be prevented. I know that they are going to accomplish great things.

When large numbers of Americans set out to help even larger numbers of Americans—through education, guidance, and encouragement—great things are bound to happen.

We are just beginning today the first major meeting of the National Interagency Council on Smoking and Health. We are a very new organization—only a few months old. We can tell you more about our future plans and operations after these 2 days are over. And we will be glad to furnish any information you want.

At the moment we are just certain of one thing: cigarette deaths and cigarette disability are largely preventable. And we are going to prevent all we can.

RECOMPUTATION OF ANNUITIES FOR SURVIVORSHIP BENEFITS

Mrs. NEUBERGER. Mr. President, in the previous session of Congress I sponsored S. 2144, which provided for recomputation of annuities of retired Federal employees. Congress, in 1962, adopted Public Law 87–793, the Postal and Federal Salary Act of 1962, which wisely liberalized survivorship costs for Federal retirees. Under terms of this law, a Federal employee can provide survivorship benefits by having his annuity reduced by 2½ percent of the first $3,600 of the annual annuity and 10 percent of any amount in excess of this sum. The survivor would be entitled to 55 percent of the basic annuity.

This provision is applicable only to those who have retired after October 10, 1962, and elected survivorship benefits.

Mr. President, it seems only simple justice that the liberalized survivorship provisions should also apply to existing retirees who have elected a reduction in their annuities to provide survivorship benefits.

A vast and complicated pattern of annuity reductions takes place for those who retired previously. In all instances, the cost of annuity reductions to provide survivorship benefits is vastly higher than that given by law in 1962 to future retirees.

According to information supplied to me by the U.S. Civil Service Commission, Bureau of Retirement and Insurance, the four major categories of retirees who have elected survivorship benefits, depending on date of retirement, are:

First. Retired prior to April 1, 1948, with the reduction based on the ages of both the retiring employee and spouse, and calculated on an actuarially equivalent basis; that is, the value of the joint and survivor annuity was equal to the value of the single life annuity at retirement. The annuity to the survivor was 100 or 50 percent of the employee's reduced annuity, as elected by him.

Second. Retired in the period April 1, 1948–September 29, 1949. The reduction was 10 percent of the single life annuity, plus three-fourths of 1 percent for each full year the wife was under age 60. The election was available to men only. The total reduction could not exceed 25 percent, and the widow's annuity was 50 percent of the unreduced annuity.

Third. Retired in the period September 30, 1949–September 30, 1956. Same as B, except; first, the election was available to both men and women; and, second, the flat 10-percent reduction was liberalized to 5 percent on the first $1,500 of single life annuity, plus 10 percent on any excess.

Fourth. Retired October 1, 1956, and later. The retiring employee could choose any portion of his life annuity—excluding any increase under the minimum disability provisions—as a base. The survivor annuity was 50 percent of this base. The reduction was 2½ percent of the first $2,400 of the base, plus 10 percent of any excess.

Mr. President, I am introducing legislation to provide a uniform basis for figuring survivorship benefits for all retirees who have elected such benefits. Under the terms of the proposed legislation I am introducing, the benefits would be identical to Public Law 87–793, for those who retired on October 11, 1962, or after. This provides a simplified and uniform procedure in figuring all costs of survivorship benefits, and extends to those who retired prior to October 11, 1962, the benefits provided by Congress for those who retired after that date. Some 180,000 retirees, plus their survivors, will benefit under the terms of this proposed legislation.

I am reintroducing this important legislation, and urge again that it receive favorable consideration from the Congress. This bill is strongly supported by the National Association of Retired Civil Employees and its 150,000 members.

It is all too easy to overlook the needs of retired Federal employees who have devoted a lifetime to Government service. Their annuities, in most cases, are all too small. There is no reason why they all should not have the same benefits which were provided by law in 1962 to those who retired after October 10, 1962.

Mr. President, I ask unanimous consent to have my bill printed in the RECORD.

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

The bill (S. 548) to amend the Civil Service Retirement Act, as amended, to provide for the recomputation of annuities of certain retired employees who elected reduced annuities at the time of retirement in order to provide survivor annuities for their spouses, and for the recomputation of survivor annuities for the surviving spouses of certain former employees who died in service or after retirement, introduced by Mrs. Neuberger, was received, read twice by its title, referred to the Committee on Post Office and Civil Service, and ordered to be printed in the RECORD, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (A) the annuity of each retired employee who retired prior to October 11, 1962, and who elected a reduction in his annuity in order to provide a survivor annuity for his spouse, shall be recomputed under the formula enacted in section 1103 of Public Law 87–793, applicable to annuities of employees who retired on and after October 11, 1962.

(b) The annuity otherwise payable on the date of this Act to (1) each survivor spouse receiving or entitled to receive an annuity based on service which terminated prior to October 11, 1962, and to (2) each surviving spouse of a retired employee or Member of Congress described in subsection (a) of this section, shall be recomputed on the basis of 55 per centum of the annuity received (or entitled to be received) by such deceased spouse at the time of his death, including the benefit of all annuity increases since the death of such spouse: *Provided,* That there shall be no decrease in the annuity now received by any surviving spouse, or which any surviving spouse may be entitled to receive.

2. This Act shall be effective the first day of the third month after the date of enactment.

3. The provisions under the heading "Civil Service Retirement and Disability Fund" in Title I of the Independent Appropriations Act, 1959 (72 Stat. 1064; Public Law 85–844), shall not apply with respect to benefits resulting from the enactment of this Act.

ONION MARKETING ORDER

Mrs. NEUBERGER. Mr. President, I introduce for appropriate reference, a measure to amend the Agricultural Marketing Agreement Act of 1937 so as to permit marketing orders issued under the act to be applicable to canned and frozen onions. This bill is identical to S. 2904, which I submitted in the 88th Congress and which was also cosponsored by the senior Senators from Idaho and Oregon. I ask unanimous consent that the letter from the Department of Agriculture on S. 2904 be printed in the RECORD.

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

The bill (S. 549) to amend section 8c(2) of the Agricultural Adjustment Act, as reenacted and amended by the Agricultural Marketing Agreement Act of 1937, as amended, so as to permit marketing orders issued under such section to be applicable to canned and frozen onions, introduced by Mrs. NEUBERGER (for herself and other Senators), was received, read twice by its title, and referred to the Committee on Agriculture and Forestry.

The letter presented by Mrs. NEUBERGER is as follows:

DEPARTMENT OF AGRICULTURE,
Washington, D.C., July 31, 1964.

Hon. ALLEN J. ELLENDER,
Chairman, Committee on Agriculture and Forestry, U.S. Senate.

DEAR MR. CHAIRMAN: This is in response to your request for a report on S. 2904, a bill to amend the Agricultural Marketing Agreement Act of 1937, as amended.

The Department recommends that this proposal be passed. S. 2904 would authorize regulations on onions handled for canning or freezing under marketing orders. At the present time the Agricultural Marketing Agreement Act of 1937, as amended, exempts all vegetables other than asparagus from regulations if they are handled for canning or freezing.

Two onion orders are currently in effect. Onions grown in Idaho and Malheur County, Oreg., are included in one and onions grown in designated counties of south Texas in the other. These two orders cover about 21 percent of the total U.S. onion crop based on the 1963 statistics. Both authorize regulation of grade, size, quality, containers, and packs of onions handled for fresh market. By supplying the fresh market with better quality and preferred sizes of onions, producers in these two areas are attempting to get better returns for their onions than they would in the absence of such regulations. However, since the act exempts shipments for canning or freezing from any regulations under marketing orders, an increasing portion of their production moves unregulated to these outlets for processing into onion products, many of which compete with the better quality regulated fresh onions. Because canning and freezing are usually salvage outlets for onions failing to meet marketing order regulations, growers receive low prices for such onions. Since such onions may not be marketed in other outlets from regulated areas, the bargaining power of canners and freezers for such supplies is greatly enhanced to the detriment of growers and program objectives.

The Department does not issue statistics on disposition by outlets of the onion crop. However, a recent report by Michigan State University's Agricultural Economics Department, "Onions and Their Processing Potential" (Ag. Ec. Mimeo 858), states that about 13 percent of the 1961 U.S. commercial onion crop was processed into primary onion products. Since 1961, however, there has been an upward trend in processed onion products because of market acceptance for such products as chopped and diced frozen onions, frozen French fried onion rings, and the increased use of dehydrated onions. Onions for dehydration are subject to regulation under the act and the two onion orders currently in effect.

The Department has in the past recommended the removal of the exemption for canning and freezing on other commodities. The Neuberger bill, S. 1506, which proposed removal of this exemption for potatoes is an example. The removal of the exemption for onions (as well as other commodities) would enhance the relative marketing power of growers, as compared to the processors, for that portion of the crop which fails to meet marketing order (fresh market) requirements.

Passage of the proposed legislation should not involve any additional cost. Both onion marketing orders now in effect contain authority for regulations which could be applied or extended to onions for processing as well as those for fresh market.

The Bureau of the Budget advises that there is no objection to the presentation of this report from the standpoint of the administration's program.

Sincerely yours,

ORVILLE L. FREEMAN,
Secretary.

UPPER NIOBRARA RIVER COMPACT, WYOMING AND NEBRASKA

Mr. SIMPSON. Mr. President, in 1963 the two great sister States of Wyoming and Nebraska, who share the waters of the Niobrara River, ratified and approved the upper Niobrara River compact as signed at Cheyenne, Wyo., on the 26th day of October 1962. It is necessary that Congress ratify this compact to give it full force and effect.

Last year legislation was introduced by the Senators representing these two States, Mr. HRUSKA and Mr. CURTIS, Mr. MCGEE and myself, but, unfortunately, no action was taken on the matter. I am hopeful that it will receive the immediate attention of this Congress.

The Niobrara River is the lifeline to some of the finest grasslands in the world. On the rolling hills of eastern Wyoming and western Nebraska you can see the hundreds of sleek, fat cattle that drink the waters of the Niobrara River.

The headwaters of this river are in Wyoming and as it flows eastward into Nebraska it broadens to become one of Nebraska's important rivers.

The major purposes of this upper Niobrara River compact are to provide for an equitable division or apportionment of the available surface water supply of the Upper Niobrara River Basin between the States; to provide for obtaining information on ground water and underground water flow necessary for apportioning the underground flow by supplement to this compact; to remove all causes, present and future, which might lead to controversies; and to promote interstate comity.

Mr. President, I introduce, for appropriate reference, a bill to consent to the upper Niobrara River compact between the States of Wyoming and Nebraska.

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

The bill (S. 553) to consent to the upper Niobrara River compact between the States of Wyoming and Nebraska, introduced by Mr. SIMPSON, was received. read twice by its title, and referred to the Committee on Interior and Insular Affairs.

CONVEYANCE OF CERTAIN PROPERTIES TO THE CITY OF CHEYENNE, WYO.

Mr. SIMPSON. Mr. President, on behalf of myself and my colleague, Mr. MCGEE, I introduce for proper reference, a bill which will authorize the Administrator of Veterans' Affairs to convey certain properties to the city of Cheyenne, Wyo.

In 1932, the city of Cheyenne donated 600 acres of land to the Veterans' Administration. Now on a portion of that 600 acres of land is a VA Center which houses the regional office and a 133-bed hospital. It is an excellent center that is serving its purpose with great distinction.

Throughout the history of the VA Center, the relationship of its administrators and officials with the city of Cheyenne has been outstanding. In 1948, 431 acres of the original 600 acres

given to the Veterans' Administration were reconveyed back to the city without remuneration.

In 1955, the VA declared 90 acres to be excess property through the General Services Administration. Sixty of the 90 acres were subsequently conveyed to the city of Cheyenne, Wyo., without monetary consideration. The remaining 30 acres are still classified as surplus property with the GSA.

The Veterans' Administration has now determined that another 27 acres is no longer needed by the VA Center in Cheyenne and is willing to convey this land to the city of Cheyenne for park and recreational purposes.

The bill I am now introducing would authorize the Administrator of Veterans' Affairs to convey this 27 acres of unneeded land to the city of Cheyenne with the understanding that it be used only for the stated purposes. If the city of Cheyenne were to ever use the land for other purposes, title would revert to the U.S. Government.

I am hopeful that this bill will receive early consideration by the appropriate committee.

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

The bill (S. 554) authorizing the Administrator of Veterans' Affairs to convey certain property to the city of Cheyenne, Wyo., introduced by Mr. SIMPSON, was received, read twice by its title, and referred to the Committee on Labor and Public Welfare.

EXPORT EXPANSION ACT OF 1965

Mr. MAGNUSON. Mr. President, I send to the desk, for appropriate reference, a bill which would authorize the Secretary of Commerce to carry out certain programs to develop and expand foreign markets for U.S. products, and to provide more effectively for assistance in the financing of certain foreign sales which are affected with the national interest.

Mr. President, it has often been said that a modern country must export or die. The United States now possesses the strongest economy of any nation in the history of the world. But that economy will not long remain strong if the American export program does not continue to flourish and expand.

Increased exports are vital to the redressing of our international balance of payments. They are vital to the maintenance of U.S. political leadership in the free world, and they are vital to domestic employment, economic growth, and prosperity.

Yet there is one threat which runs through every report of every trade expert who has studied our oversea market problems. We are not now selling what we could or should be selling, and we are not selling because, despite the significant improvements in the export promotion programs of the last 4 years, the U.S. oversea sales' presence in many markets still ranges from sickly to nonexistent.

Nor is it likely that present sales and development programs, both public and private, will be capable of filling these gaps in that market presence.

Too often we simply do not know what markets or potential markets, on a product-by-product basis, exist abroad.

Where we do know, too often we lack continuing and coherent product promotion, suitable adaptation of products to meet local needs or efforts to develop local distribution systems.

In the lesser developed countries in particular, we often lack even sales and service personnel and facilities, including critical stocks of spare parts and other sales-supporting apparatus.

There are some 135 cities around the world which are national capitals, or have populations in excess of 1 million people. There are hundreds of smaller but significant commercial centers. Yet today, there are one or more full-time U.S. commercial offices in only 93 cities. At that, each individual commercial officer is severely limited in his knowledge of potentially salable U.S. products—which may range from adding machines to zoo equipment—and is customarily saddled with burdens unrelated to the job of export promotion. How many commercial attachés have the business background or the time to conduct market analyses or study business development potentials? Few, indeed.

Besides, the commercial officer is a representative of the U.S. Government and naturally inhibited in pursuing anything which might resemble a "hard sell" for U.S. products.

Trade fairs are a great help, yet the total annual number of U.S. Government sponsored commercial-type trade fair participations averages only 12 to 15 annually. Official trade missions reach no more than 8 or 10 countries each year. Clearly, neither type of promotion activity could cover all of the products which might be salable in a given market. The trade mission comes and goes. The trade fair opens and closes. There is limited followup.

A trade center does provide for the continuous exposure of a wide range of U.S. products. Yet today, there are only five such centers—in London, Frankfurt, Tokyo, Milan, and Bangkok, and current plans call for only one more, in Stockholm, in fiscal year 1965.

There is no built-in limitation to what private enterprise can do and the record of private achievement in expanding exports has been heroic. But the private firm operating alone encounters severe obstacles and frustrations in many parts of the world.

For example, an American manufacturer who wanted to establish his own sales and service facilities and to stock spare parts in a lesser developed country, would require an enormous initial investment for a sales return which is at best speculative. The same would be true of the expense of detailed market analyses or long term market development work in, say, a new African or Asian nation.

But of all of the gaps that exist in our export structure, none looms so formidable as the gap in export financing.

This country possesses an abundance of capital which could be made available for financing exports at the lowest interest rates and best terms in the world. But it is not doing so. The Export-Import Bank, our primary export financing facility, has found it necessary to reduce or cut off loans or guarantees in countries with relatively weak credit standing or impending balance-of-payments problems—notwithstanding the impact of such decision on our national economic and commercial interest.

For example, a major U.S. exporter of farm equipment recently carried out a carefully planned and executed market development program in a Latin American country. This program was successful to the point where, through market acceptance, establishment of spare parts depots and training of mechanics, he had effectively eliminated his European competitors. At this point, just as his orders for equipment rose to a substantial figure, Eximbank decided it had reached its exposure limit and would finance no further sales in that country that year. Another case involved jet transport equipment in a Latin American country where the British have offered liberalized credit terms in their eagerness to get the business but where Eximbank is unwilling to finance either of the two U.S. companies who are bidding on the business.

A second facet of our financing gap is primarily one of availability of credit, rather than its terms.

Here, we must deal with countries in the intermediate state of development, where AID programs have recently been or are about to be phased out. These countries, which are just approaching economic stability and full entry into the world market economy, today offer some of the greatest potential markets for U.S. exports. At present this group consists of about 15 countries such as Greece, Spain, Venezuela, Mexico, Iran and Tiawan. This number will expand rapidly in the two decades just ahead.

As these countries are phased out of low-interest, long-term development assistance loans, they must turn to commercial import financing. Most of them feel that they still need some form of intermediate concessionary financing softer than standard commercial loans and aggressively seek this kind of financing. Other developed countries, recognizing the potential for trade development which is involved, are hastening to fill the gap between development assistance terms and commercial terms with semicommercial concessionary financing. By so doing they establish themselves in these rapidly growing markets and assure for themselves the follow-on business which will affect the intermediate countries' trading habits for many years into the future.

The British on their part have arranged to compete in this arena by making available to their exporters $2.24 billion of credit guarantees for "national interest loans" under section 2 of the British Export Guarantee Act. Such loans are made in cases where normal prudent banking standards would regard the recipient countries as poor credit risks, but where national commercial interests are at stake. Other countries have similar facilities for making na-

tional interest loans. These countries also have arrangements for rediscounting private bank exporter loans at less than Treasury borrowing rates where necessary to be fully competitive.

At the present time, we are not meeting this competition.

With the aid of the Commerce Department and others, both in government and industry, I have attempted to develop a comprehensive export expansion program which will serve to fill these gaps and yet remain always consistent with our fundamental free enterprise system.

This program is embodied in the bill which I introduce today to be called the "Export Expansion Act of 1965."

Title I of the act will create three separate but interrelated trade development programs: First, a Trade Development Corps; second, a program of cooperative industrial export development; and third, a program of assistance in the establishment of sales and service centers in lesser developed countries.

The Trade Development Corps will recruit the services of private citizens who are in, or retired from, private industry to supplement existing Federal and private programs for developing and expanding foreign markets for U.S. goods and services.

A trade development corpsman might serve a year in a major capital, supplementing the work of the commercial attaché. Free from a desk, armed with preliminary grounding in the language and economy of the country, he can get out into the business community with a keen and experienced eye for sales opportunities.

Here is a man who could sit down with his sales counterpart in the business community of any country in the world. He could talk knowledgeably and in the language of trade that the businessman understands about American product lines, commercial practices, and product suitability for the local market. And he could lay to rest many of the hoary and ugly misconceptions about doing business with Americans.

Equally important, he will be able to convey back to the American businessmen at home an accurate and realistic picture of the opportunities for new market penetration.

He might follow up the findings of a trade mission in the Philippines or study the machinery and other needs of the automotive assembly industry in Colombia. He might survey the market in Denmark for U.S. accounting and office management services or, in a team composed of a market research man and one or two sales engineers, he might help prepare for and follow up each of the eight industry shows each year in the London trade center.

The cooperative export development program is directly modeled after the existing agricultural trade development program. On a cost-sharing basis, the Secretary of Commerce could agree with an industrial trade association to conduct such promotional activities as product exhibits, institutional advertising or consumer demonstrations similar to those already being carried out under agricultural agreements. The U.S. Government contribution, insofar as feasible, will be in the form of local currencies generated by Public Law 480 and AID operations.

The sales and service center program would authorize the Secretary of Commerce to provide financial assistance on a 50–50 basis to establish sales and service centers in any lesser developed country where no single private entrepreneur could shoulder such financial burdens alone. Such centers must be made open and available to all U.S. firms on equal terms and conditions; make reasonable charges for their use; pay a return to the Government from any profits; and, when fully established on a paying basis, repay all of the Government funds initially advanced.

Title 2 of the Export Expansion Act of 1965 establishes in the Export-Import Bank a separate $500 million national interest financing fund. It will be used primarily to guarantee or insure American exporters against political and credit risks where other financing is not available, but the sale is found to affect the national interest.

The act would create a Special Interdepartmental Advisory Committee on national interest financing to advise the Bank with respect to the national interest involved in specific proposals.

The act would also amend the basic charter of the Export-Import Bank so that the Bank is charged to "assure, within its statutory limitations, that the United States may fully and effectively compete in its financing arrangements with other countries in the development and maintenance of world markets."

I am pleased to announce also that a companion bill will be introduced by Representative ADAMS, of Washington, in the House and that the junior Senator from Washington [Mr. JACKSON], the senior Senator from California [Mr. KUCHEL], the Senator from Oregon [Mrs. NEUBERGER] are joining me in cosponsoring the bill. I also ask unanimous consent that the bill lay over until January 22 for additional cosponsors, and that it be printed in the RECORD.

The PRESIDING OFFICER. The bill will be received and appropriately referred; and, without objection, the bill will be printed in the RECORD and will lie on the desk, as requested by the Senator from Washington.

The bill (S. 558) to authorize the Secretary of Commerce to carry out certain programs to develop and expand foreign markets for U.S. products, and to provide more effectively for assistance in the financing of certain foreign sales which are affected with the national interest, introduced by Mr. MAGNUSON (for himself and other Senators) was received, read twice by its title, referred to the Committee on Commerce, and ordered to be printed in the RECORD, as follows:

S. 558

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Export Expansion Act of 1965".

FINDINGS AND PURPOSE

SEC. 2. The Congress finds and declares that foreign trade is indispensable to the economic welfare of this Nation, that the expansion of such trade has taken on a new urgency in the present phase of the East-West confrontation, and that the legitimate role of Government in achieving such expansion is to provide where necessary aids to private enterprise. It is the purpose of this Act to provide assistance to meet certain demonstrated needs of private enterprise (1) in finding, developing, and servicing markets abroad for American products and services, and (2) in financing exports of such products and services where such financing is not otherwise available and such exports are affected with the national interest.

TRADE I—TRADE DEVELOPMENT PROGRAMS

Trade Development Corps

SEC. 101. (a) In furtherance of the purposes of this Act, the Secretary of Commerce shall undertake a program for the recruitment and training of a Trade Development Corps (hereinafter referred to as the "Corps") to consist of United States citizens who (1) are or have been in private industry or are otherwise well qualified, (2) possess experience or skills which can be effectively utilized in the operations of the Corps, and (3) can make their services available from time to time for particular trade development assignments.

(b) The function of the Corps shall be to supplement existing Federal and private programs for developing and expanding foreign markets for United States goods and services by providing a readily available source of qualified personnel for undertaking specific projects or assignments including, but not limited to—

(1) serving with a trade mission, or making in-depth studies of types of markets indicated by trade mission findings;

(2) making market analyses or studies, including (i) studies of the needs of particular countries or areas for specific products or types of products, (ii) studies of market possibilities in developing countries, and (iii) analyses of markets for products revealed by trade pattern studies as likely sales possibilities;

(3) serving with an oversea mission of the United States to supplement the work of the regular commercial or economic officers, counselors, or attachés assigned thereto;

(4) assisting in the preparation for or the development of market leads from industry exhibitions in foreign trade centers;

(5) assisting Government personnel in developing a closer integration of foreign aid and trade; and

(6) investigating major proposed foreign puchasing or construction projects in the interest of expanding outlets for American goods and services.

Members of the Corps shall not be assigned functions involving the actual handling of sales or service contracts. Projects for the Corps shall be developed by the Secretary in cooperation with other interested agencies of the Government, and with trade and industry groups.

(c) Each member of the Corps shall be given a basic orientation course and such further training as the Secretary may determine to be necessary to enable such member to carry out effectively any project to which he is assigned. In providing such training the Secretary may, whenever he deems it necessary or desirable, utilize on a reimbursable basis services, facilities, and personnel of any other Government agency.

(d) The Secretary is authorized to make grants to members of the Corps accepting assignments under this section. Each such grant shall be in an amount determined by the Secretary to be sufficient to defray the necessary travel and living expenses of the member and his family and to provide a moderate compensation while engaged in carrying out his assignment, and shall be subject to such terms and conditions as the

Secretary may prescribe to assure the successful completion of the assignment and to protect the interests of the United States. Payment of any such grant shall be made whenever feasible in foreign currency.

(e) In carrying out the provisions of this section the Secretary shall encourage the participation to the maximum extent feasible of private persons, firms, organizations and associations, and the Secretary is authorized to accept any contributions of funds, property, or services made thereby to be utilized for the purposes of this section.

(f) Members of the Corps accepting assignments under this section shall be exempt from the operation of sections 203, 205, 207, 208, and 209 of title 18, United States Code, but such members shall be subject to such regulations as the Secretary of Commerce shall prescribe to assure that such assignments will be carried out in a manner consistent with the public interest.

Cooperative industrial export development projects

SEC. 102. (a) In furtherance of the purposes of this Act, the Secretary of Commerce is authorized to enter into agreements with such private organizations or associations as he determines to be qualified to carry out industrial export development projects. Any such project shall be designed to develop or expand the market in one or more foreign countries for specific articles or materials manufactured in the United States, including—

(1) the undertaking of market studies,

(2) arranging for regular or special product exhibitions and demonstrations,

(3) providing assistance to foreign buyers in locating domestic sources of supply, and to domestic manufacturers or exporters in developing a foreign market,

(4) arranging for visits of foreign trade teams, industry representatives, or other delegations in furtherance of trade objectives,

(5) arranging for the preparation and distribution of promotional or advertising materials, and

(6) the undertaking of such other activities as will further the objectives of this Act and are approved by the Secretary.

(b) In any agreement entered into under this section the Secretary may agree to make available for the execution of the project such sums, not to exceed 50 per centum of the total cost of the project, as he determines to be necessary to assure its successful completion; such sums to be made available whenever feasible in foreign currency. Each such agreement shall require such reports, and shall be subject to such other terms and conditions, as the Secretary deems necessary to protect the interests of the United States.

Assistance for the establishment of sales and service centers abroad

SEC. 103. (a) In furtherance of the purposes of this Act, the Secretary of Commerce is authorized to provide financial assistance to any organization or association for the purpose of establishing in any country (other than a country which is determined by the Secretary to be fully developed) one or more sales and service centers, if he finds that—

(1) the proposed center will fulfill a pressing need in the area, and there is reasonable doubt that the same can be provided without financial assistance under this section;

(2) the applicant for such assistance is fully qualified to carry out the undertaking; and

(3) the plans for the proposed center are fully adequate to meet the need without being unduly elaborate or extravagant.

(b) The amount of any financial assistance provided under this section with respect to any one sales and service center shall not exceed 50 per centum of the total development cost thereof.

(c) No financial assistance shall be made available with respect to any sales and service center under this section, unless the applicant agrees—

(1) that during any period in which the United States has a financial investment in such center it will (i) make the facilities of such center available to United States business firms on equal terms and conditions, (ii) fix reasonable charges for the use of the facilities and services of such center in accordance with schedules or standards approved by the Secretary, (iii) pay to the United States from any net profits accruing from the operation of such center a reasonable return, as determined by the Secretary, on the capital contributed by the United States, and (iv) comply with such other reasonable terms and conditions as the Secretary shall prescribe for the protection of the interests of the United States, and

(2) that in the event the United States receives a full return on its financial investment in such center, it will comply with such terms and conditions as the Secretary shall prescribe to assure that such center will not be operated in a manner which is inconsistent with the purposes of this Act.

(d) The Secretary may make payments pursuant to any contract for financial assistance under this section at such times and in such manner as may be specified in the contract; such payments to be made whenever feasible in foreign currency.

(e) As used in this section—

(1) the term "sales and service center" means one or more buildings for the display and sale of particular types or broad categories of articles or materials manufactured in the United States and for the servicing and repair thereof, and may include management and sales offices, together with facilities for the stocking of parts, for the training of personnel, and for such other or related activities as may be approved by the Secretary; and

(2) the term "development cost" means the cost of constructing, purchasing, improving, altering, or repairing a building or buildings for use as a sales and service center, purchasing and improving the necessary land, and providing fixtures, equipment, and facilities necessary thereto.

Reports

SEC. 104. The Secretary of Commerce shall make a detailed annual report to the Congress of his operations under this title.

Use of foreign currencies

SEC. 105. In carrying out the provisions of sections 101, 102, and 103 of this Act, the Secretary of Commerce may utilize, with the approval of the President and in such amounts as may be specified from time to time in appropriation Acts, foreign currencies or credits owned by or owed to the United States which are, under applicable agreements with the foreign country concerned, available for the use of the United States Government.

Authorization for appropriations

SEC. 106. There are hereby authorized to be appropriated such sums, to remain available until expended, as may be necessary to carry out the provisions of this title.

TITLE II—EXPORT FINANCING ASSISTANCE

Amendments to the Export-Import Bank Act of 1945

SEC. 201. (a) Section 2(a) of the Export-Import Bank Act of 1945 is amended by inserting after the second sentence the following: "In carrying out such objects and purposes the Bank shall (1) cooperate with private capital so as to further the expansion of exports of products and services from the United States and its possessions, and (2) assure, within its statutory limitations, that the United States is fully and effectively competitive in its financing arrangements with other countries in the development and maintenance of world markets."

(b) Section 2 of such Act is further amended by adding at the end thereof the following:

"(d) (1) Notwithstanding any other provision of this Act, it is the further policy of the Congress that the Bank shall, in utilizing such funds as may be appropriated pursuant to section 6(b) (2), assist in financing United States exports which can reasonably be expected to affect the national interest.

"(2) In furtherance of its objects and purposes and of the policy of the Congress as declared in paragraph (1) of this subsection, the Bank is authorized and empowered to utilize such funds as may be appropriated pursuant to section 6(b) (2) to guarantee, insure, coinsure, reinsure, make loans, and otherwise assist in the financing of United States exporters, and foreign exporters doing business in the United States, against political and credit risks of loss arising in connection with United States exports which can reasonably be expected to affect the national interest; to establish fractional reserves in connection therewith of not less than 25 per centum of the related contractual liability; and to purchase, discount or rediscount obligations or participations therein of foreign obligors in connection with those United States exports which can reasonably be expected to affect the national interest. The terms on which any guarantee, insurance or other financing assistance is provided under this subsection shall be determined by the Board of Directors of the Bank having due regard to the purposes of this subsection and may be set at less than prevailing commercial levels. The Bank may issue and service the guarantees, insurance, coinsurance and reinsurance herein authorized as provided in subsection (c) (2) of this section.

"(e) The obligations of the Bank heretofore or hereafter issued, whether in the form of guarantees, insurance or otherwise, shall be considered contingent obligations of the United States Government backed by its full faith and credit."

(c) Section 3(d) of such Act is amended by inserting "(1)" immediately following "(d)", and by adding at the end thereof a new paragraph as follows:

"(2) There is hereby established an Interdepartmental Advisory Committee on National Interest Financing which shall consist of the following members: The Secretary of Commerce, who shall serve as Chairman, the Secretary of State, the Secretary of the Treasury, the Secretary of Defense, the Secretary of Agriculture, the President of the Export-Import Bank of Washington, and the Administrator, Agency for International Development. Each member of the Committee may designate an officer of his department or agency to act for him as a member of the Committee. The Committee shall when requested by the Bank advise with and make recommendations to the Bank with respect to the national interest involved in specific proposals for the extension of financial assistance under section 2(d). The Committee shall also establish such guidelines as it may deem advisable to assist the Bank in determining the national interest with respect to any particular category or categories of proposals."

(d) Section 6 of such Act is amended by inserting "(a)" immediately after "Sec. 6.", and by adding at the end thereof a new subsection as follows:

"(b) (1) To carry out the purposes of section 2(d), the Secretary of the Treasury is authorized and directed, upon appropriation of funds for such purpose, to purchase from time to time such special obligations as the Bank may issue in any amount not to exceed $500,000,000 outstanding at any one time.

"(2) For the purpose of enabling the Secretary of the Treasury to purchase special

obligations of the Bank pursuant to paragraph (1) of this subsection, there is hereby authorized to be appropriated, at any time without fiscal year limitation, $500,000,000 to remain available until expended. Any funds paid to the Treasury by the Bank as repayment on account of the principal of such special obligations shall continue to be available for the purchase of additional special obligations by the Secretary of the Treasury under paragraph (1) of this subsection. Payment of interest by the Bank on account of any special obligations purchased under such paragraph (1) shall be covered into the Treasury as miscellaneous receipts.

"(3) The obligations issued by the Bank to the Secretary of the Treasury pursuant to paragraph (1) of this subsection shall be special obligations, payable by the Bank only out of its net receipts from its operations under section 2(d), and shall bear such interest and maturities as may be determined by the Board of Directors of the Bank with the approval of the Secretary of the Treasury."

(e) Section 7 of such Act is amended by striking out the period and inserting in lieu thereof the following: ", except that this limitation and the limitation upon the aggregate amount of guarantees and insurance as provided in section 2(c) shall not be applicable to guarantees, insurance, or other financial assistance provided pursuant to section 2(d)."

Mr. HARTKE. Mr. President, will the Senator from Washington yield?

Mr. MAGNUSON. I yield.

Mr. HARTKE. I should like to ask the distinguished Senator from Washington if he would be so kind as to include my name as a cosponsor of the foreign trade bill.

Mr. MAGNUSON. Mr. President, I ask unanimous consent that the name of the Senator from Indiana [Mr. HARTKE] be added as a cosponsor to the bill.

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

Mr. MAGNUSON. Mr. President, the distinguished Senator from Indiana has been interested in expanding our foreign trade for a long time and has been one of the most active members of the committee in this particular field.

I am sure that many other Senators will wish to add their names to this bill, which will be one great stride forward in the advancement of foreign trade, particularly in the financing of American manufacturers who have an opportunity to get into foreign markets and expand their trade.

Mr. HARTKE. I commend the distinguished Senator from Washington for this worthwhile piece of proposed legislation. It will be one of the hopeful ways to use some of the foreign aid funds we have, especially in the economic field.

FOREIGN TRADE INCREASE

Mr. HARTKE. Mr. President, this week, Luther H. Hodges retires after 4 years of outstanding service as a most effective Secretary of Commerce.

Renowned for his unusual service as Governor of North Carolina and for his business ability, Secretary Hodges now has a new claim to historical fame. Of all the many areas to which my good friend, Luther Hodges, has given his mind, his talents, and his ability as a salesman and leader, he may be best remembered as the administrator of our most successful trade expansion abroad.

The new change in administrative direction at the Department of Commerce will not change the thrust of the program. This can be said with certainty because the trade expansion program has just begun to demonstrate the results foreseen by the late President Kennedy, by those of us who wrote the legislation, and by the careful work of Secretary Hodges.

The new Secretary inherits promotion of a dynamic and growing U.S. international trade which saw a sales expansion abroad of 14 percent in the year just ended. In 1964, our exports reached an annual rate of more than $25 billion. We will now have a trade surplus—exports over imports—of $7 billion—a vital piece of support to keep the dollar strong in the world marketplace. The flow of gold abroad has been cut drastically and our growth at home allowed to proceed without oversea interference.

Secretary Hodges understands that this is but the beginning. Recently, he advised that "much more needs to be done." Then he added, eloquently:

> We have arrived, I think, at one of those critical periods in world affairs that future historians could well point to and say, "There, in that period, occurred a turning point that helped us move toward a better, more peaceful world." And they will be referring in part to our successes or failures in developing world trade.

I believe that many Americans have begun to understand that one of the most dramatic areas to be developed in the coming decade by our country is our international trade.

Since 1957, we have had a serious problem with our balance of payments. The battle against this adverse balance was mounted in part by the trade expansion program begun by Congress and President Kennedy and continued by President Johnson—all under the capable administration of Secretary Hodges. The success of trade expansion has contributed to better business here at home and the creation of new jobs for Americans.

Government assumed a new role in this expansion. Never before had our Government been dedicated to acting for and with American private enterprise to promote the sale of U.S. goods. The people in our State and Commerce Departments had little precedent to follow as they began the task of helping to sell American goods in oversea marketplaces. It is not, after all, typical U.S. Government or simple service or superficial assistance.

Our people learned some promotional devices from Great Britain, France, and Japan—among others—because these nations have had to export in order to live. Their businessmen were used to being joined by their governments in joint promotions and were used to being represented effectively in oversea business operations.

While our international payments were overwhelmingly in our favor, American business seemed to need no such help—and they sought none.

But the dollar gap of the early 1950's gave way to the competitive challenges of adverse payments and the outflow of gold in the late 1950's and the early 1960's.

In this change, there has been a new role for Congress to play, a role which we have only partially accepted.

Close cooperation between government and business in furthering national interests through world trade is a continuing partnership in which Senators and Representatives share, and should increasingly share.

The truth is that where Congress has participated most fully, the programs appear to have been most successful. I believe there is much room for further effort by Congress and further accompanying success for our country.

One cooperative business-government program which has operated effectively, in part because of the close working relationship of its pilots in the administration and those of us in Congress, is the trade mission project.

U.S. trade missions, sponsored by the Bureau of International Commerce, are groups of private businessmen sent abroad to stimulate sales, locate distributors and help bring American companies, investors, oversea customers, and venture partners together. This program represents an unusual business-government cooperation which Reader's Digest last year called "A government-business team that works."

Today, the Department of Commerce conducts at least six special trade promotion programs to help American firms sell in emerging oversea markets. All this is with the assistance of the Foreign Service.

We have trade centers—miniature merchandise marts—in London, Frankfurt, Tokyo, Milan, and Bangkok. We support exhibitions at international trade fairs around the globe. We have sample product displays at smaller places. We mount business information centers at trade shows. We assist mobile trade fairs moving by ship and plane.

In the past 4 years, more than 2,000 U.S. firms have sold products and tested markets at exhibitions and centers from Sydney to Stockholm.

But the oldest program—and one of our most successful—is the trade missions. Another 2,500 firms have submitted 15,000 proposals to prospective buyers abroad through trade missions—face-to-face talks between key American businessmen and their counterparts in other countries.

The approach has had unusual success. Trade missions have cost the taxpayers $2 million in the last 4 years. But initial sales and investments have already resulted in more than $35 million being returned to this country. Continuing sales from these missions alone will account for between $100 and $500 million, according to the most reliable estimates.

Appropriations have dropped each year, but the number of missions has grown from 9 annually to more than 20. Its cost-benefit ratio is among the highest of any Government program.

Reader's Digest concluded:

> The cost of the program to the taxpayers is negligible compared to the profits and benefits to the free economy of the West.

This mission program is but one example of trade expansion. It is a great tribute to Secretary Hodges and to the Trade Missions Director Roy Gootenberg and Gene Braderman.

Congress helped create this program. In 1954, President Eisenhower asked for and was authorized a program to help create a better image of American business and culture overseas. The administration directed attention to trade fairs, missions, and sport and cultural presentations to build up mutual understanding. Experiments in this program developed some of the techniques used in the last 4 years when we had to sell more goods, equipment, and services in order to protect the dollar and bring the free world closer together through free enterprise.

In 1961, Secretary Hodges asked Congress to help as he sought to shift emphasis from helping foreign businessmen to service to U.S. businesses. We had a great need to find topnotch American businessmen to sell advantages of U.S. goods and know-how.

We in Congress have proposed many of the business and industrial leaders who have done this amazing sales job. Some of those distinguished leaders who have been on trade missions include: George Price, president of National Homes; Joseph Hall, chairman of Kroger's; Frank Cruger, chairman of the National Small Business Association, and Lester Wolff, president of Cooperative Marketing who only recently was elected to Congress. This month Alfred Stokely, president of Stokely-Van Camp, leaves on a mission.

In 1963, Secretary Hodges wisely turned to another kind of mission to work in a different sector. Industrial and trade associations, chambers of commerce, Governors, and others began running missioners with the aid and planning of the Government. The Department worked effectively with businessmen and manufacturers and consulted with Congress to make these missions work. At least six States have had successful missions. So have industries like apparel, lumber, furniture, leather and appliances.

Cooperation has been successful. Our $25 billion in exports—the annual rate—is up $6 billion in 4 years. That is at the rate of 30 percent. Yet, I believe this is nothing more than a significant start.

Cooperation involving Congress, the administration and free, private enterprise must be given new thrust in several directions. I believe an International Commerce Subcommittee within the Senate Commerce Committee is an essential part of the formula for continued and greater success in world trade. In addition, it would be a shining symbol of the Senate's desire to see trade flourish as the result of a government-business partnership.

Such a subcommittee also would be able to delve deeply into the myriad of problems which a shrinking world and a growing international trade create. It would help Congress to help lead in some vital areas:

First. Iron Curtain countries. The U.S. Chamber of Commerce recommends the Government "reevaluate its restrictions on trade with European satellites, with a view toward eliminating those restrictions not necessary for security and which are harmful to the U.S. competitive position." Increasing numbers of the business community are asking about doing business with the Soviet Union and other Eastern European countries. They say they do not want us to lose trade to European nations now dealing with the Russians.

What should our policy be on export control legislation?

What about most-favored-nation treatment for Eastern Europe?

What about long-term credit for trade with Russia?

What about the possibilities of trade with the Soviet bloc to build understanding and ease the cold war? Or as a wedge between the Soviets and the Red Chinese?

Second. Developing countries. My trip to Africa 2 years ago to seek out trade possibilities convinced me that we have not even begun to build markets in developing nations. To do so, we may have to help stimulate their annual growth and help them achieve the goal of 2½ percent increase a year. This means a new look at aid and at our trade policies and programs.

What should Congress do about improved export financing and credit to make them competitive in underdeveloped countries?

What about financing of construction and engineering tenders and contracts in Africa and Latin America?

What about bringing business investment and planning into AID programs?

Third. Trade Expansion Act changes. This act was a mandate to chop down tariff walls mutually with other free nations. The Trade Expansion Act was only a beginning. And the implementation through the Kennedy Round of GATT negotiations is only barely off the ground. Yet, weaknesses already are apparent and refinements are already necessary. Trade adjustment assistance authorized for injury from import competition is apparently a failure because of 11 cases denied relief by the Tariff Commission. Surely, Congress did not mean to make adjustment assistance as difficult to gain as the Commission has interpreted. The Trade Expansion Act has to be amended, it seems, in order to make adjustment meaningful and effective.

There is almost no end to the work for an International Commerce Subcommittee. The subcommittee could focus on opportunities for more trade and on problems in trade. It could help Congress lead the way to a more prosperous economy and a stronger free world.

The bridges of trade have already contributed mightily to peace and prosperity and to a sound dollar. They can be an even greater factor in a better world ahead whether we choose simply to compete with other friendly nations or with potential enemies or whether we choose to make trade itself a bridge of understanding.

In any case, if we are to lead effectively, we must legislate effectively. To do so, I believe we need an official part of this body to examine, to probe, to inquire, to weigh evidence, and to recommend. This is why I believe so fervently in the need for this new subcommittee.

FEDERAL CIGARETTE LABELING ACT

Mr. MAGNUSON. Mr. President, I believe that an adult has the right to choose his own poison. But I also believe that he has the right to know just what kind of a risk he is taking. I am therefore today introducing a proposed Cigarette Labeling Act to require adequate warning and tar and nicotine statements on all cigarette packages.

The American people want this protection. A Public Health Service survey has disclosed that 7 out of 10 believe "cigarette smoking is enough of a health hazard for something to be done about it." And, by a ratio of nearly 2 to 1, those polled favored compulsory warnings.

This survey shows that though many Americans are now aware that smoking is harmful, too many others, particularly teenagers, have not yet got the message.

Too many are still tempted to say "if cigarettes were really so harmful, the Government would certainly do something about it."

I am convinced that only a prescribed warning on each cigarette package would really bring home to the smoker, or the teenager about to become a smoker, the sober fact that cigarette smoking can be injurious to him.

What about safer cigarettes? Do tar and nicotine yields really make a difference? The Public Health Service believes they do.

We are convinced—

The Assistant Surgeon General told a House committee last August—

you can make a safer cigarette, much safer. Some cigarettes have been developed that have about a tenth of the nicotine and tars of the ordinary cigarette.

Eight out of ten people—including 7 out of every 10 of the smokers—polled by the Public Health Service wanted to be told just what the tar and nicotine score is.

As I have for many long years worked to promote the development and growth of the National Cancer Institute to seek the answers to the cancer mysteries that plague our Nation, so I now believe that it is our responsibility to arm the Public Health Service in its battle against smoking-caused cancer and other disease.

The Federal Cigarette Labeling Act will require each and every package of cigarettes to carry in a "prominent" place on the label, in "conspicuous and legible type" the statement "Warning: continual smoking may be hazardous to your health."

This bill would also require that each package label state the average tar and nicotine yield per cigarette as uniformly determined by the method approved by the Federal Trade Commission so that there will no longer be conflicting tar and nicotine claims.

Failure to comply with the requirements of this statute is to be made a

criminal act to be enforced by fines up to $100,000.

The Senator from Oregon [Mrs. NEUBERGER] has long been in the forefront of efforts to alert us to the hazards of smoking. The Commerce Committee is indeed fortunate to have her as a new member, and we are grateful that we will have the benefit of her expertise to assist the committee in developing the most appropriate legislation in this field.

Mr. President, I ask unanimous consent that a statement by Dr. Luther L. Terry, Surgeon General of the U.S. Public Health Service, be printed in the RECORD.

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

ADDRESS[1] BY LUTHER L. TERRY, M.D., SURGEON GENERAL, PUBLIC HEALTH SERVICE, U.S. DEPARTMENT OF HEALTH, EDUCATION, AND WELFARE

A few weeks ago at our annual Christmas party a group of our people presented their annual good-natured spoof of some of the year's activities.

One of their verses, sung to the tune of "On Top of Old Smokey," went as follows:

"On Top of Old Smoking
A year has gone by
But the smoke we're deploring
Still gets in our eye."

I am happy to say, at this anniversary meeting, that while we still can—and do—deplore the amount of cigarette smoking still going on, measurable and encouraging progress has been made during the year. In a few moments, I shall present some statistical evidence on this progress.

What is equally heartening to me, however, is the national concern which has been expressed about the problem and the national action which has been generated. To my mind, the formation of the National Interagency Council on Smoking and Health represents the finest example of this concern.

All of us know that we are faced with a long, slow, and—to a considerable extent—uphill campaign. The fact that so many organizations represented here today are pooling their efforts on behalf of a single goal is our best guarantee of eventual success.

We are moving forward. And we are moving forward in a united and purposeful way.

When the announcement of the Advisory Committee's report was made 1 year ago today, there were many questions raised by the press and by others. Some of them were unanswerable then; some are still unanswerable. On the others we are making definite progress.

The principal and obvious question was: Would a substantial number of people stop smoking?

Today we can ask the same question. Many indices suggest that, after a pronounced downward dip during the spring months, cigarette smoking is once more on the increase. Among these indices are warehouse shipments and the figures on tax returns.

While these figures certainly have some significance—and I would not pretend that they are not disquieting—they do not tell the whole story.

We have very recently completed some studies which show a different result. Let me place them in historical perspective.

In 1955, a survey made by the Bureau of the Census at the request of the Public Health Service found that 59 percent of adult men and 31 percent of adult women were cigarette smokers.

In 1962, a survey undertaken by the American Cancer Society found that the proportion of male smokers had remained the same and that the proportion of female smokers had increased by 5 percentage points.

In July of last year, the Public Health Service's National Center for Health Statistics began including questions on smoking habits in its surveys.

A preliminary analysis of the Center's figures for the months of July, August, and September indicates that the proportion of adult cigarette smokers has actually declined.

Last fall the Service undertook a survey to gain more accurate data in depth on the smoking habits, knowledge, and attitudes of the general population. More than 300 items of information were sought from a random nationwide sample of 3,500 households. This survey also showed a drop in the proportion of adult cigarette smokers, estimated as follows:

Instead of the 59 percent of 1955 and 1962, there are now only about 52 percent male cigarette smokers in our population.

A decline of 7 percentage points does not appear to be much—and it is certainly less than we would wish. But if these figures stand up under final analysis it means that: nearly one out of four adult men has given up cigarettes; there are now nearly as many men who are noncigarette smokers as there are smokers.

Smoking among women, according to our surveys, has also turned downward. Although the decline is small—only 2 to 3 percentage points—this is the first time on record in which the trend has been downward.

If we consider both men and women, it would appear that there are as many adults today who have never been cigarette smokers as there are smokers.

If smoking habits had continued at the level of 3 years ago, there would be about 3½ million more smokers than there actually are today.

I would repeat that we in the Public Health Service are by no means satisfied with the progress that has been made. On the other hand, I am convinced that our findings of a year ago, widely publicized and followed up throughout the year by an alert and responsible press, have had a discernible and encouraging effect on the smoking problem.

That public awareness of the hazards involved is widespread is evident in other ways.

In the area of beliefs and attitudes the data are both stimulating and encouraging. For this reason, I want to share the first results with you, well in advance of their publication. The figures, I am told, are preliminary but reasonably firm.

Many of the questions asked involved the subject's knowledge or beliefs about the relation of smoking to specific diseases. For example, people were asked: Is there anything a person might do that could cause lung cancer?

Sixty-nine percent spontaneously mentioned smoking cigarettes.

It is, of course, of great importance that smokers themselves become concerned about the habit. A large majority of the cigarette smokers surveyed indicated that they believed smoking to be harmful.

A number of questions sought to explore the possibility of remedial action. Presented with the statement: "Cigarette smoking is enough of a health hazard for something to be done about it," 7 out of 10 agreed and only 1 out of 6 disagreed.

Nine out of ten said they were in favor of more public education on the health hazards of cigarette smoking, for both adults and children.

Four out of five people said they were opposed to the practice of featuring athletes and celebrities in cigarette advertising.

By a ratio of about 2 to 1, those polled favored a compulsory warning on cigarette package labels and in advertising.

Eight out of ten—including 7 out of 10 smokers—also said they believed that a statement on tar and nicotine content should be required on each package.

The Public Health Service during this year has interested itself also in the behavior and attitudes toward smoking of students in the health professions. A study conducted among more than 10,000 senior medical, dental, and osteopathic students is yielding interesting results.

Compared to the general male population of comparable age, senior medical students, for example, show far less tendency to take up cigarettes—55 percent as against 83 percent. And among medical students who take up the habit, there is far greater tendency to quit—44 percent as against 18 percent in a given time period.

This suggests that in groups which hold health important, have the facts, and understand the health implications of the facts, the cigarette habit is reversible. Because the medical profession is frequently able to set an example in personal health that the general population tends to follow, this finding among medical students is a hopeful augury for the future.

The experience of a year, in brief, demonstrates that a deeply ingrained personal habit can be changed where the facts are made widely known. I might add that, so far, most of this has been accomplished through the mass communications media. I doubt that any health message has ever reached so many in so short a time.

What have been some of our Service efforts during this past year?

You will perhaps be interested, first of all, in the distribution of the report itself.

Altogether during the first year, including sales by the Superintendent of Documents, more than 350,000 copies of the full report on smoking and health have been distributed. For a scientific publication, this is quite substantial. Equally gratifying have been the number and distribution of summaries and special-audience publications inspired by the report. The Service has worked closely with many Government agencies and voluntary organizations to make these "grandchild" publications both appealing and accurate. Five separate health information pamphlets on various aspects of the report, for example, were prepared and distributed by various units of the Public Health Service.

As one means of promoting distribution as well as assisting health agencies and education groups, we have distributed about 6,000 information kits of sample publications on smoking and health.

We are involved as well in some 15 behavioral studies to get at the psycho-social dynamics of smoking: why people start smoking and others don't, why some can stop and others have difficulty. These include studies of adult and youth educational programs, withdrawal clinics, the roles of physicians and other professional health workers, and the value of group treatment.

One of the most immediate and far-reaching byproducts of the smoking and health report has been the impetus it has given to research on the components of smoke and their physiological effects. Not only has the report stimulated more research, but the field has attracted competent investigators who previously had been giving priority to other problems.

[1] Presented at the Conference of the National Interagency Council on Smoking and Health, National Education Association Center Auditorium, 1201 16th Street NW., Washington, D.C., at 10 a.m.

In addition to expanded work at the National Institutes of Health, new research is being sponsored by universities and foundations, and, as you know, by the American Medical Association with financial help from the tobacco industry itself.

Additional data from three long-range studies—of U.S. war veterans, the American Cancer Society, and the study of the British physicians—continue to reinforce the earlier findings evaluated in the smoking and health report. All three strengthen the evidence that people who stop smoking are greatly benefited, even if they have smoked for many years.

The wealth of research information accumulated for the Advisory Committee is being kept up to date through the use of the medlars computer system at the National Library of Medicine. Plans are being developed for a continuing review and analysis of the worldwide literature on this subject.

Most of the activities I have mentioned today are joint programs with State and local health agencies, education institutions, and others. I have omitted a great many which, in the absence of financial support, we have been able to assist only by consultation and technical advice.

One of the principal ways by which we keep informed is through the National Interagency Council, which has brought us together here today. The Public Health Service is delighted with the rapid progress being made by the Council.

We particularly want to welcome our distinguished new chairman, Mr. Emerson Foote, whose enlightened example will serve the Council's cause as it has recently served the President's Commission on Heart Disease, Cancer, and Stroke.

The report of that Commission, as most of you know, included a strong endorsement of the report on smoking and health, and recommended an expenditure of $10 million over a 3-year period.

Our request for a supplemental appropriation of $1.9 million last summer was defererd by the Congress. We received encouragement from a number of Members of the Congress to renew the request this year. This we hope to do in the weeks ahead. If we are to put the National Clearinghouse on Smoking and Health into full operation it is clear that funds will be needed.

Last year, the Congress did appropriate $1.5 million to study the health-related problems of tobacco. This appropriation, which was made to the Department of Agriculture, has been highly useful. The Department of Agriculture is working very closely with the Public Health Service in developing suitable research into the properties of tobacco smoke and leaf constituents and their biologic effects.

In summary, where do we stand today, 1 year after the report?

First of all, despite the charge that nothing has really happened, and that the smoking habits of the Nation are right back where they were, many changes have already taken place.

Adult cigarette smokers are showing a clear trend away from the habit. At least 18 million Americans are now ex-cigarette smokers—and they have been off long enough for most of them to stay off.

If we take into consideration the increase in population, the drop in total cigarette consumption this past year is substantial. If, in fact, "nothing had happened," cigarette consumption would now be much higher than it was a year ago—and it isn't.

Much more important have been the changes taking place below the surface—at the levels of attitude and belief, which are often the precursors of change in behavior.

Many smokers have become uneasy about the relationship of cigarettes to illness. Millions of adult cigarette smokers are ready to be fully convinced that the time has come to change their smoking habits. And, therefore, the opportunity to convince them in 1965 and the years ahead is great.

In view of the massive opportunity for positive action, the time is surely ripe to launch a truly national effort that will convince people of the dangers of cigarette smoking.

If we exert such an effort, I am convinced that many millions of smokers, now on the fence, will decide in favor of their own health and well-being.

The facts and figures and surveys I have cited are encouraging. They offer real hope for the future. But, as Winston Churchill phrased it, "we are only at the beginning of the beginning."

Unless we continue to exert ourselves in the struggle that lies ahead, we can lose what ground has been gained. In the face of the threat to health which cigarette smoking presents, our gains have been more, perhaps, than we might have expected but they are less than we might have hoped for. The real job lies before us.

For our part, I promise that in the months ahead the Public Health Service will do all it can to bring about a reduction of cigarette smoking in the clear and established interests of the Nation's health.

Mr. MAGNUSON. Mr. President, I also ask unanimous consent that the bill lie on the table until Friday, January 22, for cosponsors.

The PRESIDING OFFICER. The bill will be received and appropriately referred, and will lie on the table as requested.

The bill (S. 559) to regulate the labeling of cigarettes, and for other purposes, introduced by Mr. MAGNUSON (for himself and other Senators), was received, read twice by its title, and referred to the Committee on Commerce.

Mr. MAGNUSON. Mr. President, on this subject, many people have asked me when we expected to start hearings on the bill. I believe that it is the consensus of most members of the committee that we wish to hold hearings on this particular legislation and other bills before the committee at a very early date. If possible, we wish to set the hearings within the next 30 days.

FEDERAL INSTALLATIONS POLLUTION

Mr. MUSKIE. Mr. President, I introduce, for appropriate reference, a bill to amend the Federal Water Pollution Control Act, as amended, and the Clean Air Act, to provide for improved cooperation by Federal agencies to control water and air pollution from Federal installations and facilities and to control automotive vehicle air pollution. The bill, which had its origin in a suggestion by the junior Senator from Delaware [Mr. BOGGS], is cosponsored by him, Mr. BARTLETT, Mr. BAYH, Mr. BREWSTER, Mr. FONG, Mr. GRUENING, Mr. KENNEDY of Massachusetts, Mr. MILLER, Mr. MONRONEY, Mr. PEARSON, Mr. RANDOLPH, Mr. RIBICOFF, and Mr. WILLIAMS of New Jersey.

The bill which I am introducing would provide the following in the water pollution control field:

First. The Secretary of Health, Education, and Welfare may establish standards of water quality for discharges from Federal installations.

Second. There would be authorized appropriations to install, maintain, and operate waste disposal systems at Federal installations. Funds appropriated would be administered by the Secretary of Health, Education, and Welfare and be made available to other Federal agencies as required.

Third. There would be authorized a program for the training of personnel to operate and maintain waste water treatment facilities.

Fourth. Each Federal agency would be required to inform the Secretary of Health, Education, and Welfare of their waste disposal practices and the Secretary in turn would make an annual report to Congress on programs carried out.

In the field of Federal air pollution control the bill would provide for the following:

First. The Secretary of Health, Education, and Welfare would be authorized to establish classes of potential air pollution sources for any Federal installation and to enter such building, installation, or property for inspection purposes.

Second. There would be authorized appropriations to install, maintain, and operate devices or other means of controlling air pollution from Federal installations. Funds appropriated would be administered by the Secretary of Health, Education, and Welfare and be made available to other Federal agencies as required.

Third. There would be authorized a program for the training of personnel to operate and maintain air pollution control devices or other means of controlling air pollution and the Secretary would be required to report to Congress annually on the status and effectiveness of actions taken.

Fourth. It would be required that, for the fiscal year beginning July 1, 1965, and for each fiscal year thereafter, all automotive vehicles purchased for any of the Federal executive departments must be equipped with a device which would prevent or reduce pollutants from exhaust discharges to standards prescribed by the Secretary of Health, Education, and Welfare.

The portion of this bill dealing with water pollution control activities at Federal installations was dealt with in part in S. 649 of the 88th Congress. However, after considering the nature and magnitude of the problem of water pollution from Federal installations, as well as the problem of air pollution at such installations, it became apparent that it would be best to make these and other related matters the subject of separate legislation.

The cooperation of Federal departments and agencies in controlling the wastes from buildings, installations, or other property, which find their way into our water courses and into our atmosphere, has not been equal to the leadership role in water and air pollution control rightfully contemplated for the Federal Government. Surely, if we expect private industry, municipalities, and others to make investments in facilities to protect and preserve our air and water

resources we cannot, in all fairness, ignore Federal sources of pollution.

It is recognized that much is being done by many Federal agencies in studying ways of coping with the problems, but there is no coordinated aggressive program of determining the extent of air and water pollution from these sources, providing means of correcting them, and operating and maintaining facilities to control pollutants.

It has been found that Federal installations in December of 1960 discharged 46.1 million gallons per day of untreated sewage directly into surface waters and the ground. This untreated sewage should be subjected to treatment as soon as possible, even though the total untreated sewage discharged constitutes only 3 percent of the total estimated 1,500 million gallons of untreated municipal sewage that directly reaches surface waters and the ground. In addition, it is reported that about 88 million gallons per day of untreated industrial waste waters is discharged into surface waters and the ground. Much the same situation exists with respect to air pollution. Thus, it is evident that Federal agencies have not requested or utilized funds in adequate quantities to take care of the problem. For this reason, it is my proposal that the Secretary of Health, Education, and Welfare be assigned the responsibility of coordinating necessary control programs and administering funds appropriated for both air and water pollution control activities at these installations.

In other legislative proposals an effort is being made to attack the problem of air pollutants being emitted by the millions of automotive vehicles operating on our Nation's streets and highways. Again, the Federal Government can and should, by its own example, encourage the provision of air pollution control systems on vehicles purchased for its own use.

I would like to note that the General Services Administration, which procures for civilian use about 35,000 automotive vehicles annually for nationwide use, has already taken steps to have all 1966 model motor vehicles, purchased by them, equipped with exhaust control systems. This agency is to be commended for taking this action which I expect was prompted as a result of the adoption of the Clean Air Act in December of 1963. I feel strongly that the action by the General Services Administration should be implemented by congressional approval and further that all vehicles purchased for military use should come equipped with air pollution suppression systems.

The ultimate responsibility of whether we do or do not eliminate air and water pollution from Federal installations and vehicles under Federal control rests with Congress. The Secretary of Health, Education, and Welfare would advise Congress of the source of pollutants, the need for control measures, and request the necessary appropriations to carry on necessary programs.

I ask unanimous consent that the complete text of the bill, and a section-by-section analysis of the bill, be printed in the RECORD at this point.

The PRESIDING OFFICER. The bill will be received and appropriately referred; and, without objection, the bill and section-by-section analysis will be printed in the RECORD.

The bill (S. 560) to amend the Federal Water Pollution Control Act, as amended, and the Clean Air Act, as amended, to provide for improved cooperation by Federal agencies to control water and air pollution from Federal installations and facilities and to control automotive vehicle air pollution, introduced by Mr. MUSKIE (for himself and other Senators), was received, read twice by its title, referred to the Committee on Public Works, and ordered to be printed in the RECORD, as follows:

S. 560

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Federal Installations, Facilities, and Equipment Pollution Control Act."

TITLE I—AMENDMENTS OF FEDERAL WATER POLLUTION CONTROL ACT

SEC. 101. Section 9 of the Federal Water Pollution Control Act, as amended (33 U.S.C. 466h) is amended by inserting "(a)" after "Sec. 9." and by adding at the end of such section the following:

"(b) In order to control water pollution which may endanger the health or welfare of any persons, any Federal department or agency having jurisdiction over any building, installation, or other property shall discharge wastes therefrom only in compliance with standards for such discharges which the Secretary may establish. The Secretary or his duly authorized representative is authorized to enter any such building, installation, or other property at reasonable times for the purpose of inspecting and investigating waste discharge practices.

"(c) There are hereby authorized to be appropriated necessary amounts to be expended for the installation, maintenance, and operation of waste disposal systems for any such building, installation, or other property and for which the Secretary has approved the plans and specifications as conforming to the purposes of this section. Such amounts shall be appropriated to the Department of Health, Education, and Welfare and shall be made available to the appropriate Federal department or agency concerned in accordance with a plan approved by the Secretary which will provide for prevention or control of discharges of waste and shall not be expended for any other purpose.

"(d) In order to assist in assuring appropriate maintenance and operation of the waste disposal systems, the Secretary shall provide training in such matters to personnel of the Federal departments and agencies.

"(e) Each Federal department or agency shall inform the Secretary of waste disposal practices in effect at any building, installation, or other property within its jurisdiction and shall promptly inform the Secretary of the absence, or failure to institute, waste disposal practices necessary and adequate for this purpose and the reason or reasons therefor. The Secretary shall report each January to the President and to the Congress on the status and effectiveness of actions taken to prevent and control pollution by such Federal departments and agencies."

TITLE II—AMENDMENTS OF CLEAN AIR ACT

SEC. 201. Subsection 7(b) of the Clean Air Act (77 Stat. 399) is amended to read as follows:

"In order to control air pollution which may endanger the health or welfare of any persons, the Secretary may establish classes of potential pollution sources for any Federal department or agency having jurisdiction over any building, installation, or other property. The Secretary or his duly authorized representative is authorized to enter any such building, installation, or other property at reasonable times for the purpose of inspecting and investigating discharge practices."

SEC. 202. Section 7 of such Act is further amended by adding at the end thereof the following:

"(c) There are hereby authorized to be appropriated necessary amounts to be expended for the procurement, installation, maintenance, and operation of devices or other means to prevent or control air pollution for any such building, installation, or other property and for which the Secretary has approved the plans and specifications as conforming to the purposes of this section. Such amounts shall be appropriated to the Department of Health, Education, and Welfare and shall be made available to the appropriate Federal department or agency concerned in accordance with a plan approved by the Secretary which will provide for prevention or control of emission of air pollutants and shall not be expended for any other purpose.

"(d) In order to assist in assuring appropriate maintenance and operation of the devices or other means of prevention or control, the Secretary shall provide training in such matters to personnel of the Federal departments or agencies. The Secretary shall report each January to the President and to the Congress on the status and effectiveness of actions taken to prevent and control pollution by such Federal departments and agencies."

TITLE III—COOPERATION BY FEDERAL AGENCIES TO CONTROL AUTOMOTIVE VEHICLE AIR POLLUTION

SEC. 301. Section 6 of the Clean Air Act (42 U.S.C. 1857e) is amended by adding after such section the following:

"(c) No appropriation made in any Act for the fiscal year beginning July 1, 1965, and each fiscal year thereafter shall be available for the purchase of any automotive vehicle for the service of any of the executive departments or other Government establishments, or any branch of the Government service, unless such automotive vehicle is equipped with a device which will prevent or reduce the discharge of pollutants from exhaust of any such automotive vehicle in accordance with standards established by the Secretary."

The section-by-section analysis presented by Mr. MUSKIE, is as follows:

SECTION-BY-SECTION ANALYSIS OF AMENDMENTS PROPOSED TO FEDERAL WATER POLLUTION CONTROL ACT, AS AMENDED, AND CLEAN AIR ACT TO PROVIDE FOR IMPROVED COOPERATION BY FEDERAL AGENCIES AND TO CONTROL AUTOMOTIVE VEHICLE AIR POLLUTION

TITLE I—AMENDMENTS OF FEDERAL WATER POLLUTION CONTROL ACT

Section 101, cooperation to control pollution from Federal installations: This section amends section 9 of the Federal Water Pollution Control Act, as amended (33 U.S.C. 466h), by adding at the end of such section the following:

In order to control water pollution which may endanger the health or welfare of any persons, any Federal department or agency having jurisdiction over any building, installation, or other property shall discharge wastes therefrom only in compliance with standards for such discharges which the Secretary may establish. The Secretary or his duly authorized representative is authorized to enter any such building, installation, or other property at reasonable times for the purpose of inspecting and investigating waste discharge practices.

There would be authorized to be appropriated necessary amounts for the installation, maintenance, and operation of waste disposal systems for any such building, installation, or other property and for which the Secretary has approved the plans and specifications as conforming to the purposes of this section. Funds would be appropriated to the Department of Health, Education, and Welfare and made available to the appropriate Federal department or agency concerned in accordance with a plan approved by the Secretary which will provide for prevention or control of discharges of waste and shall not be expended for any other purpose.

In order to assist in assuring appropriate maintenance and operation of the waste disposal systems, the Secretary shall provide training in such matters to personnel of the Federal departments and agencies.

Each Federal department or agency shall inform the Secretary of waste disposal practices in effect at any building, installation, or other property within its jurisdiction and shall promptly inform the Secretary of the absence, or failure to institute, waste disposal practices necessary and adequate for this purpose and the reason or reasons therefor. The Secretary shall report each January to the President and to the Congress on the status and effectiveness of actions taken to prevent and control pollution by such Federal departments and agencies.

TITLE II—AMENDMENTS OF CLEAN AIR ACT

Section 201, cooperation by Federal agencies to control air pollution from Federal facilities: This section amends subsection 7(b) of the Clean Air Act to read as follows:

In order to control air pollution which may endanger the health or welfare of any persons, the Secretary may establish classes of potential pollution sources for any Federal department or agency having jurisdiction over any building, installation, or other property. The Secretary or his duly authorized representative is authorized to enter any such building, installation, or other property at reasonable times for the purpose of inspecting and investigating discharge practices.

Section 202 further amends section 7 of the Clean Air Act as follows:

There would be authorized to be appropriated necessary amounts for the procurement, installation, maintenance, and operation of devices or other means to prevent or control air pollution for any such building, installation, or other property and for which the Secretary has approved the plans and specifications as conforming to the purposes of this section. Funds would be appropriated to the Department of Health, Education, and Welfare and made available to the appropriate Federal department or agency concerned in accordance with a plan approved by the Secretary which will provide for prevention or control of emission of air pollutants and shall not be expended for any other purpose.

In order to assist in assuring appropriate maintenance and operation of the devices or other means of prevention or control, the Secretary shall provide training in such matters to personnel of the Federal departments or agencies. The Secretary shall report each January to the President and to the Congress on the status and effectiveness of actions taken to prevent and control pollution by such Federal departments and agencies.

TITLE III—COOPERATION BY FEDERAL AGENCIES TO CONTROL AUTOMOTIVE VEHICLE AIR POLLUTION

SEC. 301. Automotive vehicle and fuel pollution: This section amends section 6 of the Clean Air Act by adding the following:

No appropriation made in any act for the fiscal year beginning July 1, 1965, and each fiscal year thereafter shall be available for the purchase of any automotive vehicle for the service of any of the executive departments or other Government establishments, or any branch of the Government service, unless such automotive vehicle is equipped with a device which will prevent or reduce the discharge of pollutants from exhaust of any such automotive vehicle in accordance with standards established by the Secretary.

INTERGOVERNMENTAL COOPERATION ACT OF 1965

Mr. MUSKIE. Mr. President, I am pleased to introduce, for appropriate reference, a bill to enable greater cooperation and coordination among Federal, State, and local governments in order to strengthen our great Federal system and more effectively to meet the needs of the American people.

For over 2 years the Subcommittee on Intergovernmental Relations, of the Committee on Government Operations, has been examining questions of Federal-State-local relations, including the rapid growth in number and complexity of Federal grant-in-aid programs, and the vexing problems of governmental relationships in our burgeoning metropolitan areas.

I think that the President, in his state of the Union message last week, had these problems in mind when he suggested that "we make an all-out campaign against waste and inefficiency." He also pointed out that "in our urban areas the central problem today is to protect and restore man's satisfaction in belonging to a community where he can find security and significance. The first step is to break old patterns—to begin to think, and work, and plan for the development of entire metropolitan areas."

In furtherance of both the concern and the goals stated by the President, I am introducing the Intergovermental Cooperation Act of 1965. This, I hope, is the first of an annual series of measures designed to keep our Federal system abreast of these rapidly changing times. This proposed act includes five titles: Title I: Improved Administration of Grants-in-Aid to the States; Title II: Periodic Congressional Review of Federal Grants-in-Aid to States and to Local Units of Government; Title III: Permitting Federal Departments and Agencies To Provide Specialized or Technical Services to States and to Local Units of Government; Title IV: Coordinated Intergovernmental Policy and Administration of Grants for Urban Development; and Title V: Acquisition, Use, and Disposition of Land Within Urban Areas by Federal Agencies in Conformity With Land Utilization Programs of Affected Local Governments.

Most of the provisions grow out of studies of the subcommittee, of which I am privileged to be chairman, and from recommendations of the Advisory Commission on Intergovernmental Relations, on which I and my colleagues, the senior Senators from South Dakota and North Carolina, serve as members.

The grant-in-aid is one of the most useful devices of our system of government for meeting a national problem while at the same time maintaining the strength of State and local government. The vitality of State and local government as we now know it would be diminished without the support of the various grant-in-aid programs. Further, it would be extremely difficult and highly undesirable for the Federal Government to establish its own direct operating programs in each of the more than 100 grant fields with the consequent expansion in the size of the Federal establishment.

It has been the particular responsibility of our subcommittee to observe the overall pattern and impact of these Federal aids. Our conclusion to date, and I believe it is shared by many, is that a welter of confusion and inconsistent procedures has been established, often pursuant to law, by many Federal departments and agencies administering these programs; many programs, once established, have not been reviewed and revised by the Congress in light of changing needs; Federal agencies often lack authority to provide technical services to State and local agencies that would prove economical for all three levels of government; in our urban areas there has been inadequate concern on the part of some Federal agencies with overall local goals and desires; individual Federal agencies sometimes overlook the interdependency of their program with other Federal, State, local, and private activities; some Federal programs have supported or encouraged the establishment of special districts, further complicating the pattern of local government; and there is insufficient recognition in Federal grant-in-aid programs of the need for the many governments in our metropolitan areas to work together to solve common problems.

Title I of this bill authorizes that full information be made available to the Governors on funds granted within their States, and provides for more uniform administration of Federal grant funds. This title would also improve the scheduling of Federal transfers of grant funds to the States, resulting in a saving in Federal interest costs. It permits the States to budget Federal grant funds in much the same way as they budget other revenues, thereby achieving a greater degree of regularity in financial planning for the operation of their agencies. The provisions of this title permit simplification of organizational arrangements at the State level for administering grant-in-aid programs.

Title II provides for periodic congressional review of new Federal grant-in-aid programs to insure that such programs are examined systematically and are reconsidered in light of changing conditions and new program requirements.

Mr. Kermit Gordon, Director of the Budget, writing in Saturday Review's special issue of January 9, 1965, on the "Challenge of Prosperity," emphasized the necessity for a "reexamination of the premises of existing programs, for a weighing of alternatives" to meet new challenges and opportunities. He stated that we should "look carefully at the programs that have already found a place in the Federal budget. They are not suspect simply because they are there; but

neither does their long tenure exempt them from periodic scrutiny to determine whether their shape and size are appropriate."

This title was unanimously passed by the Senate as S. 2114 in the last session, but not acted upon by the House.

Title III authorizes Federal departments and agencies to render technical assistance and training services to State and local governments on a reimbursable basis. This will enable State and local governments to avoid the expense of unnecessary duplication of specialized or technical services, and permit more economical use of Federal facilities. Congress previously has authorized the provision of such arrangements in the case of the Bureau of the Census, the Internal Revenue Service, and a number of other agencies.

Title IV establishes a coordinated intergovernmental urban assistance policy. It also requires local government review of certain applications for Federal programs and encourages a broader approach for review, at the metropolitan area level, of applications for loans as well as grant projects affecting urban development. The title, therefore, serves to strengthen metropolitan planning machinery and encourages more orderly metropolitan growth. The fourth section of this title was unanimously passed by the Senate as S. 855 in the last session, but was not acted upon by the House.

Also, this title favors the eligibility of units of general local government—cities, towns, and counties—as recipients of Federal aids—in contrast to special purpose districts and authorities.

Finally, title V amends the Federal Property and Administrative Services Act by prescribing a uniform policy and procedure for urban land transactions and use undertaken by the General Services Administration. Acquisition, use, and disposal of land in urban areas by this agency shall be consistent, to the extent possible, with local zoning regulations and development objectives. Like title IV, this title will help make urban planning more effective.

The major organizations of governmental officials in this country—the Governors' Conference, the National League of Cities, the National Association of Counties, the U.S. Conference of Mayors, and the American Institute of Planners—have formally endorsed practically all of the principles embodied in this legislation. These officials and organizations are deeply interested in a full examination and subsequent action by the Congress to improve intergovernmental relations. Various Federal agencies and departments have also expressed interest and support on different provisions of the bill.

I look forward to prompt and thorough hearings on this important legislation.

Mr. President, I ask unanimous consent that the text of the bill, together with a section-by-section analysis, be inserted in the RECORD immediately following my remarks, and that the bill lie on the table for 10 days so that other Senators may join in cosponsoring it.

The PRESIDING OFFICER. The bill will be received and appropriately referred; and, without objection, the text of the bill and the section-by-section analysis will be printed in the RECORD. Also, without objection, the request that the bill lie on the table for 10 days is granted.

The bill (S. 561) to achieve the fullest cooperation and coordination of activities between the levels of government in order to improve the operation of our Federal system in an increasingly complex society, to improve the administration of grants-in-aid to the States, to provide for periodic congressional review of Federal grants-in-aid, to permit provision of reimbursable technical services to State and local governments, to establish coordinated intergovernmental policy and administration of grants and loans for urban development, to provide for the acquisition, use, and disposition of land within urban areas by Federal agencies in conformity with local government programs, and for other purposes, introduced by Mr. MUSKIE, was received, read twice by its title, referred to the Committee on Government Operations, and ordered to be printed in the RECORD, as follows.

S. 561

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Intergovernmental Cooperation Act of 1965."

TITLE I. IMPROVED ADMINISTRATION OF GRANTS-IN-AID TO THE STATES

Full information on funds received

SEC. 101. Any department or agency of the United States Government which administers a program of grants-in-aid to any of the State governments of the United States shall, upon request, notify the Governor or other official designated by him, or the State legislature, of the purpose and amounts of recommended or actual grants-in-aid to the State, and of such other facts pertaining thereto as it makes to the State agency administering the program. No Act of Congress shall be construed to prevent the Governor or other designated officer from participating in the State's determination of its financial needs in the same manner as he does with respect to the budgeting of State funds.

When used in this Act—

(a) The term "grant-in-aid" means any payments made by the Federal Government to a State, whether the payments are made in advance, or as reimbursements for expenses already incurred, and whether subject to conditions or not, for the support of activities administered by a State. The term does not include shared revenues.

(b) The term "State" means any of the several States of the United States, the District of Columbia, Puerto Rico, any territory or possession of the United States, or any agency or instrumentality of a State, but does not include the governments of the political subdivisions of the State.

Subject only to the procedures here enacted, nothing contained in this law shall limit the authority of any department or agency of the United States to make grants-in-aid to the States.

Uniform handling of grant funds

SEC. 102. Notwithstanding any other law, each grant-in-aid to a State shall be paid to the State treasurer or other officer that may be designated by the legislative authority (or by the Governor in the absence of a designation by the legislative authority) to receive said funds, and appropriate accounting advice with regard to the transmittal of funds shall be provided to such State officers as may require the data for purposes of financial management and control. The State may provide for the direct receipt of Federal funds in the case of State institutions of higher learning.

State salaries paid from grants-in-aid

SEC. 103. After July 1, 1967, and except as specificaly authorized pursuant to State law and agreed to by the Federal agency concerned, no Federal grant-in-aid to a State shall be used to pay a salary in excess of the regular salary standards applicable to State employees generally, nor shall a grant-in-aid be used to pay all or part of a salary the full time equivalent of which is in excess of the normal annual salary rates of employees of the State or of State institutions of higher learning.

Deposit of grants-in-aid

SEC. 104. Notwithstanding any other provision of law or regulation, no grant-in-aid to a State shall be required to be deposited in a separate bank account apart from other funds administered by the State. All Federal grant-in-aid funds made available to the States shall be properly accounted for as Federal funds in the accounts of the State. In each case the State agency concerned shall render regular authenticated reports to the appropriate Federal agency, covering the status and the application of the funds, the liabilities and obligations on hand, and such other facts as may be required by said Federal agency.

Scheduling of Federal transfers to the States

SEC. 105. Notwithstanding any other provision of law, heads of Federal departments and agencies responsible for administering grant-in-aid programs shall schedule the transfer of grant-in-aid funds consistent with program purposes and applicable Treasury regulations, so as to minimize the time elapsing between the transfer of such funds from the United States Treasury and the subsequent disbursement thereof by a State. States shall not be held accountable for interest earned on grant-in-aid funds, pending their disbursement for program purposes.

Eligible State agency

SEC. 106. Notwithstanding any other law which provides that a single State agency must be established or designated to administer or supervise the administration of any grant-in-aid program, the head of any department or agency may, upon request of the Governor or other appropriate executive or legislative authority of the State, waive the single State agency provision and approve other administrative structure or arrangements: *Provided,* That the head of the department or agency is assured that the objectives of the statute authorizing the grant-in-aid program will not be endangered by the use of such other structure or arrangements.

TITLE II. PERIODIC CONGRESSIONAL REVIEW OF FEDERAL GRANTS-IN-AID TO STATES AND TO LOCAL UNITS OF GOVERNMENT

Statement of purpose

SEC. 201. It is the purpose and intent of this title to establish a uniform policy and procedure whereby programs for grant-in-aid assistance from the Federal Government to the States or to their political subdivisions which may be enacted hereafter by the Congress shall be made the subject of sufficient subsequent review by the Congress to insure that (1) the effectiveness of grants-in-aid as instruments of Federal-State-local cooperation is improved and enhanced; (2) grant programs are revised and redirected as necessary to meet new conditions arising subsequent to their original enactment; and (3) grant programs are terminated when they have substantially achieved their purpose.

Expiration of grant-in-aid programs

SEC. 202. Where any Act of Congress enacted in the Eighty-ninth or any subsequent

Congress authorizes the making of grants-in-aid to two or more States or to political subdivisions of two or more States and no expiration date for such authority is specified by law, then the authority to make grants-in-aid by reason of such Act to States, political subdivisions, and other beneficiaries from funds not theretofore obligated shall expire not later than June 30 of the fifth calendar year which begins after the effective date of such Act.

Committee studies of grant-in-aid programs

SEC. 203. Where any Act of Congress enacted in the Eighty-ninth or any subsequent Congress authorizes the making of grants-in-aid over a period of three or more years to two or more States or to political subdivisions of two or more States, then during the period beginning not later than twelve months immediately preceding the date on which such authority is to expire, the committees of the House and of the Senate to which legislation extending such authority would be referred shall, separately or jointly, conduct studies of the program under which such grants-in-aid are made with a view to ascertaining, among other matters of concern to the committees, the following:

(1) The extent to which the purposes for which the grants-in-aid are authorized have been met;

(2) The extent to which such programs can be carried on without further financial assistance from the United States; and

(3) Whether or not any changes in purpose, direction, or administration of the original program, or in procedures and requirements applicable thereto should be made.

Each such committee shall report the results of its investigation and study to its respective House not later than one hundred and twenty days before such authority is due to expire.

Definitions

SEC. 204. For the purposes of this title—

(a) The term "State" means any of the several States of the United States, the District of Columbia, the Commonwealth of Puerto Rico, any territory or possession of the United States, or any agency or instrumentality of a State.

(2) The term "political subdivision" means a local unit of government, including specifically a county, municipality, city, town, township, or a school or other special district created by or pursuant to State law.

(3) The term "grant-in-aid" means money, or property provided in lieu of money, paid or furnished by the United States under a fixed annual or aggregate authorization—

(A) to a State or political subdivision of a State; or

(B) to a beneficiary under a State-administered plan or program which is subject to approval by a Federal agency; if such authorization either (i) requires the States or political subdivisions to expend non-Federal funds as a condition for the receipt of money or property from the United States; or (ii) specifies directly, or establishes by means of a formula, the amounts which may be paid or furnished to States or political subdivisions, or the amounts to be allotted for use in each of the States by the States, political subdivisions, or other beneficiaries. The term does not include (1) shared revenues; (2) payments of taxes; (3) payments in lieu of taxes; (4) loans or repayable advances; (5) surplus property or surplus agricultural commodities furnished as such; (6) payments under research and development contracts or grants which are awarded directly and on similar terms to all qualifying organizations, whether public or private; or (7) payments to States or political subdivisions as full reimbursement for the costs incurred in paying benefits or furnishing services to persons entitled thereto under Federal laws.

TITLE II. PERMITTING FEDERAL DEPARTMENTS AND AGENCIES TO PROVIDE SPECIALIZED OR TECHNICAL SERVICES TO STATE AND LOCAL UNITS OF GOVERNMENT

Statement of purpose

SEC. 301. It is the purpose of this title to encourage intergovernmental cooperation in the conduct of specialized or technical services and provision of facilities essential to the administration of State or local governmental activities, many of which are nationwide in scope and financed in part by Federal funds; to enable States or local governments to avoid unnecessary duplication of special service functions; and to authorize all departments and agencies of the executive branch of the Federal Government which do not have such authority to provide specialized or technical services to State and local governments.

Authority to provide service

SEC. 302. The Secretary of any department or the administrative head of any agency of the executive branch of the Federal Government is authorized within his discretion, upon written request from a State or political subdivision thereof, to provide specialized or technical services, upon the payment, by the unit of government making the request, of the cost of such services performed.

Reimbursement to appropriation

SEC. 303. All moneys received by any department or agency of the executive branch of the Federal Government, or any bureau or other administrative division thereof, in payment for furnishing specialized or technical services as authorized under section 302 shall be deposited to the credit of the appropriation or appropriations from which the cost of providing such services has been paid or is to be charged.

Reports to Congress

SEC. 304. The Secretary of any department or the administrative head of any agency of the executive branch of the Federal Government shall furnish annually to the respective Committees on Government Operations of the Senate and House of Representatives a report on the scope of the services provided under the administration of this title.

Definitions

SEC. 305. For the purposes of this title—

(a) The term "State" means any of the several States of the United States, the District of Columbia, the Commonwealth of Puerto Rico, any territory or possession of the United States, or any agency or instrumentality of a State.

(b) The term "political subdivision" means a local unit of government, including specifically a county, municipality, city, town, township, or a school or other special district created by or pursuant to State law.

(c) "Specialized or technical services" means special statistical and other studies and compilations, development projects, demonstration projects, technical tests and evaluations, technical information, training activities, surveys, reports, documents, and any other similar service functions which the Secretary of any department or the administrative head of any agency of the executive branch of the Federal Government is authorized by law to perform.

TITLE IV. COORDINATED INTERGOVERNMENTAL POLICY AND ADMINISTRATION OF GRANTS FOR URBAN DEVELOPMENT

Declaration of urban assistance policy

SEC. 401. (a) The economic and social development of the Nation, its strength in world affairs and the achievement of satisfactory levels of living depend in large degree upon the sound and orderly development of urban communities. In pursuit of this basic objective, the President shall establish rules and regulations for uniform application in the formulation, evaluation, and review of urban development programs and projects for the provision of federally aided urban facilities, and Federal projects having a significant impact on the development of urban and urbanizing communities. Such rules and regulations shall provide for full consideration of the concurrent achievement of the following specific objectives of urban development, and to the extent authorized by law reasoned choices shall be made between such objectives when they conflict:

(1) Appropriate land uses for residential, commercial, industrial, governmental, institutional, and other purposes;

(2) Wise development and conservation of natural resources, including land, water, minerals, wildlife, and others;

(3) Balanced transportation systems, including highway, air, water, pedestrian, mass transit, and other modes for the movement of people and goods;

(4) Adequate outdoor recreation and open space;

(5) Protection of areas of unique natural beauty, historical and scientific interest;

(6) Properly planned community facilities including utilities for the supply of power, water, and communications, for the safe disposal of wastes, and for other purposes; and

(7) Any other objective through which urban development activities can contribute to the economic, social, and cultural development of the Nation, its strength in world affairs, and the achievement of enhanced levels of living.

(b) All viewpoints—national, regional, state, and local—shall, to the extent possible, be fully considered and taken into account in planning urban development programs and projects. Regional, state, and local government objectives shall be considered and evaluated within a framework of national public objectives, and available projections of future national conditions and needs of regions, states and localities shall be considered in plan formulation, evaluation, and review.

(c) To the maximum extent possible, consistent with national objectives, all Federal aid for urban development purposes shall be consistent with and further the objectives of state and local government comprehensive planning for urban development. Consideration shall be given to all developmental aspects of the total urban community including but not limited to housing, transportation, economic development, natural resources development, community facilities, and the general improvement of living environments.

(d) Each Federal department and agency administering an urban development aid program shall, to the maximum extent practicable, consult with and seek advice from all other significantly affected Federal departments and agencies in an effort to assure fully coordinated programs.

(e) Insofar as possible, systematic planning required by individual Federal programs (such as highway construction, urban renewal, and open space) shall be coordinated with and made part of comprehensive local and areawide urban development planning.

Favoring units of general local government

SEC. 402. (a) Notwithstanding any law providing that special purpose units of local governments are eligible to receive loans or grants-in-aid for urban development, units of general local government (cities, counties, towns, and townships) acting singly or jointly, shall be eligible to receive such loans or grants-in-aid. Heads of Federal departments and agencies shall, in the absence of substantial reasons to the contrary, make such loans or grants-in-aid for urban development to units of general local government rather than to special purpose units of local government.

(b) In the event that a loan or grant-in-aid is made to a special purpose unit of local government, the chief executive officer or the governing body of each unit of general local government in which the loan or grant recipient is located or which would be affected by the loan or grant-in-aid project:

(1) shall be notified of the purpose, amounts, or other factors related to the proposed or actual, loan or grant-in-aid to such special purpose unit of local government;

(2) may participate in such normal procedures as relate to budgeting of said loan or grant-in-aid; and

(3) shall have the opportunity to have their comments made a part of the application for such loan or grant-in-aid.

(c) Notwithstanding any other provision of law, joint sponsorship of a project eligible for grant or loan funds by two or more units of general local government, two or more special purpose units of government, or any combination thereof, shall not limit the total amount of the loan or grant-in-aid to less than the aggregate available to the participating units of general local government and/or special purpose units of government acting singly.

Consistency with plans and objectives of general local governments

SEC. 403. Notwithstanding any other provision of law, any application for a loan or grant made after June 30, 1966, for construction of hospitals, airports, water supply and distribution facilities, sewerage facilities and waste treatment works, water development and land conservation within any metropolitan area subject to the provisions of this title, shall be submitted to the unit of general local government with authority to operate in the area within which the project or facility is to be located. No action shall be taken by any Federal agency upon such application unless the governing body of the unit of general local government certifies that such project or facility is consistent with its planning objectivs. If said unit does not act on an application within thirty days after its submission, the application shall be deemed approved by said unit. The certification shall accompany the submission of such application to the areawide agency pursuant to section 404 of this title. The foregoing requirements shall not be applicable in the case of applications from units of government larger than and encompassing the unit of general local government within which the project or facility is to be located.

More effective utilization of certain Federal loans or grants by encouraging better coordinated local review of State and local applications for such loans or grants

SEC. 404. (a) In order to assist Federal, State, and local governments to increase their economy and efficiency of operations in meeting the governmental needs of the increasing concentration of population in metropolitan areas; to facilitate the coordination of intergovernmental relationships and activities on a continuing basis; to provide more effective exchange of information among the governments concerned at the earliest possible stage of planning and throughout the planning and development process; to encourage areawide comprehensive planning on a continuing basis; and to encourage state and local governments to establish or improve facilities for coordinating areawide development, all applications made after June 30, 1966, for Federal loans or grants to assist in carrying out urban renewal and open space land projects or for the construction of hospitals, airports, water supply and distribution facilities, sewerage facilities and waste treatment works, highways, transportation facilities, water development and land conservation within any metropolitan area shall be subject to the provisions of this title.

(b) (1) Except as provided in paragraph (2) of this subsection, each application for a loan or grant of the type described in subsection (a) shall be accompanied (i) by the comments and recommendations with respect to the project involved by an areawide agency designated to perform metropolitan or regional planning for the area within which the assistance is to be used, and which is, to the greatest practicable extent, composed of or responsible to the elected officials of the units of general local government within whose jurisdiction such agency is authorized to engage in such planning; and (ii) by a statement by the applicant that such comments and recommendations have been considered prior to formal submission of the application. Such comments shall include information concerning the extent to which the proposed urban development project or program is consistent with comprehensive planning developed or in the process of development for the metropolitan area and the extent to which such project or program contributes to the fulfillment of such areawide planning. The comments and recommendations and the statement referred to in this section shall, except in the case referred to in paragraph (2) of this subsection, be reviewed by the agency of the Federal Government to which such application is submitted for the sole purpose of assisting it in determining whether the application is in accordance with the provisions of Federal law which govern the making of the loans or grants.

(2) An application for a Federal loan or grant need not be accompanied by the comments and recommendations and the statement referred to in paragraph (1) of this subsection if the applicant certifies that (i) a plan or description of the project, meeting the requirements of such rules and regulations as may be prescribed under subsection (c) hereof, or such application has lain before an appropriate areawide agency or instrumentality for a period of sixty days without comments or recommendations thereon being made by such agency or instrumentality; of (ii) the application is consistent with and in furtherance of projects or plans previously reviewed by such agency or instrumentality in connection with prior applications.

(3) The requirements of paragraphs (1) and (2) shall also apply to any amendment of the application which, in light of the purposes of this title, involves a major change in the project covered by the application prior to such amendment.

(c) The Bureau of the Budget or such other agency as may be designated by the President is hereby authorized to prescribe such rules and regulations as are deemed appropriate for the effective administration of this title.

Definitions

SEC. 405. As used in this title—

(a) "Comprehensive planning" includes the following, to the extent directly related to area needs or needs of a unit of general local government: (i) preparation, as a guide for long-range development, of general physical plans with respect to the pattern and intensity of land use and the provision of public facilities, including transportation facilities, together with long-range fiscal plans for such development; (ii) programing of capital improvements based on a determination of relative urgency, together with definitive financing plans for the improvements to be constructed in the earlier years of the program; (iii) coordination of all related plans of the departments or subdivisions of the government concerned; (iv) intergovernmental coordination of related planned activities among the State and local governmental agencies concerned; and (v) preparation of regulatory and administrative measures in support of the foregoing.

(b) "Hospital" means any public health center or general, tuberculosis, mental, chronic disease and other type of hospital and related facilities, such as laboratories, outpatient departments, nurses' home and training facilities, and central service facilities normally operated in connection with hospitals, but does not include any hospital furnishing primarily domiciliary care.

(c) A "metropolitan area" or "area" means either (i) a standard metropolitan statistical area as defined by the Bureau of the Budget, except as may be determined by the President or by the Bureau of the Budget as not being appropriate for the purposes of this title, or (ii) any urban area, including those surrounding areas that form an economic and socially related region, taking into consideration such factors as present and future population trends and patterns of urban growth, location of transportation facilities and systems, and distribution of industrial, commercial, residential, governmental, institutional, and other activities, which in the opinion of the President or the Bureau of the Budget lends itself as being appropriate for the purposes hereof.

(d) "Areawide agency" means an official State or metropolitan or regional agency empowered under State or local laws or under an interstate compact or agreement to perform comprehensive planning in an area, or such other agency or instrumentality as may be designated by the governor (or, in the case of metropolitan areas crossing State lines, any one or more of such agencies or instrumentalities as may be designated by the Governors of the States involved) to perform such planning.

(e) "State" means any State, the District of Columbia, the Commonwealth of Puerto Rico, and any territory or possession of the United States.

(f) "Special purpose unit of local government" means any special district, public-purpose corporation, or other strictly limited-purpose political subdivision of a State, but shall not include a school district.

(g) "Unit of general local government" means any city, county, town parish, village, or other general-purpose political subdivision of a State.

(h) "Urban development" means all projects or programs for the planning and carrying out of urban renewal, the acquisition, use, and development of open space land, the planning and construction of hospitals, airports, water supply and distribution facilities, sewerage facilities and waste treatment works, transportation facilities, highways, water development and land conservation, and any other public works facilities.

TITLE V. ACQUISITION, USE, AND DISPOSITION OF LAND WITHIN URBAN AREAS BY FEDERAL AGENCIES IN CONFORMITY WITH LAND UTILIZATION PROGRAMS OF AFFECTED LOCAL GOVERNMENT

Amendment of Federal Property and Administrative Services Act

SEC. 501. The Federal Property and Administrative Services Act of 1949, as amended (40 U.S.C. 471 et. seq.), is amended by adding at the end thereof a new title as follows:

"TITLE VIII. URBAN LAND UTILIZATION

"Short title

"SEC. 801. This title may be cited as the 'Federal Urban Land-Use Act.'

"Declaration of purpose and policy

"SEC. 802. It is the purpose of this title to promote more harmonious intergovernmental relations by prescribing uniform policies and procedures whereby the Administrator shall acquire, use, and dispose of land in urban areas in order that urban land transactions entered into for or on behalf of Federal agencies shall be consistent with zoning and land-use practices and shall be made to the

greatest practicable extent in accordance with planning and development objectives of the local governments and local planning agencies concerned.

"Disposal of urban lands

"SEC. 803. (a) Whenever the Administrator contemplates the disposal for or on behalf of any Federal agency of any real property situated within an urban area, he shall, at least ninety days prior to offering such land for sale, notify the head of the governing body of the unit of general local government having jurisdiction over zoning and land-use regulation in the geographical area within which the land or lands are located in order to afford the government the opportunity of zoning for the use of such land in accordance with local comprehensive planning.

"(b) The Administrator, except as provided in subsection (c) below, shall furnish to all prospective purchasers of such real property, full and complete information concerning—

"(1) current zoning regulations and prospective zoning requirements and objectives for such property when it is unzoned; and

"(2) current availability to such property of streets, sidewalks, sewers, water, streetlights, and other service facilities and prospective availability of such services if such property is included in comprehensive planning.

"(c) If, within forty-five days after notifying such local governing body of the proposed disposal, the Administrator is not furnished with appropriate information relating to zoning, land use, and/or other regulations which would be applicable to the use and development of the property offered for sale, the Administrator may proceed wtih such sale or disposal as otherwise authorized by law.

"Acquisition or change of use of real property

"SEC. 804. (a) In the acquisition or change of use of any real property situated in an urban area by or on behalf of any Federal agency, the Administrator shall—

"(1) to the greatest practicable extent, comply with and conform to zoning regulations of the unit of general local government having jurisdiction with respect to the area within which such property is situated and the planning and development objectives of such local government; and

"(2) consider all objections made to any such acquisition or changed use by such unit of government upon the ground that the proposed acquisition or use conflicts or would conflict with such regulations or objectives.

"(b) Prior to a commitment to acquire any real property situated in an urban area, the Administrator shall notify the unit of general local government exercising zoning and land-use jurisdiction over the land proposed to be purchased of his intent to acquire such land and the proposed use of the property. To the extent practicable, such notification shall be given ninety days prior to such acquisition. In the event that the Administrator determines that such advance notice would have an adverse impact on the proposed purchase, he shall, upon conclusion of the acquisition, immediately notify such local government of the acquisition and the proposed use of the property.

"Definitions

"SEC. 805. As used in this title—

"(a) 'Unit of general local government' means any city, county, town, parish, village, or other general-purpose political subdivision of a state.

"(b) 'Urban area' means—

"(1) any geographical area within the jurisdiction of any incorporated city, town, borough, village, or other unit of general local government having a population of ten thousand or more inhabitants.

"(2) that portion of the geographical area within the jurisdiction of any county, town, township, or similar governmental entity which contains no incorporated unit of general local government but has a population density equal to or exceeding one thousand five hundred inhabitants per square mile; and

"(3) that portion of any geographical area situated adjacent to the boundary of any incorporated unit of general local government which has such population density.

"(c) 'Comprehensive planning' includes the following, to the extent directly related to area needs:

"(1) preparation, as a guide for long-range development, of general physical plans with respect to the pattern and intensity of land use and the provision of public facilities, including transportation facilities, together with long-range fiscal plans for such development;

"(2) programing of capital improvements based on a determination of relative urgency, together with definitive financing plans for the improvements to be constructed in the earlier years of the program;

"(3) coordination of all related plans of the department or subdivisions of the government concerned;

"(4) intergovernmental coordination of all related planned activities among the state and local governmental agencies concerned; and

"(5) preparation of regulatory and administrative measures in support of the foregoing."

The section-by-section analysis presented by Mr. MUSKIE is as follows:

SECTION-BY-SECTION ANALYSIS OF THE INTERGOVERNMENTAL COOPERATION ACT OF 1965

TITLE I—IMPROVED ADMINISTRATION OF GRANTS-IN-AID TO THE STATES

Full information on funds received

Section 101: The multiplicity of grant-in-aid programs and their magnitude make it imperative that the Governor (and his principal assistant on budget and management matters) be in a position to become fully informed on such programs, if he is to be able to prepare a suitable budget with respect to the State's finances, and if he is to manage the departments and agencies of the State which are under his supervision. Grant-in-aid programs, however, are normally handled by various program agencies within the State who have the requisite competence in their particular fields. Without in any way detracting from the normal flow of communications between the State program agencies and the Federal program agencies in each case, section 101 provides that the Governor (or some other State officer designated by him or by the legislature) will be informed by the Federal department or agency administering a grant program, upon request, with such facts as it makes available to the State program agency. These facts may relate to grants-in-aid actually made, appropriated for, or recommended by the President to the Congress of the United States.

Most grant-in-aid programs involve some cost sharing between the Federal and State governments. With respect to some States and some programs, there have been confused budget procedures because the State's financial share is operated through normal budget procedures of the State, while the Federal financial share, even though obligated and disbursed by a State, has sometimes been outside the scope of budget review. It is impossible to make a meaningful budget review with respect to a program if only half, or less, of the program's cost is revealed to the Governor or other State officer designated for the purpose. Therefore, section 101 also provides that no Federal legislation shall be construed as preventing the Governor (or other State officer designated) from participating in the State's determination of its financial matters under Federal grants in the same manner as he does with respect to the budgeting of State funds. This provision does not, of course, extend to any authority to plan for, commit, or expend Federal funds in an amount or manner that would be inconsistent with the conditions which the Federal Government has attached to its grant. But it would place in the State's chief executive the means of bringing about a greater degree of regularity in financial planning and budgeting for all the funds which are used to operate State agencies.

The definitions in this section are intended to make it clear that the legislation covers grants-in-aid, but not shared revenues, made to the 50 States, the District of Columbia, the Commonwealth of Puerto Rico, any territory or possession of the United States or any agency or instrumentality of a State. It does not cover grants-in-aid going from the Federal Government directly to the governments of the political subdivisions of a State.

Uniform handling of grant funds

Section 102: This section is intended to systematize the handling of cash in connection with grants-in-aid. It would require that grants be paid to the State treasurer unless the State itself has designated someone else to receive the grants. In recognition of the fact that some State universities keep their moneys apart from the State treasury, the bill authorizes in these cases the use of alternative procedures as may be authorized by State legislation such as the direct receipt of Federal funds by State colleges and universities.

This section also contains a provision that appropriate accounting advice with respect to the transmittal of funds shall be provided to such other State officers as may require the data. This would virtually always mean that advice would be given to the State program agency concerned. In addition, advice might be given to the State comptroller, State auditor, or State budget officer.

State salaries paid from grants-in-aid

Section 103: This section would prevent the use of a Federal grant-in-aid to supplement or bypass State laws with respect to the salaries of State employees. On the other hand, it would permit Federal grants to be used to pay higher salaries than the State pays where the State specifically decides to do so by enactment of an appropriate State law and it is agreed to by the Federal agency concerned. A period of grace is given (until July 1, 1967) before this section becomes operative in order to permit State legislatures to act in those cases where they wish to permit an exception.

Deposit of grants-in-aid

Section 104: This section would make clear the fact that there can be a proper accounting for Federal funds without the use of separate bank accounts. Some of the older Federal laws and regulations were so worded as to leave the impression that Federal money had to be kept in separate bank accounts by the State government. Some States, therefore, have set up a complicated maze of separate bank accounts relating to various Federal grant programs. With modern accounting methods, it is no longer necessary to require that the money be banked separately, so long as the accounting officer of the State keeps appropriate fund accounts to distinguish the balance which the State has received but not yet earned. Section 104 provides for the application of these principles.

The Federal Government has a legitimate concern to see that all grants are applied as intended, and to receive certain elementary facts with respect to the financial status of a program. Section 104 would also provide for regular reports to be made, at such intervals as the Federal program agency may require, covering the status and application of the funds, the liabilities and other obliga-

tions on hand, and such other facts as may be necessary.

Scheduling of Federal transfers to the States

Section 105: This section would enact into law a principle which is already being adopted administratively—the principle that grant money should not be advanced from the Federal Government to a State for longer time periods than are necessary prior to its use. Advances for 3 or 6 months at a time, formerly made in several programs, and still required by law for a few programs, result in expenditure of money from the Federal Treasury before it is necessary, with no advantage accruing to either the Federal program agency or the State program agency concerned. Modern methods of transmitting money, including telegraphic transfers, the letter of credit procedure, and sight drafts, make lump-sum advances at stated intervals archaic.

Past decisions of the Comptroller General of the United States required that a grantee return to the United States any interest earned on Federal grants prior to their use. However, the Department of Health, Education, and Welfare Appropriation Act, 1965, enacted on September 19, 1964 (Public Law 88–605), contains a provision (sec. 205, 78 Stat. 979) which precludes the Department requiring the payment of interest or other income earned by a State on grants for research, training, or demonstration projects made prior to July 1, 1964. In view of the legislative history of this matter, the Comptroller General, in a decision dated September 30, 1964 (B–152505), stated that no further action would be taken toward the recovery of interest or other income earned prior to July 1, 1964, on Federal grants made to colleges and universities. Section 105 broadens the principle established, and would not hold the States accountable for interest or other income earned on all grant-in-aid funds, pending their disbursement for program purposes. The new techniques, such as the letter of credit and sight draft procedures, which are now being used should minimize the amounts of grants advanced to States.

Eligible State agency

Section 106: This section would authorize Federal departments and agencies, upon the request of the Governor or other appropriate executive or legislative authority of the State, to waive the requirement for a single State agency and approve other forms of administrative organization, providing the objectives of the grant program are not endangered. This section is intended to remove obstacles to the administrative reorganization of a State government as long as the Federal grant program is not jeopardized.

TITLE II—PERIODIC CONGRESSIONAL REVIEW OF FEDERAL GRANTS-IN-AID TO STATES AND TO LOCAL UNITS OF GOVERNMENT

Statement of purpose

Section 201: This section sets forth the purpose of the bill, which is to provide for periodic congressional review of future Federal grants-in-aid to States and to local units of government. A uniform policy and procedure is established whereby future programs for grant-in-aid assistance from the Federal Government to the States or to their political subdivisions shall be the subject of review by the Congress, to insure (1) that the effectiveness of grants-in-aid as instruments of Federal-State-local cooperation is improved and enhanced, (2) that grant programs are revised and redirected as necessary to meet new conditions arising subsequent to their original enactment, and (3) that grant programs are terminated when they have substantially achieved their purpose. Grants in some fields have been subjected to scrutiny by the executive and legislative branches from time to time and have undergone consolidations and updatings. In general, however, the review and redirection of grants have proceeded on a sporadic and uncoordinated basis. There has not been continued systematic attention to the problem either from the congressional or executive side with a view toward eliminating areas of conflict and duplication in program operation and achieving more effective, efficient, and economic administration of existing and future grant programs and greater uniformity in their operation.

Expiration of grants-in-aid programs

Section 202: This section provides for expiration in the fifth calendar year beginning after the effective date of any act of Congress enacted in the 89th or any subsequent Congress authorizing the making of grants-in-aid to two or more States or to political subdivisions of two or more States if no expiration date for such authority is specified by law. Five years is suggested as a sufficiently long period in which to gain experience upon which to base a judgment as to continuance or discontinuance of a grant. This section does not apply to those future statutes where (1) the Congress has provided another expiration date, or (2) Congress has explicitly waived the application of this section to the new statute.

Committee studies of grant-in-aid programs

Section 203: This section provides for review by congressional committees of expiring grant programs subject to the act during a period of not less than 12 months immediately preceding the expiration date. The committees are charged with the responsibility of assessing—among other things—the extent to which the purposes for which the grants-in-aid are authorized have been met; the degree to which such programs can be carried on without further financial assistance from the Federal Government; and whether any changes in the purpose, direction, or administration of the original program, or in its procedures or requirements, should be made. It further provides for the submission of committee reports to the respective Houses not later than 120 days before the program expiration date.

Definitions

Section 204: This section provides definitions of the terms "State," "political subdivision," and "grant-in-aid."

TITLE III—PERMITTING FEDERAL DEPARTMENTS AND AGENCIES TO PROVIDE SPECIALIZED OR TECHNICAL SERVICES TO STATES AND TO LOCAL UNITS OF GOVERNMENT

Statement of purpose

Section 301: This section states the purpose of the title to encourage intergovernmental cooperation in the conduct of specialized or technical services; to enable State and local governments to avoid unnecessary duplication of special service functions; and to authorize Federal departments and agencies to provide such services.

An increasingly common characteristic of our Federal system is the extent to which similar governmental functions are performed by all three levels of government—local, State, and Federal. Cooperation and assistance among the three levels in carrying on such activities can yield economies for all. A number of Federal departments already provide specialized services to State and local governments on a reimbursable basis. The Census Bureau makes special censuses or tabulations and collects special additional information during decennial censuses. The Weather Bureau provides meteorological services, and the Bureau of Reclamation undertakes inventories of water resources for State and local governments. As recently as 1962, the Congress authorized the Internal Revenue Service to render statistical services to State and local tax agencies. This bill would extend on a governmentwide basis the principle embodied in these specific cases. Provision for depositing reimbursements to the credit of agency appropriations (sec. 303) would give the agencies an incentive to enter into such arrangements which they do not now have since, unless otherwise provided in law, such reimbursements for service must be paid into Treasury miscellaneous receipts.

Authority to provide service

Section 302: This section authorizes agencies in the executive branch to provide specialized or technical services on written request from a State or local government and upon payment of the cost of the services by the government making the request. Agencies would be permitted, not required, to provide the requested service.

Reimbursement to appropriation

Section 303: This section provides that payments received for furnishing specialized or technical services shall be deposited to the credit of the appropriation from which the cost of providing such services is paid. Performance of the service for State and local governments thus would not interfere with the agencies fiscal ability to fulfill their mandated responsibilities.

Reports to Congress

Section 304: This section calls for an annual report on the scope of the services provided to the Committee on Government Operations of the Senate and House of Representatives.

Definitions

Section 305: The term "State," "political subdivision," and "specialized or technical services" are defined in this section. "Specialized or technical services" means special statistical and other studies and compilations, development projects, technical tests and evaluations, technical information, training activities, surveys, reports, documents, and other similar service functions.

TITLE IV—COORDINATED INTERGOVERNMENTAL POLICY AND ADMINISTRATION OF GRANTS FOR URBAN DEVELOPMENT

Declaration of urban assistance policy

Section 401: This section establishes a national urban assistance policy and makes such a policy, consistent with individual program objectives, applicable to all Federal programs affecting urban development. With the increasing numbers of Federal aids for physical development facilities in urban areas, the need for a unified urban development policy and adequate interagency coordination at the Federal level has become imperative. A recent study by the Advisory Commission on Intergovernmental Relations of 43 Federal programs of financial aid showed that they are administered by 13 different departments and agencies within the executive branch. A number of new programs have been enacted even since the Commission's study was made a year ago.

Federal program administrators are held responsible for carrying out specific legislative objectives, designed to meet such urban needs as those for urban renewal, area redevelopment, public housing, or highway transportation. But rapid urban growth, coupled with fragmented responsibilities for local government in urban areas and new technologies, are making these programs increasingly interdependent. Their impact on other community physical, economic, and social objectives is becoming more pronounced. Authority, machinery, and effort are needed in Washington as well as in the urban areas themselves to assure that each program contributes not only to the more limited program goals, but also to the general goal of orderly urban development. The legislation establishes the principle of Federal interagency coordination and provides a clear legislative mandate for the President to establish the machinery among the Federal departments and agencies to better meet National, State, and local objectives for urban development.

Favoring general purpose governments

Section 402: This section makes units of general local government, such as cities, counties, and towns, eligible to receive Federal loans and grants for urban development for which only special districts or other special purpose units of local government are now eligible. Although a majority of the acts establishing Federal aid to urban development allow local general government as recipients of such aid, there are a number that encourage establishment of special purpose organizations to carry out program objectives. Some examples of Federal encouragement for establishing counterpart special purpose organizations in local jurisdictions may be found in reclamation, area redevelopment, and agricultural programs. The elected officials of every unit of government should be responsible for a wide range of functions, so that the governing process involves resolution of possible conflicting interests with significant responsibility for balancing governmental needs and resources. The general purpose units of local government meet these conditions whereas, in many cases, special purpose districts do not.

The legislation would permit the opportunity to simplify intergovernmental relations and reduce the time and effort spent by public officials in coordinating additional independent units of government by providing that, to the extent possible, Federal departments and agencies make Federal aids available to general rather than special purpose units of local government. Any special purpose unit of local government receiving these Federal aids is required to provide full information concerning such aid to the appropriate unit of general local government in the area. Local governments, general or special purpose, are authorized to act as joint sponsors of any federally aided urban project without limiting the total amount of the aid to less than the aggregate available to the participating units of local government acting singly.

Consistency with plans and objectives of general local governments

Section 403: Provides that all applications made to the Federal Government after June 30, 1966, for construction of hospitals, airports, water supply and distribution facilities, sewerage facilities and waste treatment works, water development, and land conservation be certified within 30 days by the unit of general local government in which the project or facility is to be located that such proposed project or facility is consistent with the local government's planning objectives. State and certain regional applicants are exempt from this requirement.

A performance requirement that projects aided by certain Federal loans or grants be consistent with the local government's planning objectives can contribute to insuring effective use of the Federal funds and avoid conflicts with other State, local, and private development projects.

This section establishes similar requirements for consistency with planning efforts of local governments in metropolitan areas for Federal aid programs that significantly affect urban development not currently having such requirements.

More effective utilization of certain Federal loans or grants by encouraging better coordinated local review of State and local applications for such loans or grants

Section 404: Provides that all applications to the Federal Government made after June 30, 1966, for urban renewal and open space land projects and for the construction of hospitals, airports, water supply and distribution facilities, sewerage facilities and waste treatment works, highways, transportation facilities, water development, and land conservation within any metropolitan area shall be accompanied by (1) the comments and recommendations thereon of a planning agency performing metropolitan or regional planning for the area in which the assistance is to be used, and (2) a statement by the applicant that it has considered these comments and recommendations prior to formal application. This section makes it clear, however, that approval of the application by the appropriate Federal agency shall be in accord with pertinent Federal requirements without regard to a possible negative recommendation by the planning agency.

This section is designed to strengthen metropolitan planning and better coordinate local, State, and Federal development activities by (1) encouraging the establishment of responsible metropolitan planning agencies and procedures; (2) stimulating the flow of planning and development information among and between the various levels of government; and (3) assisting the Federal agencies in evaluation of project applications.

To avoid undue delay in the review and comment function, the section provides that the applicant need not include the comments or recommendations of a planning agency if (1) the agency has failed within a 60-day period to make any comments or recommendations on the application itself, or on a plan or description of the project; or (2) the applicant certifies that the application itself is consistent with or in furtherance of projects or plans previously reviewed by the planning agency.

Definitions

Section 405: Defines the terms "comprehensive planning," "hospital," "metropolitan area" or "area," "areawide agency," "State," "special purpose unit of local government," "unit of general local government," and "urban development."

TITLE V—ACQUISITION, USE, AND DISPOSITION OF LAND WITHIN URBAN AREAS BY FEDERAL AGENCIES IN CONFORMITY WITH LAND UTILIZATION PROGRAMS OF AFFECTED LOCAL GOVERNMENTS

Amendment of Federal Property and Administrative Services Act

Section 501: The Federal Government owns over 400 million acres of land throughout the Nation. A significant portion of that land is located in urban areas and the use to which it is put, either by a government agency or upon sale by a private person or corporation, can have a significant impact upon local government. In order to insure that the use of such land is, to the maximum extent possible, consistent with local zoning and land use practices and local planning and development objectives, it is essential that such local governments be fully informed of transactions involving Federal land acquisition or disposal and significant changes in use of Federal lands. Actions of these types can have a significant impact on local schools, highway and street patterns, demand for water and sewer services, and other activities of local government. Only by giving the types of notice herein authorized, and considering their needs in such matters while sufficiently protecting Federal interests, can the impact of such transactions or changes in use on local government be minimized. It might be stated further that last year the Congress enacted legislation establishing similar procedures for the sale and disposition of public lands by the Department of Interior.

This section amends the Federal Property and Administrative Services Act of 1949 by adding a new Title VIII—Urban Land Utilization.

"Short title

"SEC. 801. 'Federal Urban Land Use Act.'

"Declaration of purpose and policy

"SEC. 802. This section states a general policy of promoting harmonious intergovernmental relations, and prescribes use of uniform procedures in the acquisition, use, and disposal of land in urban areas to secure consistency with local zoning, land use practices, and local planning and development objectives.

"Disposal of urban lands

"SEC. 803. Requires the Administrator of the General Services Administration to notify the head of the governing body of the unit of general local government (city, county, town, parish, or village) having zoning or land use jurisdiction over the land of the proposed transaction 90 days prior to sale. The notice is designed to give the local government an opportunity to zone the use of such land in accordance with local comprehensive planning objectives. The Administrator is directed to furnish prospective purchasers with local comprehensive planning information.

"Acquisition or change of use of real property

"SEC. 804. In the acquisition or change of use of any real property in urban areas the Administrator, to the greatest extent practicable, would be required to comply with local zoning regulations and planning development objectives of the unit of local government having such jurisdiction over the land. The Administrator is further directed to consider all objections to any such acquisition or change of use made by a local government because such action would conflict with its zoning regulations and planning objectives. Subsection (b) requires the Administrator to give notice to a unit of local government in an urban area at least 90 days prior to entering a commitment to acquire real property within its jurisdiction. He may proceed without giving such notice where he determines that it would have an adverse impact on the proposed purchase. In such situations, upon completion of the acquisition, he must immediately notify the appropriate local government.

"Definitions

"SEC. 805. This section defines the terms 'unit of general local government,' 'urban area,' and 'comprehensive planning'."

DEFINITION OF TERM "VETERANS' ADMINISTRATION FACILITIES"

Mr. BARTLETT. Mr. President, I introduce today, in behalf of the Senators from Hawaii [Mr. INOUYE and Mr. FONG] and my colleague from Alaska [Mr. GRUENING] a bill to amend section 601 of title 38, United States Code, with respect to the definition of the term "Veterans' Administration facilities."

Although bills similar perhaps in intent have been introduced in past years, this is a new bill.

I introduce it with the hopeful expectation that it will be considered as new by not only the appropriate legislative committees but by the Veterans' Administration and the Bureau of the Budget.

The bill I introduce today is designed to clarify a clause of existing law and to provide for a review of the merits of this clause in 10 years' time.

The clause, section 601(4)(c)(iii), provides that Veterans' Administration facilities means "private facilities for which the Administrator contracts in order to provide hospital care" in certain circumstances one of which is for veterans of any war, resident in U.S. territory other than the contiguous 48 States. This at least was the purpose of this clause when it was drawn and approved by the Congress. Unfortunately, the advent of statehood in Alaska and Hawaii, which in no way changed the geographical necessity for such a clause,

did serve to make unclear the VA service to be furnished Alaska and Hawaii veterans. The intent of my bill is to clear up this confusion. I propose to do this by changing the clause to read "for veterans of any war in a State, territory, commonwealth, or possession of the United States not contiguous to the contiguous 48 States,". This establishes beyond a fathom of a doubt what it was the Congress wished to establish in originally approving this clause; that is that the application extends to veterans resident in any U.S. territory other than the contiguous 48 States.

My bill does one more thing. It provides that this clause shall expire at the end of 10 years. It does so because I believe that conditions change and that the conditions tomorrow may not be the same as the conditions of today, and the services provided by this clause may no longer be needed. Whether they are or not, it would be well for Congress to review the matter at that time.

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

The bill (S. 562) to amend section 601 of title 38, United States Code, with respect to the definition of the term "Veterans' Administration facilities", introduced by Mr. BARTLETT (for himself and other Senators), was received, read twice by its title, and referred to the Committee on Finance.

"THIS IS THE PLACE MONUMENT" STATE PARK

Mr. MOSS. Mr. President, I am today introducing a bill to transfer title to 47½ acres of land at the "This Is the Place Monument" State Park in Utah from the Department of the Army to the State of Utah.

The "This Is the Place Monument" is the most historic spot in Utah. The monument memoralizes the entry of the Mormon pioneers into the Great Salt Lake Valley on July 24, 1847. It was at the mouth of Emigration Canyon on a bluff overlooking the valley that Brigham Young announced to his hardy band of pioneers that they had arrived at the place where they would settle and which they would call home.

The "This Is the Place Monument" is administered by the Utah State Park and Recreation Commission as successor to Utah Pioneer Trails and Landmarks Association.

The monument was erected by Utah citizens pursuant to a permit which the U.S. War Department issued to the Utah Pioneer Trails and Landmarks Association on March 26, 1945. The permit was modified on December 20 of that year, giving the association the right to make other improvements.

In 1951, the Utah State Legislature assigned the responsibility for administering the "This Is the Place Monument" State Park to the State engineering commission. The action turning its administration over to the State park and recreation commission came 6 years later. Thus for some time the monument has been administered by an organization other than the one to which the permit for its construction and operation was issued, and the monument stands on land still owned by the Federal Government, although it is controlled and administered by the Utah Parks and Recreation Commission. The ownership of this land should be cleared. The monument is one of the show pieces of the Salt Lake Valley. Its significance to the people of Utah cannot be overstated.

I, therefore, send to the desk, for appropriate reference, a bill authorizing the Secretary of the Army to convey certain lands in Utah, which are a part of the "This Is the Place Monument" State Park, to the State of Utah. I ask that the bill lie on the table until the close of business Tuesday, January 19, for cosponsorship.

The PRESIDING OFFICER. The bill will be received and appropriately referred; and, without objection, the bill will lie on the desk, as requested by the Senator from Utah.

The bill (S. 563) authorizing the Secretary of the Army to convey certain lands to the State of Utah, introduced by Mr. Moss, was received, read twice by its title, and referred to the Committee on Armed Services.

PRESIDENTIAL SUCCESSION

Mr. SMATHERS. Mr. President, I introduce at this time a joint resolution proposing an amendment to the Constitution relating to the nomination and election of candidates for President and Vice President, and to succession to the office of President in the event of the death or inability of the President when the death or inability occurs with 2 years or longer remaining for the President to serve. Specifically the resolution I offer contains three proposals. It would, first, establish a direct primary for the selection of presidential and vice-presidential candidates; second, abolish the electoral college; and third, set up a special election to fill any vacancy in the Presidency or Vice-Presidency under certain circumstances.

For more than 100 years, our candidates for President and Vice President have been nominated by party conventions, and for almost as many years this system has been the subject of severe criticism, sometimes even of ridicule.

Legislators, newspaper editors, professors of government, and countless average citizens have been clamoring for an overhaul of the procedure. With each succeeding election, the chorus of critics has grown louder. More and more people are calling for the demise of an archaic convention and electoral system, that is riddled with loopholes and inequities.

The criticism has been based upon a number of considerations. It has been said, with a great degree of accuracy, that the average voter has no voice in the selection of our national candidates.

It has been alleged that the conventions themselves are controlled by bosses operating in "smoke-filled rooms," rather than by convention delegates expressing a popular consensus after discussion and debate. The average television viewer could reasonably conclude that the national conventions are comprised of a small helping of deliberation served up with generous portions of noise, confusion and just plain hokum.

The wonder of it all is not that the functioning of the system sometimes goes awry, but that for so long a time it has worked as well as it has.

The system of presidential primaries, as they now function, have also been the object of growing criticism. A review of the laws governing these primaries explains why.

Presidential primary laws were first enacted in 1911 when seven States adopted such legislation. As of 1960 there were 16 States that held primaries. On the basis of even a cursory examination, it is obvious that these State laws constitute a curious collection of inconsistencies and contradictions. What is specifically required in one jurisdiction may be specifically forbidden in another.

In six States and the District of Columbia, the ballot must not show the delegate's preference among the candidates; delegates must run on a "no preference" basis on their ballots. In three States, the ballot may show the delegate's preference if the candidate consents, but delegates may also run on a "no preference" basis. In two States, the ballot may show the delegate's preference, whether or not the candidate consents, but delegates may also run on a "no preference" basis.

Finally, in four States, the ballot must show the delegate's preference for a candidate who has given consent; but delegates must not run on a "no preference" basis.

In some jurisdictions, the names of delegates pledged to major candidates do not appear on the ballot out of courtesy to favorite sons, and for reasons of their own, some candidates do not wish to compete in a particular State.

Since only about one-third of the States have primaries, it can happen that a major candidate enters and wins in all of them and still fails to receive the nomination of his party.

Clearly, this crazy quilt system is totally inadequate, and agreement on that point is will nigh universal.

In 1956, for instance, a public opinion poll taken after the conventions of that year showed that 58 percent of the voters favored a change in the method of selecting candidates for President and Vice President. Other polls have found that as much as 73 percent of the electorate would like to relegate to the history books that strange, exciting, but thoroughly unsatisfactory and inefficient spectacle, the national convention.

Mr. President, the resolution I offer would eliminate the convention system and replace it with a uniform national primary.

Under the terms of the joint resolution, both parties would hold their primaries in all States on the same day, under rules established by the legislatures of the States. The names of all candidates would be on the ballot in all States. Voters could vote only in the primary of the party in which they were registered.

Each party in each State would have a number of nominating votes equal to

the number of seats it has in the Congress of the United States. Each candidate would receive a fractional part of the nominating vote corresponding to the proportion of his party's vote cast for him in the primary.

If a vacancy should occur on the ticket prior to the general election, due to death or resignation, it would be the duty of the national party committee to fill it.

This, it seems to me, would provide a nominating system that would insure popular control within the parties, and that would be practical and workable.

The second aspect of the resolution I offer concerns the electoral college system.

No part of our system of electing our President and Vice President has been criticized more often or more severely than the electoral college.

Because it has long been realized that the electoral college is an anachronism in the modern world, scores of proposals have been made for tinkering with it. I do not want to tinker with it; I want to abolish it. In doing this, we would be officially recognizing changes that have occurred in our society in the last 200 years.

It is a simple statement of fact that our Founding Fathers held a conception of democracy vastly different from ours. They were not convinced that democracy as we know it was either right or inevitable. It appears that to a certain extent they believed in government by the elite, the wise, the wealthy, and the well born.

After generations of experience, however, we know that our national interests are best served when there is broad participation on the part of the people in the determinations of overall government policy.

Now that the United States Supreme Court has laid down the "one man, one vote" doctrine, it is incumbent upon the Congress to eliminate the most glaring violation of that doctrine, the use of the electoral college.

Under the present system, the candidate who receives one less than a majority, even though his vote total runs into the millions, has all these votes count for nothing. They are as so many scraps of paper. This is hardly a stirring demonstration of democracy in action.

A glaring example of the inequity of our system occurred in the election of 1876. In that year, Samuel J. Tilden received 250,000 more popular votes than his opponent, Rutherford B. Hayes. Yet Hayes won more electoral votes, and he, not Tilden, became President.

While it is unlikely, this result could happen again. It will continue to be a possibility until we rid ourselves of a system that at best is cumbersome and, at worst, is in direct conflict with our carefully nurtured vision of democracy.

The third aspect of the resolution I offer today is concerned with filling the office of the Vice-Presidency in the event of the President's death or disability.

It would accomplish this by providing, under certain circumstances, for a special election for the office of President and Vice President in the event of the President's death or disability.

Under the Constitution today, when a Vice President succeeds to the Presidency, the country is without a Vice President until the next presidential election. History records some very extended periods when this was the case.

For example, President William Henry Harrison died in April 1841, 1 month after his inauguration, and was succeeded by John Tyler, who served for 3 years and 11 months without a Vice President. In another case, President James A. Garfield, who was shot on July 2, 1881, lingered until his death on September 19. He was then succeeded by Chester Arthur, who served the balance of the term without a Vice President. We have just been through a period of more than a year when the Nation has been without a Vice President.

If anything happened to President Johnson during the period from November 22, 1963, to January 20, 1965, we would have to rely upon the provisions of the Presidential Succession Act of 1886, as revised and amended in 1947. The original act provided for succession on the executive side, beginning with the Secretary of State. The 1947 amendment established a succession on the legislative side.

This change was justified on the merits of elevating to the presidency an elected official, the Speaker of the House, rather than the Secretary of State, who obtained his office by appointment.

I find it difficult to see where the new arrangements have any significant advantage over the old.

In times like the present, there is no adequate substitute for having an experienced Vice President, ready at a moment's notice—if need be—to take over the responsibilities of the Presidency.

Perhaps, in earlier times, when the tempo of events was slower and our matters of national concern were less complex, it did not make a great deal of difference if we were without a Vice President for months or even years. The office was not a very exacting one, to be sure, demanding few duties other than that of presiding over the Senate and casting a vote on those rare occasions when it was necessary to break a tie.

This is no longer the case. President Eisenhower made extensive use of the services of Vice President Nixon, in a variety of situations and capacities.

President Kennedy greatly expanded the duties and the responsibilities of the Vice President.

This mid-20th century evolution of the office of the Vice President is not likely to abate. Every indication points to the probability that President Johnson will make even more extensive use of the great ability of his Vice President, HUBERT HUMPHREY.

If the Vice President is to continue his vital role in the administration of the executive branch of our Government, then obviously the national interests demand that there be a Vice President in office at all times.

That is what I propose to accomplish in my constitutional amendment. I sincerely trust that the Senate will give this resolution favorable consideration.

The PRESIDING OFFICER. The joint resolution will be received and appropriately referred.

The joint resolution (S.J. Res. 28) proposing an amendment to the Constitution relating to the nomination and election of candidates for President and Vice President, and to succession to the office of President in the event of the death or inability of the President, introduced by Mr. SMATHERS, was received, read twice by its title, and referred to the Committee on the Judiciary.

AMENDMENT OF STANDING RULES OF THE SENATE RELATING TO THE SELECT COMMITTEE ON SMALL BUSINESS

Mr. PROUTY. Mr. President, I submit, for appropriate reference, a resolution which is identical with one which I sponsored, together with 32 of our colleagues on January 15, 1963. During the 88th Congress other Senators joined us as cosponsors of the resolution.

The resolution provides essentially that the Select Committee on Small Business of the Senate shall have authority to have bills and resolutions referred to it and to report legislation for consideration on the floor of the Senate.

Mr. President, the Select Committee on Small Business does not now have this authority. It is empowered only to investigate and study problems peculiarly affecting the small business of this country. Such limited authority is unfortunate, to say the least, especially when problems are found to exist, can be identified, and yet are prevented from being considered by the Senate because the committee cannot report to the floor in a form upon which we can act.

This is in no way a criticism of other committees. Each of them does a very commendable job. But, we should not permit the problems of small business, some of which are acute indeed, to be laid aside because of other pressures.

Once the Select Committee on Small Business has isolated a problem, it should not be frustrated with the inability to bring such matters to the attention of the Senate for debate and vote.

This resolution, for which I have requested the same designation—Senate Resolution 30—as it had in the 88th Congress, simply gives to the Select Committee on Small Business the authority to report legislation to the Senate for its consideration, within certain areas relating solely to the small business of our country.

Mr. President, I am hopeful that some action might soon be forthcoming on this resolution. Because the Committee on Rules was pressed practically without relent during the 88th Congress, there was little time for action on this approval.

However, during the closing days of the past session, specifically on August 13, 1964, the chairman of the Committee on Rules, the distinguished Senator from North Carolina, gave his assurances that hearings will be held on this resolution during the present session of the Congress.

Mr. President, I thank the chairman for those words. I look forward to an early date for those hearings. The small businesses of this Nation and the millions of people whom they serve are entitled to nothing less than sincere consideration of this problem.

It is my hope that Senators who cosponsored this resolution during the 88th Congress will do so again. Certainly also, I would welcome any other Senators who might wish to join us.

I ask unanimous consent that this resolution might remain at the desk for a period of 1 week, until the close of business on Friday, January 22, for additional cosponsors.

The PRESIDING OFFICER. The resolution will be received, appropriately referred; and, without objection, will lie on the desk, as requested by the Senator from Vermont.

The resolution (S. Res. 30) was referred to the Committee on Rules and Administration, as follows:

S. RES. 30

Resolved, That S. Res. 58, Eighty-first Congress, agreed to February 20, 1950, as amended, is amended to read as follows:

"That there is hereby created a select committee to be known as the Committee on Small Business, to consist of seventeen Senators to be appointed in the same manner and at the same time as the chairman and members of the standing committees of the Senate at the beginning of each Congress, and to which shall be referred all proposed legislation, messages, petitions, memorials, and other matters relating to the problems of American small business enterprises.

"It shall be the duty of such committee to study and survey by means of research and investigation all problems of American small business enterprises, and to obtain all facts possible in relation thereto which would not only be of public interest, but which would aid the Congress in enacting remedial legislation.

"Such committee shall from time to time report to the Senate, by bill or otherwise, its recommendations with respect to matters referred to the committee or otherwise within its jurisdiction."

SEC. 2. Subsection (d) of XXV of the Standing Rules of the Senate is amended by striking out in paragraph 2, the words "under this rule."

THREE-MINUTE STATEMENTS DURING MORNING HOUR

Mr. CHURCH. Mr. President, the custom of the 3-minute statement during the morning hour is a convenient and expeditious method for meeting a common need, and has been a regular part of Senate proceedings since 1953. By this custom, Senators have the opportunity to briefly comment on issues of the day, or on worthy editorials, speeches, and other matter which they insert in the CONGRESSIONAL RECORD during this period.

Yet, this custom or practice is not based upon any existing rule of the Senate. It has developed from habit, on the basis of unanimous consent. Rule VII allows for the presentation of petitions and memorials, reports of standing and select committees, the introduction of bills and joint resolutions, and the introduction of concurrent and other resolutions, in that order. This is the only morning hour business expressly prescribed.

The Senate rules permit "brief statements," in connection with the business prescribed, but the customary 3-minute statement dealing with extraneous subjects lacks this sanction. It is necessary for the majority leader to request unanimous consent, and obtain it, before Senators can engage in this needed practice. Any one Senator can deny all other Senators the convenience of making 3-minute statements in the morning hour simply by voicing an objection.

I think it is high time that we fortify the morning hour 3-minute statement by appropriate revision of the rules. There surely exists every recommendation for making it a permanent privilege. The practice meets the needs of all Senators, providing a convenient time, before the Senate takes up its unfinished business, for them to express their views on current matters. If we are to honor the rule on germaneness during the 3 hours following the morning hour, then we have pressing need for this safety valve in our proceedings.

It is no accident that the 3-minute custom came into being. It took form in the Senate more than 11 years ago, and was partly fashioned by the late great Republican Senator, Robert A. Taft. It met a pressing need, developed as a functional tradition, and has earned the right of permanency. What custom has sanctified, the rules ought properly to prescribe.

I, therefore, send to the desk a resolution which would amend rule VII of the Standing Rules of the Senate by adding to the matters of morning business prescribed, the following: Statements or comments not to exceed 3 minutes.

Mr. President, this simple amendment which I propose would not alter the existing rules concerning the placing of insertions in the CONGRESSIONAL RECORD. The resolution relates only to the 3-minute period that Senators should be allowed, in accordance with what has been, and is, customary practice for the making of such insertions. The insertions themselves, whether during the morning hour or afterward, would remain a matter for unanimous consent, thus leaving with the Senate the discretion to regulate against abuses.

I ask unanimous consent, Mr. President, that the text of the resolution may be printed in the RECORD following these remarks, and that the resolution may lie on the desk for a period of 1 week so other Senators who may wish to join in cosponsorship shall have an opportunity to do so. I ask that it then be appropriately referred, in the hope that the Senate Committee on Rules and Administration may act favorably upon it.

The PRESIDING OFFICER. The resolution will be received and appropriately referred; and, without objection, the resolution will lie on the desk, as requested by the Senator from Idaho.

The resolution (S. Res. 35) was referred to the Committee on Rules and Administration, as follows:

S. RES. 35

Resolved, That rule VII of the Standing Rules of the Senate be amended by inserting, after "Concurrent and other resolutions" in paragraph 1, a new clause, as follows:

"Statements or comments not to exceed three minutes."

Mr. CHURCH. Mr. President, I may add that I submit the resolution on behalf of myself, the Senator from Alaska [Mr. BARTLETT], the Senator from Pennsylvania [Mr. CLARK], and the Senator from West Virginia [Mr. RANDOLPH].

PUBLIC WORKS AND ECONOMIC DEVELOPMENT PROGRAMS TO ASSIST IN THE DEVELOPMENT OF THE APPALACHIAN REGION—AMENDMENT (AMENDMENT NO. 1)

Mr. HART (for himself, Mr. NELSON, Mr. MCCARTHY, and Mr. MONDALE) submitted an amendment, intended to be proposed by them jointly to the bill (S. 3) to provide public works and economic development programs and the planning and coordination needed to assist in the development of the Appalachian region, which was referred to the Committee on Public Works, and ordered to be printed.

CORRECTION OF SENATE RESOLUTION 19

Mr. MANSFIELD. Mr. President, it has been called to my attention that there is an error in Senate Resolution 19, which was adopted on January 7. I ask unanimous consent that the last two names on page 4, lines 7 and 8, be reversed and that a star print of the resolution as corrected be ordered.

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

TO PRINT AS A SENATE DOCUMENT A REPORT ON STATUS OF COLORADO RIVER STORAGE PROJECT AND PARTICIPATING PROJECTS

Mr. ANDERSON. Mr. President, the 84th Congress, in 1956, enacted a most constructive and forward-looking law known as the Colorado River Storage Project Act. This is Public Law 485, 84th Congress, and is derived from S. 500 of that Congress, a measure which I had the honor to sponsor.

In reporting the bill on behalf of the Interior Committee to the Senate on March 30, 1955, I pointed out—

S. 500, as amended, has four principal purposes. First, it would authorize a series of holdover storage reservoirs, with hydropower plants and incidental works. Second, it would authorize a number of consumptive use irrigation projects. Third, it would recognize, with a view to laying a foundation for eventual further action by the Congress, certain units and projects in several stages of planning, but plans for which are not sufficiently advanced to warrant final and unconditional authorization. Finally, the bill recognizes that the works authorized constitute only an initial phase of a comprehensive development of the water resources apportioned to the upper basin and that the specific authorizations in this bill are not intended to limit or preclude the consideration and authorization by Congress of other projects for the use of waters apportioned under the compacts as additional needs are indicated.

Section 6 of the law requires the Secretary of the Interior to report to the Congress each year "upon the status of the revenues from, and the cost of, constructing, operating, and maintaining" the project and "to reflect accurately the Federal investment allocated at that time to power, to irrigation, and to other purposes, the progress of return and payment thereon, and the estimated rate of progress year by year, in accomplishing repayment."

Of such widespread interest and value are these reports that each year since 1957 the Secretary's report for the preceding year has been published by the Senate as a Senate document. The eighth annual report was transmitted to the Interior Committee on December 30, and it sets forth both the progress and the problems in achieving the purposes of the enabling legislation.

Mr. President, I send forward a resolution calling for the printing, as a Senate document, of this eighth annual report on the status of the Colorado River storage project and participating projects, and I ask for its appropriate referral.

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

The resolution (S. Res. 33) was referred to the Committee on Rules and Administration, as follows:

S. RES. 33

Resolved, That there shall be printed as a Senate document the Eighth Annual Report on the Status of the Colorado River Storage Project and Participating Projects, prepared by the Department of the Interior, and an introductory statement by Senator ANDERSON, and that five hundred extra copies be printed for the use of the Senate Interior and Insular Affairs Committee.

ADDITIONAL COSPONSORS OF BILLS, AND SO FORTH

Mr. McGOVERN. Mr. President, I ask unanimous consent that at the next printing of S. 4, the Water Pollution Control Act and S. 306, to amend the Clean Air Act, by Senator MUSKIE, my name be included as a cosponsor on each of them. I have checked with the Senator from Maine and have his consent to this request. Both are important measures and I would like to be associated with them.

Mr. President, I ask unanimous consent that the name of Senator KARL MUNDT be added as a cosponsor to Senate Joint Resolution 5, to name the Washington Channel Bridge on Interstate Route 95 the Francis Case Memorial Bridge. I am very happy to have his support on this measure to honor a former Senator from South Dakota and a strong supporter of our interstate highway program.

Mr. DIRKSEN. Mr. President, I ask unanimous consent that the names of the Senator from Florida [Mr. HOLLAND] and the Senator from Connecticut [Mr. RIBICOFF] be added as cosponsors of Senate Resolution 20, legislation to establish a standing Committee on Veterans' Affairs.

Mr. McNAMARA. Mr. President, I ask unanimous consent that, when the bill is next printed, the name of the junior Senator from New Jersey [Mr. WILLIAMS] be added as a cosponsor of the bill S. 65 to provide for the payment of hospital and related health services for persons 65 years of age and older.

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

Mr. McNAMARA. Mr. President, I ask unanimous consent that, when the bill is next printed, the name of the junior Senator from Michigan [Mr. HART] be added as a cosponsor of the bill S. 255 to provide for the reduction over a 3-year period of the excise tax on passenger automobiles.

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

Mr. ANDERSON. Mr. President, I ask unanimous consent that the name of the Senator from Washington [Mr. JACKSON] be added as a cosponsor of S. 1 at the next printing of the bill.

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

Mr. ANDERSON. Mr. President, I ask unanimous consent that the name of the senior Senator from Washington [Mr. MAGNUSON] be added as a cosponsor on S. 1, the Hospital Insurance, Social Security, and Public Assistance Amendments of 1965, at the next printing of this bill.

Mr. President, I ask unanimous consent that the names of the Senator from Alaska [Mr. BARTLETT] and the Senator from South Dakota [Mr. McGOVERN] be added as cosponsors of S. 21, the river basin planning bill.

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

Mr. MUSKIE. Mr. President, I ask unanimous consent that at the next printing of S. 306, amendments to the Clean Air Act, the names of the following Senators be added as cosponsors: Mr. HRUSKA, Mr. McGOVERN, Mr. MONDALE, Mrs. NEUBERGER, Mr. TYDINGS, and Mr. YARBOROUGH.

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

Mr. MUSKIE. Mr. President, I ask unanimous consent that the the next printing of S. 4, the Water Quality Act of 1965, the names of the following Senators be added as cosponsors: Mr. HARTKE, Mr. McGOVERN, Mr. MONDALE, Mr. TYDINGS, and Mr. YARBOROUGH.

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

Mr. McGOVERN. Mr. President, I ask unanimous consent that the name of my distinguished colleague [Mr. MUNDT] be added as a cosponsor of Senate Joint Resolution 5, to name the Washington Channel bridge on Interstate Route 95 the Francis Case Memorial Bridge.

The PRESIDING OFFICER. Hearing no objection, it is so ordered.

Mr. McGOVERN. I am very happy to have the support of my colleague on the measure to honor our former colleague from South Dakota, who was a strong supporter of our interstate highway program, and a man who was a leader in the affairs of the District of Columbia.

Mr. President, I ask unanimous consent that my bill, S. 30, to establish an Economic Conversion and Diversification Commission, be held over at the desk an additional week until the close of business Friday, January 22, so that additional cosponsors may be added. This bill would set in motion a coordinated effort by Federal, State, and local governments and private initiative to meet the problems and opportunities created by shifts or reductions in the Defense Establishment. There has been considerably more interest expressed in the bill this year, and I would like all Senators who wish to join in this effort to have the opportunity to do so.

Mr. HARTKE. Mr. President, I ask unanimous consent that at the next printing of the bill (S. 14) introduced by Senator DODD on January 6, to amend the Federal Firearms Act, the name of the senior Senator from New York [Mr. JAVITS] be added as a cosponsor.

The PRESIDING OFFICER. Hearing no objection, it is so ordered.

Mr. HARTKE. Mr. President, I ask unanimous consent that at the next printing of the bill (S. 437) introduced by Senator DODD on January 12, to release zinc from the national stockpile, the name of the junior Senator from Connecticut [Mr. RIBICOFF] be added as a cosponsor.

The PRESIDING OFFICER. Hearing no objection, it is so ordered.

Mr. HARTKE. Mr. President, I ask unanimous consent that the bill (S. 438) introduced by Senator DODD on January 12, to control the traffic in stimulant and depressant drugs, be allowed to remain at the desk until the close of business Wednesday, January 20.

The PRESIDING OFFICER. Hearing no objection, it is so ordered.

ECONOMIC CONVERSION AND DIVERSIFICATION COMMISSION

Mr. McGOVERN. Mr. President, I ask unanimous consent that my bill, S. 30, to establish an Economic Conversion and Diversification Commission, be held over at the desk for an additional week, until the close of business on Friday, January 22, so that additional cosponsors may be added to it.

The PRESIDING OFFICER. Hearing no objection, it is so ordered.

Mr. McGOVERN. Mr. President, the bill would set in motion a coordinated effort by Federal, State, and local governments, as well as by private industry and other private groups, to meet the problems and opportunities created either by shifts or by reductions in the Defense Establishment. I think it is one of the most important problems now confronting the country. There has been considerably more interest expressed in the bill this year than when it was introduced on October 31, 1963. I would like all Senators who wish to join in this effort to have the opportunity to do so. A considerable number of Senators have already joined in cosponsoring the measure. Similar measures are enjoying strong support in the other body on a bipartisan basis.

ADDITIONAL COSPONSORS OF BILLS AND JOINT RESOLUTION

Under authority of the orders of the Senate, as indicated below, the follow-

ing names have been added as additional cosponsors for the following bills and joint resolution:

Authority of January 6, 1965:

S. 9. A bill to provide readjustment assistance to veterans who serve in the Armed Forces during the induction period: Mr. BOGGS, Mr. HART, Mr. MCCARTHY, Mr. MONDALE, Mr. MONTOYA, Mr. MOSS, Mr. PELL, and Mr. TYDINGS.

S. 14. A bill to amend the Federal Firearms Act: Mr. ALLOTT, Mr. CLARK, and Mr. JOHNSTON.

S. 286. A bill to require Members of Congress, certain other officers and employees of the United States, and certain officials of political parties to file statements disclosing the amount and sources of their incomes, the value of their assets, and their dealings in securities and commodities: Mr. DOUGLAS.

S. 287. A bill to provide fellowships for graduate study leading to a master's degree for elementary and secondary school teachers: Mr. CASE, Mr. CLARK, Mr. LONG of Missouri, and Mr. PROUTY.

S. 289. A bill to amend Public Laws 815 and 874, 81st Congress, to provide financial assistance in the construction and operation of public elementary and secondary schools in areas affected by a major disaster: Mr. BARTLETT, Mr. CLARK, Mr. COOPER, Mr. GRUENING, Mr. LONG of Missouri, and Mr. YARBOROUGH.

S.J. Res. 2. Joint resolution proposing an amendment to the Constitution of the United States to preserve to the people of each State power to determine the composition of its legislature and the apportionment of the membership thereof in accordance with law and the provisions of the Constitution of the United States: Mr. HILL, Mr. LAUSCHE, Mr. MCCLELLAN, Mr. ROBERTSON, Mr. SPARKMAN, and Mr. STENNIS.

Authority of January 7, 1965:

S. 296. A bill to authorize the temporary release of 100,000 short tons of copper from the national stockpile: Mr. BAYH, Mr. BIBLE, Mr. DODD, Mr. HARTKE, Mr. MONTOYA, and Mr. WILLIAMS of New Jersey.

NOTICE CONCERNING NOMINATION BEFORE COMMITTEE ON THE JUDICIARY

Mr. MCCLELLAN. Mr. President, the following nomination has been referred to and is now pending before the Committee on the Judiciary: Manuel L. Real, of California, to be U.S. attorney, southern district of California, for a term of 4 years (appointed during recess of Senate).

On behalf of the Committee on the Judiciary, notice is hereby given to all persons interested in this nomination to file with the committee, in writing, on or before Friday, January 22, 1965, any representations or objections they may wish to present concerning the above nomination, with a further statement whether it is their intention to appear at any hearing which may be scheduled.

NOTICE OF HEARING ON NOMINATION OF EDWIN LANGLEY, OF OKLAHOMA, TO BE U.S. DISTRICT JUDGE, EASTERN DISTRICT OF OKLAHOMA

Mr. MCCLELLAN. Mr. President, on behalf of the Committee on the Judiciary, I desire to give notice that a public hearing has been scheduled for Friday, January 22, 1965, at 10:30 a.m., in room 2228, New Senate Office Building, on the nomination of Edwin Langley, of Oklahoma, to be U.S. district judge, eastern district of Oklahoma, vice Eugene Rice, retired.

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

The subcommittee consists of the Senator from Mississippi [Mr. EASTLAND], chairman, the Senator from North Carolina [Mr. ERVIN], and the Senator from Nebraska [Mr. HRUSKA].

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. RANDOLPH:

Article entitled "Gilding the Johnson Lily," written by Rowland Evans and Robert Novak; also address delivered by Senator MCNAMARA, at the AFL–CIO National Legislative Conference, in Washington, D.C., on January 12, 1965.

MEDICARE—ADDRESS BY SENATOR ANDERSON

Mr. MCNAMARA. Mr. President, on Tuesday, January 12, the senior Senator from New Mexico [Mr. ANDERSON] addressed the National Legislative and Economic Conference of the AFL–CIO at the Mayflower Hotel in Washington on the subject of medicare.

Since the Senator's excellent speech on this important subject is of wide, general interest, I ask unanimous consent that it be printed in the RECORD at this point.

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

REMARKS OF SENATOR CLINTON P. ANDERSON BEFORE ECONOMIC AND LEGISLATIVE CONFERENCE, AFL–CIO, MAYFLOWER HOTEL, WASHINGTON, D.C., JANUARY 12, 1965

It has been 3 years since I last spoke to the Economic and Legislative Conference. In my discussion with you in 1962, I expressed the hope that organized labor would insist, "not that new bottles be found for old medicines, not that new nostrums be hastily mixed, not that new cures be advanced by the very large and well-financed propaganda machine of the AMA, but that the Congress decide once and for all whether working people can be permitted to take care of their old age health needs as a matter of right."

I can assure you that we in the Congress are on the eve of making this historic decision. You who have worked so diligently on this problem will be proud of that decision. And no 11th hour campaign, no matter how heavily financed or deceptively contrived, is going to deter us because the large majority of Americans want this program. They want it because they recognize that even the most sincere efforts so far to relieve the crisis so many of our aged face in paying for their health care have not been successful.

We know that hospital insurance through social security was not the issue in the election last fall. Confidence in President Johnson was the issue. But as he and Senator HUMPHREY traveled the Nation, they spoke repeatedly about the need for hospital insurance for our aged and many congressional candidates campaigned on it. So it was an issue, and I don't have to tell you what the election returns showed.

In my own State, a survey conducted last fall revealed that 72 percent of the registered voters interviewed, favored social security hospital insurance. Nineteen percent were opposed and 9 percent had not made up their minds. I found it especially significant that while 82 percent of those who intended to vote for the Democratic senatorial candidate, JOSEPH MONTOYA, favored that approach, that 61 percent of those who favored his Republican opponent—who was opposed to this approach—favored the social security method. I judge from those figures that recognition that more must be done for the aged crosses party lines.

The November elections have brought to the House and the Senate more Members ready to vote for a hospital insurance program for the aged financed through contributory payroll deductions. The change in ratio of Democrats to Republicans on the Ways and Means Committee is, of course, a tremendous boost to our course. Moreover, the Senate passed this proposal last September 1 by a vote of 49 to 44. Three Republicans—Senators JAVITS, CASE, and KUCHEL joined in cosponsoring the bill, S. 1—the first measure introduced in the Senate and the first bill introduced in the House. There, CECIL KING of California put in the bill, joined by many of his colleagues. Thus, we again have a King-Anderson bill.

It is entirely possible that the Ways and Means Committee will not hold public hearings on the bill. The committee held 10 days of hearings on social security and health care for the aged in 1961 but those hearings did not begin until 5 months after the bill was presented. It was almost a year before the committee went into executive session and failed to report out health care. In 1963 and 1964, 10 days of hearings again were held on social security and health care in Ways and Means. I am delighted with the reports that Chairman MILLS believes he can have a bill ready for the House floor by March. I believe it is entirely possible that the Senate Finance Committee and the Senate could move quite promptly once the bill comes over from the House. After all, the Senate debated a health care amendment from June 29 to July 7, 1962. The Senate Finance Committee held 7 days of hearings in 1964 and, as I said a moment ago, the Senate passed a social security health insurance program last September.

In his special message on health care last Thursday, the President declared: "I believe this year is the year when, with the sure knowledge of public support, the Congress should enact a hospital insurance program for the aged * * *. I ask that our social security system—proved and tested by three decades of successful operation—be extended to finance the cost of basic health services. In this way, the specter of catastrophic hospital bills can be lifted from the lives of our older citizens. I again strongly urge the Congress to enact a hospital insurance program for the aged."

You will remember that it was the President's recommendation on health insurance for the aged which drew the loudest applause in his state of the Union message earlier last week. I believe we could have this bill on the President's desk for signing by Easter.

There is really not much new under the sun as far as this problem goes and our proposal to relieve it. More public attention and intensive study probably have been devoted to this subject than any other current domestic issue. Since 1946, the average cost for 1 day of hospital care has risen from $9 to nearly $40. This situation is compounded by the fact that the aged hospital patient, on the average, spends three times as long in the hospital as a younger person. To make things worse, 55 percent

of these aged have annual incomes of less than $1,000.

Those are the facts—and no nostalgic suggestions that thrift and virtue will solve this dilemma can substitute for an effective public response.

Such a response is the King-Anderson bill. It is a logical extension of the retirement protection already furnished through social security. The basic idea behind social security is that workers pay contributions (together with their employers) over their working lifetimes to provide benefits after retirement in old age. The proposal for hospital insurance for the aged follows the same principle. While earning, the worker would make small contributions toward protection against the high hospital costs that are a common occurrence in old age—costs which now represent the major remaining cause of personal financial disaster among our aged citizens. The worker would have the hospital insurance protection at age 65 without need to make further contributions after retirement.

Private health insurance, which has made larger health costs manageable for people in the working groups, has not proved to be an effective means of protecting older people against financial ruin. Despite great efforts and much ingenuity on the part of the voluntary insurance organization, today only a relatively few older people—perhaps 1 in 20—have insurance covering as much as 40 percent of their average health costs. Almost half of the elderly have no health insurance at all—not even inadequate coverage. The number of older people without any health insurance protection at all is nearly as large as it was 5 years ago.

Senator PAT MCNAMARA has been one of the stalwarts in the long effort to provide meaningful health protection to the aged. As chairman of the Special Committee on Aging and now as chairman of the Subcommittee on Health of the Elderly, he has been concerned with the protection afforded by private health insurance. He has provided me with some highly interesting facts about private health insurance. Robert R. Neal, general manager of the Health Insurance Association of America, recently wrote to PAT: "This association estimates that 10.6 million persons at ages 65 and over had some form of private health insurance as of the end of 1963. This total, which corresponds to 61 percent of the noninstitutionalized aged population as of that date, is the most current information we have on the subject." The point of interest is that the 61 percent represents only a 1 percent gain in the 12 months between December 1962 and the end of December 1963. In the 18 months between July 1961 and December 1962, the Health Insurance Association of America reported a 7 percent increase in insurance coverage of the aged, up from 53 percent. Thus, it appears from the Health Insurance Association's own data—and Senator MCNAMARA has challenged whether the data may be too optimistic—that the rate of increase in private health insurance for the aged has dropped sharply. With hospital costs rising more rapidly then income, it seems quite likely that private insurance has reached the saturation point in covering additional elderly Americans.

The Kerr-Mills law, the public assistance method for helping the medically indigent aged, has proved a disappointment. It is not a national solution to a national problem. Five States—New York, California, Massachusetts, Pennsylvania, and Minnesota—get 68 percent of the Federal money, but have only 31 percent of the aged population. It is a program which helps—and not very adequately in most States—only after the elderly have exhausted their resources and savings and, perhaps, those of their families. We must not be content to deal with destitution after it occurs; we must prevent impoverishment.

I think the social insurance approach embodied in the King-Anderson bill is far more humane, far more effective, far more devoted to the American principle of individual dignity. Nearly 20 million persons aged 65 and over would be covered, most of them because they are under social security or railroad retirement. About 2 million not so covered would have their benefits paid for from general revenues. That number will be reduced as more and more persons come under social security by reason of work experience.

Let me review the major features of the King-Anderson bill. The benefits concentrate primarily on inpatient hospital services because of the great financial strain placed on the aged who must go to the hospital.

Last week's report of the Advisory Council on Social Security—on which Nelson Cruikshank and other nationally known experts served—stated: "Not only is hospitalization a virtually universal occurrence among older people but there is a high correlation between hospitalization and large total medical expenses. Older people who are hospitalized in a given year are the ones who have the big expenses. While medical care costs for all aged couples averaged about $442 in 1962, the medical expenses of aged couples with one or both members hospitalized averaged $1,220; for nonmarried elderly people, average medical expenses for the year were $270, whereas for those who were hospitalized, the average was $1,038. Both the averages and the differentials would be even higher now."

The benefits provided in the bill are:

1. Hospital inpatient services for 60 days in a benefit period, with a "deductible" of the national average cost of 1 day of care to be paid by the patient.

2. Home health services such as a visiting nurse—or a therapist—up to 240 visits a year.

3. Outpatient hospital diagnostic services—such as X-ray and laboratory services—with a deductible for services in any one month, equal to one-half of the deductible for inpatient hospital services, to be paid by the patient.

These three benefits would be provided after July 1, 1966.

4. Post-hospital extended care in a facility having an arrangement with a hospital for timely transfer of patients and medical information about patients for 60 days in a benefit period. The services would be covered only in the case of transfer from a hospital.

This benefit is effective January 1, 1967.

In the previous King-Anderson bill, an option was offered—45 days of hospital care with no deductible, 90 days with a maximum deductible of $90 or 180 days with a deductible of almost $92.50. The Advisory Council on Social Security recommended a straight 60-day hospital benefit. The option would confront the aged with a difficult choice and once made, would be irrevocable. It is a generous amount of inpatient care.

Payment would be made for drugs furnished to hospital and extended care facility patients for use while inpatients. Drugs prescribed to a patient as part of his home health care and outpatient services would not be paid for under our bill.

The hospital insurance program would be financed by allocating 0.60 percent of taxable wages paid in 1966; 0.76 percent of taxable wages paid in 1967 and 1968; and 0.90 percent of taxable wages paid thereafter, to a special hospital insurance trust fund that would be established for the program. Allocations of 0.45, 0.57, and 0.675 percent of self-employment income taxable under social security would be made, respectively, in 1966, 1967–68, and 1969 and thereafter.

In 1969 and thereafter, a worker earning $3,000 would pay $13.50 a year for the hospital insurance program; one earning $4,800 would pay $21.60; and a worker earning $5,600 a year, the maximum earnings subject to contributions under the bill, would pay $25.20 a year. The present base on which social security taxes is levied is $4,800.

The separate trust fund for the hospital insurance program would be in addition to the present old-age and survivors insurance trust fund and the disability insurance trust fund. Under the proposed law, hospital insurance benefits could be paid only from the hospital insurance trust fund, just as under present law disability insurance benefits can be paid only from the disability insurance trust fund.

The income to the hospital insurance trust fund is estimated actuarily to meet the costs into the indefinite future. Estimated contribution income to the new trust fund for 1967 (the first year of the program's full operation) would total $1.98 billion and estimated expenses $1.78 billion. Payments made on behalf of persons who are not eligible for social security or railroad retirement benefits would be made from the trust fund, but the fund would be fully reimbursed for all costs involved in such payments from general revenue.

The bill would provide the opportunity for considerable participation by private organizations in the administration of the program. Groups of providers, or associations of providers on behalf of their members, would be permitted to designate a private organization to act as an intermediary between themselves and the Federal Government. Such private organizations, serving as intermediaries between the Government and the providers, would reduce the concern expressed by some people that the Federal Government might try to interfere in hospital affairs.

I am in complete agreement with the Advisory Council on Social Security that social insurance should not cover all the costs of illness during old age. The American approach to income security has traditionally involved a cooperative partnership of private effort and governmental measures. Old-age survivors and disability insurance, for example, is supplemented by employer and trade union plans, by private insurance, and by individual savings and investments, and all contribute to the common goal of personal and economic independence throughout the later years. Backing up this combination of measures for individual self-support are the Federal-State public assistance programs which aid those who have needs which are still unmet.

This is why the bill incorporates the proposal of Senator JAVITS to authorize the creation of associations of private insurers to encourage the development of policies covering costs—primarily physicians' fees—not met under the Government program. I have always tried to assure ample room for private complementary insurance and to provide encouragement for private insurers to assume that role.

In addition to hospital insurance for the aged, S. 1 provides for a 7-percent increase in monthly cash benefits for some 20 million social security beneficiaries. This is an extremely important part of the King-Anderson bill. Had the conference committee reached agreement last October on hospital insurance, these beneficiaries would have received increased benefits beginning January 1, 1965. Our bill provides that on passage monthly benefits would be retroactive to that date. In this way those of us who would not accept a social security bill in conference that did not include hospital insurance and thus barred an increase in cash benefits will be keeping faith with America's aged. They will not have been financially hurt by the deadlocked conference.

S. 1 also contains improvements in the public assistance titles of the Social Security Act.

The next few months will see our efforts of many years crowned with success. Having been a part of this effort, I know how much the victory is the result of the unflagging labor of the American union movement. The entire Nation, not just millions of the aged, will owe you thanks.

NAZI WAR CRIMINALS

Mr. RIBICOFF. Mr. President, a great tragedy could take place in May 1965. The tragedy could occur on May 8, 1965, for if the German Bundestag fails to act, that date would mark the time when Nazi war criminals now at large charged with genocide or murder would cease to fear the punishment of law. If nothing is done before May 8, 1965, they can come from their places of hiding and come and go scot free.

On December 9, 1964, the German Bundestag called for intensified efforts in seeking out war criminals. The German Government issued a worldwide appeal for information on Nazi crimes on November 20, 1964.

The German Ambassador to the United States, His Excellency Heinrich Knappstein, wrote a most important and unusual article for the German language newspaper Aufbau in New York, pointing out that while thousands of war criminals have been brought to justice, still the possibility remains that "one or the other of the culprits, if he was never named in any context nor pointed out by any accusing witness, might under the shelter of the statute, dare to show himself again." The Ambassador's article concludes on an encouraging note:

> Parliament * * * will take measures to close the last gap through which a Nazi criminal might slip. For as I said in the beginning, it is the firm intention of Germany's political leadership to prevent this and to assure that particularly in cases of National-Socialist acts of violence, justice will take its course unhampered.

Mr. President, I commend the Ambassador for a forthright statement of the hopes of millions of Americans. Justice must be preserved.

I ask unanimous consent that Ambassador Knappstein's article be printed in full in the RECORD, together with the text of the December 9, 1964, Bundestag resolution, and the text of the German Government appeal of November 20, 1964.

There being no objection, the article, resolution, and German Government appeal were ordered to be printed in the RECORD, as follows:

PROSECUTION OF NAZI MASS MURDER MUST NOT AND WILL NOT END NEXT MAY

In the past few weeks and months all of us, and particularly we in Germany's Embassy in Washington, have been greatly concerned with a problem that has evoked violent discussions, grave accusations, and deplorable misunderstandings—the problem of the application of the statute of limitations to Nazi crimes in Germany. I am, therefore, particularly grateful to the editors of the Aufbrau for giving me space in the pages of their courageous and truth-seeking paper to say something on the subject. In doing so I do not set out to justify the position of the German Government, but to present the facts without whose knowledge this complicated problem cannot possibly be judged.

The starting point of the debate was a provision in the German criminal code whereby a murder falls under the statute of limitations 20 years after it has been committed; i.e., after such a period has elapsed no trial proceedings can any longer be opened. That would imply that any murder committed before the end of the Hitler regime, i.e., before May 8, 1945, would be subject to this statute after May 8, 1965. The practical implication of this legal situation, unfortunately, has been so thoroughly misunderstood in the United States—and elsewhere—that some clarification is called for.

GERMAN "LIMITATIONS" STATUTE MISCONSTRUED

On one point there is undisputed agreement between the Federal Government, the German Parliament, all leading personalities in Germany, and the many organizations and individuals here in the United States who have sent me worried and even dramatic petitions: that the horrible mass murders of the days of the Hitler regime must not fall under this statute; that the Nazi criminals who have committed these deeds must have their proper punishment meted out to them, for the sake of justice. This goes for the petty sadists who strutted through concentration camps with bludgeon or pistol, and beat their victims to death or "finished them off" with a shot in the neck, as much as for those big bureaucrats of murder who organized the whole pandemonium. The German people know very well, and their leaders know it even better, that guilt can only be atoned for and that justice with regard to such criminals must take its course, regardless of legal technicalities. After all, thousands of Germans too—and certainly not the worst—became the tyrant's victims in their resistance against him.

During the past weeks, we have received a great number of petitions, letters, and telegrams from well-meaning and truly concerned persons and groups, particularly from Jewish circles and organizations in the United States. It pained us to see that most of them, but also many newspaper articles on this subject, were based on assumptions about the effects of this statute which are not in keeping with the facts, but profoundly mistaken. There seems to be a widespread impression that in Germany after May 8, 1965, all Nazi criminals not legally adjudicated by that time would go scot free; that hundreds or even thousands (one publication spoke of 10,000) of Nazi criminals who had tortured and murdered human beings could promenade freely in Germany's streets and jeer at all legal authorities: "You can't do a thing against us, our deeds are subject to the statute of limitations." All one can say with regard to this notion is that it is false.

Regrettably, we have also often been confronted with another, no less erroneous notion; namely, that the German courts did practically nothing to clean up the German house "except for a few show trials designed to throw dust in the eyes of the world" as someone said to me in a recent conversation. This notion, too, is false, as I shall demonstrate.

JUSTICE HAS BEEN AT WORK FOR YEARS NOW

To begin with the latter problems: What has actually become of the criminals of those evil years; what have the courts, particularly the German courts, done so far to bring them to justice?

Let me first delineate the five most important groups:

(1) It is known that a large number of Nazi criminals escaped the consequences of their crimes by biting the cyanide capsule or shooting themselves with their own service pistol. This not only includes Hitler, Himmler, Goering, Goebbels, Ley, and others, but also a long list of Gauleiters, leaders of "special groups" (Einsatz- und Sonderkommandos) and others. So to speak, they have, by their suicide, eradicated themselves from the list of Nazi criminals and escaped worldly justice. Their number is hard to ascertain but is very high according to present investigations.

(2) A great number of the perpetrators were sentenced or otherwise brought to justice in East European countries, for example in Poland where many concentration camps were located, or in Czechoslovakia, Yugoslavia, and the Soviet Union. We may be sure that none of the Nazi criminals caught there escaped justice, all the more as the Western Allies extradited suspects they had caught to those countries where these men had done their bloody work.

(3) In West European countries, too, numerous trials took place against those who had "administered" and oppressed Nazi-occupied countries, or been commanders of concentration camps located there. In this connection, mention should be made of verdicts pronounced in France, Belgium, Holland, Norway, Denmark, Italy, and Greece. So far, no figures have been assembled on this score, but we may be sure that justice was done there, too.

(4) The military tribunals set up by the three Western Allies in Germany after the war for the trial of Nazi criminals, as we now know, pronounced sentence on 5,025 persons, 806 of whom were sentenced to death. In turn, 486 of these, i.e., more than half, were executed, including the Nuremberg war criminals.

(5) As I know from my own activity in the denazification process, German courts during the early postwar years were not able—or only to a very limited degree—to try Nazi criminals, because the Allies reserved these cases almost entirely for themselves. Only with the establishment of the Federal Republic and the conclusion of the Bonn Conventions of 1954 was German judicature able to take on fully the prosecution of Nazi criminals. This was particularly difficult in the beginning as the most important documents were still in Allied hands, and because it was especially difficult, during those first turbulent years, to reach surviving witnesses who were essential for such trials.

Still German judicature pronounced the high number of 5,445 legal verdicts between May 8, 1945, and January 1964 with 12 death sentences among them (that could not, however, be carried out because the 1949 Constitution abolished the death penalty). I therefore believe that the charge that German judicature did nothing to clean up the German scene, can really not be maintained.

THOUSANDS INVESTIGATED BY LUDWIGSBURG OFFICE

Did these convictions in East and West, by Allied military tribunals and German courts, bring all or nearly all Nazi criminals to justice? This question may well be answered negatively, even though everyone must admit that a great deal of justice was done in this fashion. In the course of a trial in Ulm in 1958, it emerged that many of the crimes committed in the concentration camps and by the "special groups" had not yet been prosecuted or adjudicated.

The German judiciary therefore established a center in the town of Ludwigsburg, exclusively charged with examining and uncovering crimes commited in concentration camps and so-called special actions outside the Federal Republic. With German thoroughness, this center during the past 6 years reconstructed, on paper, all those places of horror where human beings were tortured and killed, and also the organizations set up to commit such mass murder; and it attempted to find the names of all those involved in these crimes, so that subsequently the regular courts could prosecute.

So far, the Ludwigsburg center has pieced together no fewer than 540 such "complexes" (of which, incidentally, the Auschwitz trial

now taking place in Frankfurt is one). All these "complexes" encompass one or more participants who are known by name, and a criminal dossier was prepared in the case of every one of them. Involved in these 540 "complexes," are certainly several thousand suspects with whom the German courts will have to deal in the years to come.

"LIMITATIONS" PROVISION IN GERMAN CRIMINAL CODE

With this I return to the frequently so thoroughly misunderstood effects of the statute of limitations. German law provides—this is generally not known—that every statutory limitation can be interrupted by a simple action on the part of a judge; the statutory period then begins anew. What does that mean in practice? If the Ludwigsburg center forwards the dossier of a suspect to a regular court, and the judge merely makes a notation in the papers, such as: "The investigation is to be continued. Mueller, district judge"; the statutory limit is automatically set aside and the case runs for another 20 years. Therefore the statutory limitation is interrupted as regards those under suspicion by the Ludwigsburg center, regardless of whether it is known they are still alive, where they live, or whether they live somewhere under an assumed name, and the statute of limitations will not apply to them as of next May, but only 20 years after its interruption. Thus, this large number of persons will be excluded from the statute, so that justice can proceed unhampered in their cases.

GERMANY CALLS UPON WORLD FOR EVIDENCE

Finally, the German Federal Republic went to extra lengths on November 20, 1964, when it launched an appeal to the entire world asking everyone—individuals, organizations, or governments—to make available to the Ludwigsburg center (Zentralstelle der Landesjustizverwaltung zur Aufklaerung nationalsozialistischer Gewalttaten. Ludwigsburg, Schorndorfer Strasse 28) any documents, photostats, microfilms, or other information containing names of Nazi criminals so far not known to legal authorities of the Federal Republic. There are still 4 months to go before the statute takes effect, unless the statute is previously stayed by juridical action. This is further guarantee that no one will escape justice.

If we sum up objectively all measures so far taken against the Nazi criminals, such as the trials in the East European countries, the trials in Western Europe, the sentences by the Allied military tribunals, the convictions by German courts, the investigation efforts by the Ludwigsburg center that lead to an interruption of the statutory limitation in thousands of cases, and finally the appeal by the Federal Republic to the world to provide information on any Nazi criminals who have so far remained unknown—then one may confidently conclude that after May 8, 1965, there will by no means be hundreds or thousands of war criminals who will roam the streets of Germany and jeeringly point to the statute as protection against punishment.

CAN A FEW STILL ESCAPE JUSTICE?

In spite of all this, the theoretical possibility still remains, that one or the other of the culprits, if he was never named in any context nor pointed out by an accusing witness, might, under the shelter of the statute, dare to show himself again. Theoretically, I say; for in practice such a case is very improbable after all the lists of names of the concentration camp guards and the "special groups" have been combed, and so many convictions obtained.

But it must be admitted that, theoretically, the possibility remains and therefore—in my personal opinion—this possibility should also be blocked. It is not impossible, for example, that the authorities in the Soviet-occupied zone of Germany have some such cases in their files, in order to bring them out only after May 8, 1965. They most certainly would not do that to help justice triumph, but to capitalize on it politically to the detriment of the Federal Republic. Should the zonal authorities fail—now, after the appeal by the Federal Republic—to release such information, they would thereby protect Nazi criminals.

GERMANS CONTINUE STUDY ON EXTENSION OF LIMIT

What can be done to prevent abuse of the statute in the few theoretically possible cases—if there should be such cases at all? It is surely understandable that people in Germany are reluctant to change the Constitution because of these few possible cases, a change which in the opinion of some jurists, would be necessary in order to extend the time limits of the statute. Other jurists, however, are of the opinion that no constitutional change would be required, but merely a normal legislative act. In any event, the debate over the closing of this last small gap is not yet ended. A few days ago the German Parliament charged the Federal Government with the task of presenting a full report before March 1, 1965, on the extent to which National-Socialist crimes of violence have been solved, prosecuted, and punished. Parliament will then draw its conclusions from that report and take measures to close the last gap through which a Nazi criminal might slip. For, as I said in the beginning, it is the firm intention of Germany's political leadership to prevent this and to assure that particularly in cases of National-Socialist acts of violence, justice will take its course unhampered.

RESOLUTION OF THE GERMAN BUNDESTAG, DECEMBER 9, 1964

In full recognition of the work of the state prosecutors and the courts in investigating and prosecuting the Nazi mass murders and with special recognition for the investigations carried out by the central office in Ludwigsburg with the goal of seeking atonement for these acts of murder and to mete out just punishment for the responsible and guilty, the German Bundestag calls for intensified and speedier efforts in order that the statute of limitations may be interrupted in every case where this is possible. It stresses its support for the call of the Federal Government of November 20, 1964, and expresses the hope that all who have evidence which sheds light on such acts of murder will place it at the disposal of the German authorities.

Therefore the Federal Government is called upon to deal directly with the governments of the Laender in reaching agreement on the following:

(1) The complete file of documentary material on acts of murder during the Nazi period is to be reviewed systematically.

(2) To be included in this review is all material insofar as (a) it is available within the Federal Republic but has not yet been thoroughly checked; (b) it is available from the archives of the Soviet-occupied zone; (c) it can be obtained from abroad, especially from the countries of Eastern Europe.

(3) The systematic review is to be undertaken by a central office of the Land Judicial Administrations. Irrespective of the place of the crimes, it should be made competent to investigate all acts of murder including instigation and abetment within the area which was under the control of the authorities and offices of the former German Reich and central Nazi organizations.

(4) The Federal Minister of Justice is requested to report to the Bundestag by March 1, 1965, whether charges have been initiated in pertinent cases of murder and the interruption of the statute of limitations has been assured, if necessary whether the Federal Government is prepared to review together with the German Bundestag the question of an extension of the statute of limitations in case it should conclude that there is no other way to assure the prosecution of such acts of murder.

GERMAN GOVERNMENT APPEALS TO WORLD PUBLIC

(NOTE.—On November 20, 1964, the Government of the Federal Republic of Germany issued an appeal for information regarding National Socialist crimes as follows:)

Allied and German courts have already passed final judgment on the great majority of National Socialist crimes, and penal proceedings have been instituted regarding a number of other crimes.

Determined to punish National Socialist crimes and to restore violated justice, but considering, on the other hand, that the period of limitation in respect to crimes committed prior to May 9, 1945, cannot, for constitutional reasons, be extended, the Government of the Federal Republic of Germany requests all governments, organizations, and individual persons, both in Germany and abroad, to make available without delay to the "Zentralstelle der Landesjustizverwaltung zur Aufklaerung nationalsozialistischer Gewalttaten" (Central Office of the Land Judicial Administrations for the Investigation of National Socialist Crimes), Ludwigsburg, Schorndorfer Strasse 28, either original documents or photostat or microfilm copies of material in their possession relating to offenses and their perpetrators still unknown in the Federal Republic.

All diplomatic or consular missions abroad of the Federal Republic of Germany will accept and forward any documentation intended for the above-mentioned office.

CONGRATULATIONS TO PLUS POULTRY, INC., ON RECEIPT OF "E" AWARD

Mr. McCLELLAN. Mr. President, I announce with pride the receipt of a Presidential "E" Award by Plus Poultry, Inc., of Siloam Springs, Ark. The award was presented for significant contributions to the export expansion program of the United States. Accepting the award for Plus Poultry was Mr. M. H. Simmons, president of the firm. In making the award, the Assistant Secretary of the Department of Agriculture for Marketing and Consumer Services, Mr. George L. Mehren, cited the personal efforts of Mr. Simmons to develop export markets for the entire U.S. poultry industry. He also pointed to a sevenfold increase in Plus Poultry export sales over a 2-year period as an example of what can be accomplished by aggressive foreign promotion programs.

"E" awards are made cooperatively by the Departments of Agriculture and Commerce under a program announced by the President in 1961 to encourage expansion of U.S. exports. I add my congratulations and commendations to those of Assistant Secretary Mehren. Mr. Simmons and his firm are to be commended for their splendid achievements. All of Arkansas is proud of this firm and the outstanding people who make its success possible.

Mr. President, I ask unanimous consent that the press release of the Department of Agriculture which announced this award be printed at this point in the RECORD.

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

USDA ANNOUNCES PRESIDENTIAL "E" AWARD TO PLUS POULTRY, INC.

Plus Poultry, Inc., of Siloam Springs, Ark., received the Presidential "E" Award for significant contributions to the export expansion program of the United States at a special ceremony here today, December 18, the U.S. Department of Agriculture announced.

The award was presented by George L. Mehren, USDA Assistant Secretary for Marketing and Consumer Services. Accepting the award for Plus Poultry was M. H. Simmons, president of the firm.

Mr. Mehren cited the personal efforts of Mr. Simmons to develop export markets for the entire U.S. poultry industry, and pointed to a sevenfold increase in Plus Poultry export sales over a 2-year period as an outstanding testimonial to sales which can result from aggressive foreign promotion programs.

The firm received an official "E" certificate inscribed with this citation:

"By aggressive promotion, Plus Poultry, Inc., and its president, M. H. Simmons, through his personal leadership and devotion to the entire industry, have contributed to the development of export markets for U.S. poultry."

"E" awards are made cooperatively by the Departments of Agriculture and Commerce under a program announced by the President in 1961 to encourage expansion of U.S. exports, to improve the balance-of-payments situation and further America's responsibilities for advancement of world freedom.

Recipients of the awards, which are similar to those made for outstanding production in World War II, are authorized to fly a blue and white "E" banner over their plants and offices; display their certificates of commendation; issue "E" lapel pins to employees, and refer to the award in advertising.

POSITION OF THE UNITED STATES ON ARTICLE 19 OF THE UNITED NATIONS CHARTER

Mr. MORSE. Mr. President, the General Assembly of the United Nations will reconvene on next Monday. The major pending emergency item of business will be a determination of the position of the members thereof in respect to carrying out the obligations of article 19.

In the judgment of the senior Senator from Oregon, there is not the slightest justification at this time for the United States to take any other position than to insist upon the carrying out in full of the obligations of each and every signatory to the United Nations Charter in respect to article 19, which means not only the Soviet Union, but any other delinquent nation.

What the United States and other free nations do this coming week in New York City in the United Nations will determine whether or not that charter becomes a piece of paper instead of mankind's hope for maintaining a system of international justice through law.

We must keep in mind the juridical obligation that rests upon every signatory to that charter. The provisions of the charter provide for the use of the World Court in a determination of the international legal rights of the signatories thereto, through the handing down of an advisory opinion.

In keeping with the procedures of the charter, an advisory opinion of the World Court was requested and received. That opinion handed down the decision that the members whose signatures appear on the charter are obligated under article 19 on a mandatory basis to pay the assessments that are assessed by the United Nations, acting within its procedures.

Mr. President, the time has come for a determination as to whether or not article 19 shall stand as a part of the international charter or is to be a scrap of paper within the charter. If it is to be a scrap of paper within the charter, the entire charter becomes a scrap of paper. I only call upon the State Department and our Ambassador in New York City to recognize that the obligation is clear on the part of the United States to stand for the enforcement of the law. Then if the countries that are signatories to that charter believe the charter needs to be amended, the procedure for amendment is in the charter, and we should proceed with amendment of the charter. That might be welcome. On the floor many times in the past I have suggested amendments to the United Nations Charter, including an amendment respecting the makeup of the Security Council, the veto provisions, and possibly an amendment with regard to the formula or ratio that ought to be applied to the voting within the General Assembly. I am perfectly willing that this session should amend the charter, but article 19 ought not to be allowed to be violated by Russia or France or any other nation.

Mr. President, not only the eyes of the world will be on the General Assembly next week, but let me say to the State Department, the President of the United States, and our Ambassador in New York City, that the eyes of Congress and of millions of Americans will be on the session next week.

Mr. President, I shall be through in 30 seconds, if I may have that time.

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

Mr. MORSE. Mr. President, if we have reached the point when we can have the Charter of the United Nations successfully defied by Russia, France, or any other country, then it can be successfully defied by all countries. If the charter is to be revised by practice rather than by amendment, then all members will be obliged to follow the practice rather than the letter of the charter.

I think it ought to be recognized that the American people, in my judgment, are in no mood to pay out millions of dollars for the support of the United Nations if it is to be carried out only at the discretion or sufferance of Russia, France, or other countries in defiance of article 19.

Mr. LAUSCHE. Mr. President, next week the United Nations will go into session. One of the issues before it will be what shall be done with Red Russia's right to vote in the United Nations while it is in arrears in the sum of $54 million in the paying of its obligations. Article 19 of the United Nations Charter provides that when a nation is in arrears in the aggregate amount that has become due in a 2-year period, it shall lose its right to vote.

Efforts are now being made to abrogate the full impact and import of article 19 of the charter. It is being suggested that article 19 be disregarded, and that Russia be permitted to vote in spite of the delinquency in the payment of its dues.

The significance of the proposal to nullify article 19 is that many irresponsible nations are listening to the proposal, wishing completely to forget the absolute need of abiding by sacred agreements.

Our country, when it had subscribed its name to a document, has historically abided by the commitment that it had undertaken. Russia historically has broken its agreements. It is my recollection of 53 important agreements made by Russia since World War II, Russia has broken 52.

If the charter is to be amended, it should not be done by nullification and abrogation, but by following the procedure prescribed in the charter.

This is a matter of great importance. We cannot retreat in the face of the challenge of Red Russia that it will withdraw from the United Nations unless we violate article 19 of the charter. Our character is not built that way. We have been trained, as I have said, historically to abide by our word. Our word is our bond. Our signature is not required to induce us to conform to our word.

The Senator from Oregon [Mr. MORSE] has made a brief statement on this subject, in substance expressing the views that I express. I do not believe our Government will yield on this subject. However, it needs the fortification that comes from words uttered on the floor of the Senate.

We shall be looking forward to see what happens, and we shall be looking forward to see what the Afro-Asian nations have to say on this subject, and thus demonstrate whether they believe in abiding by the commitments they make.

NOTABLE MILESTONE TO BE CELEBRATED BY THE DISTINGUISHED AMERICAN MUSICAL DIRECTOR AND ARTIST, LAWRENCE WELK

Mr. KUCHEL. Mr. President, the idiosyncrasies of public taste in entertainment and culture are an acknowledged phenomenon. The changing desires and interests of the American people are particularly reflected in the fields of literature, art, and diversion.

Periodically, on the strength of audience ratings, the effect of shifting interest is illustrated forcefully by the rescheduling of television programs. The mortality rate of such programs is almost unbelievably high.

It is well known that features which have endured for substantial lengths of time are very few. Those which do continue from season to season possess a

unique appeal and sometimes an indefinable quality which sustains their popularity. One such program approaches a significant milestone.

On Saturday, January 23, Lawrence Welk and his champagne music "family" celebrate their 500th national performance on the ABC television network. This marks the completion of nearly a decade of wholesome, splendid, and unique musical entertainment emanating from my native State of California and the establishment of a tradition which engages the attention of an estimated 20 to 25 million viewers every week.

I salute Lawrence Welk, a farm boy from a German-immigrant community in North Dakota, who made his debut on national broadcasts as what the trade calls a "temporary summer replacement." Within 4 weeks after the initial performance in July 1955 this program shot to the top of the ratings and in the intervening years has maintained a popularity rivaled by few television features.

The Lawrence Welk story is one of dedication to admirable standards and to respect for good taste, together with competence in direction and performance. In this fashion, it is a testimonial to the American principle of free enterprise.

PRESIDENT JOHNSON'S FOREIGN AID PROPOSALS

Mr. MORSE. Mr. President, President Johnson's foreign aid proposals as set forth in his message are a great disappointment. All he has done is warm over the same old kettle of foreign aid hash. It is no longer palatable to the American people.

The basic trouble with American foreign aid is to be found in the crying need for policy changes. There are no basic policy changes in the President's rehash of the subject.

The Foreign Relations Committee of the Senate for the past 2 years has warned the White House and the State Department that basic changes in policy should be made in American foreign aid if continued public support is to be expected. In the same past 2 years, I have agreed with the criticisms of the Senate Foreign Relations Committee as set forth in the committee's annual report to the Senate on foreign aid, but in addition, I have taken the position that the Foreign Relations Committee had a clear duty to do more than just recommend policy changes. It should have written them into the foreign aid bill. The failure of the committee to do that caused me to vote against the foreign aid bill both of those years. I shall vote against it again this year unless basic policy changes are adopted. What are some of those changes?

First. We should reduce greatly the grant money program of foreign aid and insist upon a loan program for which an interest charge equaling the cost of the use of the money to the American taxpayers will be charged. The American people should not be fooled by the propaganda of the administration that the present foreign aid program is basically a loan program. Interest rates now charged are so low in most instances that they do not even cover the administrative costs of handling the money. The fact is the money policies of our foreign aid program are so loose that I doubt that more than a very small fraction of the so-called loans will ever be repaid.

Second. We should stop granting or loaning money direct to governments. I am a project man. I think the taxpayers' money under foreign aid should be invested in specific projects that will benefit the economic welfare of the mass of the people in the country in which the money is to be spent. Such a change in policy would eliminate much of the corruption and graft, waste, and inefficiency that has been found time and time again to characterize foreign aid expenditures of American taxpayer dollars. If a given project is not sound from both an economic and engineering standpoint, it cannot possibly be justified.

Third. The military aid program should be thoroughly revised and drastically modified. Military aid is still largely a giveaway program. Contrary to the propaganda of the White House, State Department, and Pentagon Building, it is not in the security interests of the United States but in large measure, is creating serious threats to the peace in various parts of the world.

It is not stopping communism but too frequently is making Communists. I have always been willing to support that type of military aid that is necessary to help a friendly government maintain internal security against threatened Communist revolutions and lawbreaking incidents, but the type of military aid we supply in most places in the world creates military oligarchies and military dictatorships which, in turn, play right into the hands of Communists.

Fourth. I strongly favor increasing the authority and administrative assistance of the private segment of the economy, both American and in the country in which the aid is to be spent. We have made a great mistake in not using our foreign aid program as an effective teaching lesson of the meaning of economic freedom. We need to export to underdeveloped lands what we know to be our system of economic freedom based upon our private enterprise system out of which is bound to grow political freedom. Without first preparing the seed beds of economic freedom in these underdeveloped countries, there is no hope of helping the people become politically free.

Lastly, let me say again we cannot buy the support and friendship of the people in the underdeveloped areas of the world with billions of dollars of American economic and military aid as we now spend the money. We can, however, help the people in other parts of the world help themselves in developing economic freedom by making sound loans to them for sound investments in needed economic institutions and services.

As to the amounts recommended by the President, they are at least a billion dollars too high and probably a billion and a half dollars too much if the money is to be spent on the basis of the policies recommended in the message.

Furthermore, no one should overlook the sleeper clause in the message which, in effect, leaves a proposal for an open end authorization for undeclared war in South Vietnam.

I hope that Congress will hear from the people on the foreign aid recommendations of the administration, because I am satisfied that if the people will speak up, the Congress will this year pass a bill that carries out the sound recommendations contained in the last two reports of the Foreign Relations Committee of the Senate.

LET US KEEP POLITICS OUT OF THE PANTRY

Mr. BOGGS. Mr. President, the question of Federal Government responsibility in the area of consumer protection is a timely one in light of current legislative proposals.

The chairman of General Foods Corp., Charles G. Mortimer, makes a number of points in a Look magazine article which I believe deserve thoughful consideration. He argues, in brief, that laws now on the books effectively safeguard the purity of food products and control the information printed on food-container labels.

And, he says, competition among food companies, combined with the astuteness of the shopping American housewife, assures good food products at a fair price.

"I can testify from experience," he writes, "that when it comes to clever buying, the American housewife can give lessons to a Yankee horse trader."

Mr. Mortimer's article deserves a careful reading, in my opinion, and I recommend it to the attention of my colleagues. I ask unanimous consent that the article entitled "Let's Keep Politics Out of the Pantry" be included at this point in the RECORD.

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

LET'S KEEP POLITICS OUT OF THE PANTRY

The typical American housewife is intelligent, experienced, and better informed about running a home than her counterpart in any preceding generation. Let's call her Mary Jones. Right now, she's shopping at her favorite supermarket. Because it, too, is typical, its shelves are lined with some 8,000 different items. Yet Mary Jones knows just what she wants, and she gets it. Into her cart go the prepackaged meats, quick-frozen vegetables, canned soups, frozen juice concentrates, prepared cake mixes, heat-and-serve rolls, and all the other good things the Jones family will have served up to them at their dining room table in the week to come.

As she leaves the supermarket, Mary Jones takes it for granted that what she has bought is the purest, most nutritious, easiest-to-prepare food the world has ever seen. Having spent 40 years in the food business, I can attest to the fact that her assumption is correct and, what's more, that the prices she has paid are the most reasonable to be found anywhere on earth.

But what Mary Jones probably does not know—and what disturbs me deeply—is that the machinery of free competition which has made ours the best fed nation on earth is in danger of being tampered with. It is being attacked by certain people in Government who have the perverse notion that the Mary Joneses of America need more Government

protection than the ample safeguards they already have.

The danger is substantial, but before I describe what I call "politics in the pantry," I would like to cite a few facts that show just how great a value food is in today's America. Since her family is average in size and income, we'll use Mary Jones as our example.

Back in 1948, out of every after-tax dollar earned by the Joneses, about 26 cents went to buy food. Today, because food prices have gone up less than other prices, and because incomes have soared, food purchases take only 19 cents of each take-home dollar. So the Joneses now have 81 percent instead of 74 percent of their net income left over to spend on everything else, from clothes and household furnishings to insurance and their children's education.

Compare this with conditions in other countries. In England, the average family spends 29 percent of its income on food. In France, 31 percent. In Japan, 47 percent. And in that so-called workers' paradise, Communist Russia, food takes fully half of each family's after-tax earnings.

But even this isn't the whole story. The Joneses are eating far better than the families in these other nations—and better, in fact, than the Joneses themselves used to eat, just a few years ago. They are eating more and choicer cuts of meat. They are eating foods never before matched in purity or nutrition. And they are eating delicious new foods—many of them convenience products that sharply reduce the amount of time Mary Jones must spend in her kitchen.

Thanks to these new products, Mary's daily cooking chores take only 90 minutes. (Not many years ago, women used to spend more than 5 hours preparing a day's meals.) With this extra free time, many Marys—14 million of our American housewives—are able to hold outside jobs as well as run their homes, thus contributing in a very material way to a better standard of living for their families.

What makes it possible for Americans to eat so well and so conveniently for so little? The answer lies in two potent forces that protect the housewife as she pushes her shopping cart down the supermarket aisle.

The first of these forces is the necessary and comprehensive Government regulation that is respected and adhered to by the various segments of the vast food industry. Through laws now on the books, Government agencies effectively safeguard the purity of food products and control the information printed on food container labels.

The second protective force is competition—the heart of our free-enterprise system. This force has been a mighty factor in making America's abundant food supply the finest to be found anywhere in the world. It is a major reason for all those new food products, since each processor is constantly seeking ways to gain new customers.

The wooing of consumers through new and improved products has wrought a tremendous change in the Nation's eating and food-preparation habits, a change more sweeping than many people realize. A friend of mine told me recently that he was in his kitchen one afternoon when his wife returned from a food-shopping trip.

"I looked at what she had bought—things like precooked rice and a prepared cheese-and-noodle dish—and I realized that more than half the items weren't even on the market when we were first married. Why, I'll bet," he said, "that there have been over a thousand new food products in the past 20 years."

His estimate was low. My own company alone introduced some 50 new food items in just the past year. The entire industry spends over $100 million annually on research and development of new grocery items.

With America's thousands of food processors competing for consumer patronage in a free economy, and with our Government enforcing essential health and labeling regulations, the food shopper is in an enviable position indeed.

Recently, however, some Government officials have started playing "politics in the pantry." Belatedly they have discovered the consumer as a politically potent entity. That's quite an audience because, of course, everybody is a consumer. So they are pitching emotion-charged appeals to that audience. Through headline-making innuendos, they imply that America's food-marketing system needs to be watched and regulated even more closely than it is.

Here are a few of their actions that are causing consumers to question the very system the Mary Joneses of this country find so satisfactory.

Senator PHILIP HART, Democrat, of Michigan, has introduced what he calls a truth-in-packaging bill. It implies that food manufacturers are taking advantage of consumers through deception in the sizes and weights of packages and the information printed on labels. Among other things, this bill with the politically appealing name would give the Government the right to dictate weights and other standards for food-product containers.

Mrs. Esther Peterson, Special Assistant to the President for Consumer Affairs, has held four consumer conferences at which housewives were not only invited but urged to submit complaints about the products they buy in their chosen supermarkets or other retail stores.

A National Commission on Food Marketing has been launched amid speculation that it would result in an exposé of what some Members of Congress have called profiteering by middlemen at the expense of both farmer and consumer.

Ostensibly, these actions were taken to help the consumer. Actually, they could, if implemented, hurt him. At the very least, they represent an unwarranted and unnecessary intrusion by Government into the American marketplace.

Take Senator HART'S bill, for example. It ignores completely the fact that price competition is by no means the only competition which benefits the consumer. By making all packages "look-alikes" on the shelf, restrictive legislation would stifle innovation and put a halter on an indispensable form of competition: the freedom to bring out packages which are easy to open, easy to close, easy to handle, easy to store. Each of these represents an added value passed on to the consumer. My own company, for example, wouldn't have introduced instant coffee in a carafe or table syrup in a reusable pitcher if consumers didn't prize these containers as added values.

Advocates of more Government controls insist that food shoppers are often misled by nonstandard package shapes and deceptive labels. This is just not true. Any manufacturer who tries to trick the housewife into buying his products by packaging or labeling it deceptively will soon go out of business. She may buy it once, but she'll never buy it again. And since marketing a food product involves heavy costs, no processor can remain solvent on one-time sales. He depends on repeat volume.

Another contention of those who advocate still more governmental control is that labels are "hard to understand" and that the consumer is "confused" by odd-ounce weights on packages. Their assumption, apparently, is that package sizes and weights are produced willy-nilly. Again, my own company offers an example of the absurdity of that kind of thinking. We pack vanilla pudding and chocolate pudding in the same size box. As rightfully required by law, the label on every package shows the weight of the contents. The vanilla-pudding weight is 3¼ ounces, while the chocolate-pudding weight is 4 ounces. The reason is that this is the quantity of pudding mix which, in the case of each flavor (as stated on the label), will yield exactly four servings of one-half cup each when blended with two cups of milk.

Because of the difference in the density of the two flavors, to pack the vanilla in a 4-ounce size would necessitate giving America's housewives recipe directions with an odd measure of milk to be added—and more servings than she has planned on.

Is this what the consumer wants? Is this a Federal case—a matter calling for enactment of legislation by the Congress of the United States?

While Congress considers the demands for unnecessary new limiting controls, Mrs. Peterson has been holding public meetings and frequent press conferences inviting homemakers to register complaints.

I want to make it clear that I regard and respect Mrs. Peterson as a conscientious and dedicated public servant. But she is part of a political party and subject to pressures aimed at currying favor by offering the consumer "more protection," whether it is really needed or not.

The fact is that despite the best of motives, her consumer conferences—with their emphasis on complaints—have, in my opinion, resulted in more harm than good. For one thing, they have unnecessarily created doubts in the minds of consumers where none had existed, and indeed where none are warranted. For another, they represent just one more intrusion by Government into an area where, in our free society, Government does not belong.

But even more ludicrous than the politically slanted campaign to prod complaints from consumers is the image drawn of the typical American housewife. In their attempt to show why the housewife needs more Government protection, proponents of additional controls have created the impression that she is a timid, naive, confused little woman, hopelessly gullible, bewildered by the endless variety of products on the grocery shelves and exposed, as she shops, to the machinations of lurking profit-hungry figures who dominate the food business.

This, of course, is utter nonsense. I can testify from experience that when it comes to clever buying, the American housewife can give lessons to a Yankee horse trader. She knows exactly what she wants, and she knows precisely what it's worth to her. And if you don't provide her with what she wants at what she considers a fair price, you won't get her as a customer.

What politicians don't seem to understand is that no manufacturer can force a consumer to select his product, out of all those displayed, any more than a politician can force a voter to pull the lever by his name in a voting booth. Politicians need to be reminded also that we in the food business are up for election all the time.

Where a politician has to run for office once every 2, 4, or 6 years, every shopping day is election day for us. The homemaker casts her ballot—for or against—by taking our product off the shelf or leaving it there. She can make or break a product and can even vote a company right out of business. Every major food processor has in its files the stories of products that were developed at great expense only to languish on supermarket shelves because they failed to win a sufficient number of purchases by the only person qualified to control the American food industry: the American housewife. So my image of the American consumer is quite different from the one shared by the proponents of more and more Government regulations. The consumer is smart. She is alert. And she very effectively does everything that is necessary to keep the food processor in line.

All this is not to say that Government involvement in business is all, or per se, bad.

The National Commission on Food Marketing, for example, could be a very good thing. The study the Commission will complete by next July 1 could help bring to Americans much-needed understanding of how our advanced society gets food from farm to table. It could, for example, clarify just who is really a farmer, by distinguishing between those rural dwellers who raise crops for a living and those whose main income is from industrial employment, even though they do farm some very small acreage as a sideline.

Most importantly, the Commission's study could clear up, once and for all, the question of just what a middleman is. For centuries, this word has carried a connotation of all take and no give. Since earliest civilization, a middleman has been pictured as one who buys cheap and sells dear, contributing nothing to the value of the goods in the process.

That probably was true, way back. But today, the villain the politicians are chasing is no villain at all. Far from it. In our urbanized, industrialized society, the middleman is the one who takes raw food from the farm and then makes it possible for people to eat it.

Milk in a pail at a farmer's gate is worth nothing to the 9 out of 10 Americans who live off the farm. As a weekend dairy farmer, I am only too painfully aware of that. Consumers can't possibly all drive out and get their daily quart. The only way milk takes on value is through its availability when and where the consumer can conveniently get it. In other words, consumers simply won't pay for wheat in the barn, peas on the vine or hamburger on the hoof.

The food marketing chain of events encompasses all the vast activity that goes on from farm gate to checkout counter. This has created and sustained the Nation's market for processed farm products. And this adds value after value—at a reasonable cost—every step of the way.

I said the cost is reasonable. It is, in fact, surprisingly low. For example, the U.S. Department of Agriculture reports that the homemaker gets frozen orange-juice concentrate for less money per glass than she pays for juice she squeezes from fresh oranges. Similarly, a cup of excellent instant coffee costs her less than one she brews herself. She also saves money, as well as work, by buying processed frozen or canned peas and corn, frozen lima beans and spinach, canned spaghetti and chicken chow mein, among a great many others listed as bargains by the U.S. Department of Agriculture. Yet politicians prattle about consumers being forced to buy processed, packaged foods at premium prices.

Instead of hurting the farmer, the food-marketing complex actually helps him. It helps him just as it does the consumer. For at the same time that it makes it possible for people to eat, it creates sales for the farmer's crops.

We hear much about how small a share of each dollar spent for food goes to the farmer. Yet, the fact is this: If every single dollar of corporate profits made by the food marketing industry were eliminated—that is, all the profit of processors, wholesalers, food chains and independent food retailing corporations—the total marketing bill would be reduced only enough to add a single percentage point to the farmer's share of the retail food dollar.

So the farmer certainly is not victimized by the food marketing system. Neither is the homemaker. Yet the politicians say both are, and demand stricter controls.

Actually, my great concern in all this is not alone for the food industry, but for the free society of which the food industry is such a vital part. What disturbs me most is the destructive impact a heavier hand of Government is bound to have on the free choice we Americans now enjoy. For we are faced with the grim prospect of having Government officials tell the consumer what products she can buy and what kind of package she can buy them in. We see vote-conscious politicians informing the housewife that she doesn't really need all those things she's been purchasing; she has merely been gulled into wanting them.

The point really at issue—the point involving one of our cherished freedoms—is simply this: Who is to say what is a need and what is a want? Shall we, as individuals, continue to determine the answer, or shall we leave it to an allwise, paternalistic Government to decide?

I feel the danger is most acute in the area of food distribution. For in any standard of living, food is the No. 1 requirement. Before he can do anything else, man must satisfy his hunger and be nourished in the process.

As certain people in Government with political motives champion the case for more and more controls, there are others, fortunately, who speak out for freer free enterprise. Representative CATHERINE MAY, Republican, of Washington, made this statement, lauding the American homemaker for her competence and discrimination:

"She—the homemaker—has done and is doing a wonderful job in needling, inspiring, and in regulating American business enterprise. And to reward her, I want to protect her. Not with more Government regulations and laws. I want to protect her freedom of choice. I want to protect her right to reward or punish the businessman. I want her to stay the boss of the marketplace. As long as she is, there's no danger to our free-enterprise system."

OUR DISCRIMINATORY IMMIGRATION LAW MUST GO

Mr. YOUNG of Ohio. Mr. President, there are few areas in our laws which more urgently demand change than our unfair and discriminatory system of selecting immigrants to be allowed to enter our country. No provision of any national law is more distasteful to millions of Americans than the concept of judging the worth of men and women for immigration on the basis of place of birth or the ancestry of parents.

Five successive Presidents—Franklin D. Roosevelt, Harry S. Truman, Dwight D. Eisenhower, John F. Kennedy, and President Johnson—have all asked for a revision in the present method of choosing immigrants on the basis of their nationality.

The only justification that can be made for the national origins quota system is that Americans with English or German or Irish names make better citizens than Americans of Italian, Greek, Polish, or Hungarian descent. This concept is utterly false. It contradicts all our traditions and ideals, and makes a mockery of the spirit expressed in the Declaration of Independence that all men are created equal.

As a people, we are morally committed to seek a national policy which will make real the simple truth of the words of St. Paul:

God hath made of one blood all nations of men for to dwell on the face of the earth.

Under the present system, no matter how skilled or badly needed a man or woman is, if born in the allegedly wrong country, such person must wait years for admission, if lucky enough to be admitted at all, while others less qualified come almost at will. An Italian scientist or Greek craftsman or Polish engineer may bring more to our country than an unskilled worker from some northern European country. Nevertheless, under existing law the unskilled worker would come first.

While the annual quotas for Great Britain, Germany, and Ireland are seldom completely filled, there is a huge backlog of applications from people living in eastern and southern Europe. For instance, an American citizen with a Greek mother or father must wait at least 18 months to bring his parents to this country. A citizen whose married son or daughter is Italian cannot obtain a quota number for 2 years or more.

President Johnson has again requested that Congress enact legislation to correct these deficiencies and to eliminate the national origin quota system. The distinguished junior Senator from Michigan [Mr. HART] has today introduced legislation which will implement that request. This law would recognize that each immigrant has a special worth because of his potential contribution to the total manpower of our country and that he should be judged on his individual ability. Over a 5-year period, it would eliminate all quotas based on national origin. The total annual number of immigrants would be increased by less than 7,000.

People would be admitted on the basis of their skills, education, and training. Another governing factor would be the reunification of families now separated by our outmoded immigration laws.

Mr. President, along with many other Senators, I am cosponsor of the pending legislation proposed to carry out the recommendations of President Johnson.

I strongly urge that this bill be given top priority for consideration. We must right this wrong that stains our national conscience and blurs our image as the greatest democracy in the world. Let us remember at all times, we are the Nation which chiseled on our Statue of Liberty:

Give me your tired, your poor,
Your huddled masses yearning to breathe free;
Send these, the homeless, tempest-tossed to me;
I lift my lamp beside the golden door.

FLOOD DISASTER IN WESTERN STATES

Mrs. NEUBERGER. Mr. President, the Christmas week flood in the States of California, Oregon, Washington, and Idaho, mobilized the efforts of several Federal departments in an effort to reduce damage. The Office of Emergency Planning has compiled a preliminary report indicating that total damage in the four States is approximately $574 million.

Federal, State, and local agencies of government cooperated to the fullest extent during the flood crisis, thus reducing the toll taken by floodwaters. Citizens of the Western States have a gratitude to the dedicated public servants who took part in this flood fighting task.

Although the initial report from the Office of Emergency Planning is admittedly preliminary and incomplete, the

heavy damage is evidence that Congress must act immediately to supply emergency funds for recovery and rehabilitation of the area. According to the report, highway damage was especially heavy in the States of Oregon and Washington. It is estimated that highways in these two States were damaged to the extent of $135 million and nearly a year will be required to accomplish effective restoration of the highway systems. It is essential that we move rapidly to restore this key portion of the West's transportation system.

The preliminary report also indicates extensive damage to federally owned facilities throughout the western region and these must be rebuilt so their functions and operations can continue. In order that Members of the Senate may know the extent of damage to public and private property in the four Western States, I ask unanimous consent to have printed in the RECORD with my remarks a copy of a letter which I received from Deputy Director Franklin B. Dryden of the Office of Emergency Planning on January 8.

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

EXECUTIVE OFFICE OF
THE PRESIDENT,
OFFICE OF EMERGENCY PLANNING,
Washington, D.C., January 8, 1965.

Hon. MAURINE B. NEUBERGER,
U.S. Senate,
Washington, D.C.

DEAR SENATOR NEUBERGER: Since flooding began last month in the States of California, Oregon, Washington, and Idaho, representatives of the Office of Emergency Planning and other Federal departments have been in the disaster area assisting State and local authorities in the unprecedented task of flood fighting, rescue, and evacuation.

As a result of President Johnson's declaration of "major disaster" (under Public Law 81-875) in all four States, full Federal support has been mobilized to aid in the task of debris clearance, recovery, and rehabilitation.

Continuing rains and snow pose a constant threat in the disaster area and accurate estimates of damage are impossible until waters recede. It will be several weeks before reliable damage estimates are available.

Information now at hand—admittedly preliminary and incomplete—suggest total damage in the four States approximating $574,030,000 as follows:

State	Public	Private	Total
California	$175,000,000	$125,000,000	$300,000,000
Oregon	136,000,000	120,500,000	256,500,000
Washington	9,000,000	1,000,000	10,000,000
Idaho	5,530,000	2,000,000	7,530,000
Total	325,530,000	248,500,000	574,030,000

There is extensive damage to highway and railroad transportation systems in the affected States; many bridges have been destroyed, railroads beds have been swept away and Federal-aid highways, State, county, and timber access roads have been severely damaged.

On Tuesday, January 5, OEP convened a meeting of representatives of all Federal Departments with major disaster responsibilities. In addition to OEP, represented at the meeting were: Agriculture, Commerce, Department of Health, Education, and Welfare, Defense (Corps of Engineers), Interior, Labor, Small Business Administration, Housing and Home Finance Agency.

Also present were representatives of the American Red Cross and the Bureau of the Budget. All actions taken to date and contemplated in the next few weeks were reviewed and approved. A summary of those actions by Department follows:

AGRICULTURE

The Department estimates $100 million damage to farm and forest areas in the four States. A donated feed grain program has been initiated to sustain stranded livestock in Humboldt County, Calif. Further livestock feed requirements in the rural areas are being investigated. In excess of 500 tons of Government-owned food supplies have been made available to sustain the population.

COMMERCE

Highway damage in Oregon and California alone is estimated at $135 million. It will require 8 to 12 months to accomplish effective highway system restoration. Full support is being extended to State and local authorities.

DEPARTMENT OF HEALTH, EDUCATION, AND WELFARE

The availability of stockpiled medical supplies was very helpful in meeting emergency medical requirements. Thirteen prepositioned emergency hospitals were set up and used. The hospital at Yuba City, Calif., was completely evacuated and reestablished in an available emergency hospital. State, county, and local health officials have been most cooperative in meeting the health problems. All communities have been advised of the health hazards and no special health problems are anticipated. Medical supplies are available to meet further requirements as they develop.

DEFENSE (CORPS OF ENGINEERS)

The corps has established 47 field offices in the flood area and has 867 personnel engaged in disaster relief activities. They estimate it will be at least 6 weeks before accurate damage surveys can be completed. In-place flood control projects are reported to have prevented $250 million damage in California and $500 million in Oregon. The corps is proceeding under its own authority and the direction of OEP under Public Law 81-875 with floodfighting, debris removal and repair actions.

INTERIOR

There is an estimated $5 million damage to six Indian reservations and extensive damage to other facilities under the jurisdiction of Interior, including fish hatcheries, the Bonneville Power Administration, stream measuring facilities, and the national park system.

LABOR

Key State employment security agencies in the disaster area have been operated on a 24-hour basis, serving as a clearinghouse for labor requests. The economic impact of the disaster is suggested by an increase of 5,600 unemployment compensation claims in Oregon for the first week of the disaster.

Unemployment compensation benefits are being paid to eligible recipients on an expedited basis; claim processors have been flown by helicopter to disaster communities with authority to make eligible payments on the spot. The Department is prepared to meet the demands of reconstruction when it begins.

SMALL BUSINESS ADMINISTRATION

Because of an inadequacy in its loan account SBA, with approval of the Bureau of the Budget, has initiated a "deferred participation program" in which the major banks of California and Oregon are participating. Loans to eligible applicants will be made by participating banks under an agreement for repurchase of 90 percent of each loan by SBA when funds become available. The SBA portion of the loan will be at "not to exceed 3 percent." Full information on the "deferred participation program" is being communicated to eligible borrowers.

HOUSING AND HOME FINANCE AGENCY

Arrangements have been made to expedite adaptation of the regular housing loan programs of HHFA to meet anticipated requirements. Heavy involvement of this Agency will not occur until rebuilding actually begins and urban renewal problems are considered.

RED CROSS

Red Cross surveys indicate that 20,156 families have suffered loss in the 4-State area. Over 12,000 (including some summer residences) have been damaged or destroyed. In excess of 300 natural disaster staff have been assigned to the disaster area to assist local Red Cross chapter volunteers in relief work. A number of community feeding centers have been established to feed evacuated personnel. Red Cross relief expenditures are anticipated to exceed $5 million.

OEP has established disaster field offices in Sacramento, Redding, and Eureka, Calif.; Salem, Oreg.; Olympia, Wash.; and Boise, Idaho, and will establish additional offices as demands develop.

Please be assured that our staff stands ready to be of any assistance possible to you in coordinating Federal efforts in minimizing losses brought about by this disaster.

Sincerely,

FRANKLIN B. DRYDEN,
Deputy Director.

AN INDEPENDENT FEDERAL RESERVE SYSTEM—PROPOSALS TO CHANGE IT

Mr. LAUSCHE. Mr. President, the December 28 issue of U.S. News & World Report, in a report on the problems the President faces in financing Government programs, with inflation just below the surface at home, commented that the "British pound sterling is far from out of the woods abroad. The dollar could face real problems if anything serious should happen to the pound. The boom in the United States soon will be entering its fifth year. It is important to do nothing to disturb confidence of consumers or business investors."

Earlier in December, the Honorable A. WILLIS ROBERTSON, Senator from the State of Virginia, commented in an address in New York:

There are many Senators and Representatives who are seriously concerned about the inflationary forces that are building up and who expect the Federal Reserve and the Treasury and the Congress to live up to their responsibilities in meeting these pressures.

I want to express wholehearted agreement with that statement, particularly in view of the recent announcement that once again in the coming session legislation will be introduced to modernize the Federal Reserve System.

For years the advocates of the proposal to modernize the Federal Reserve System have pressed for a policy of cheap money and low-interest rates regardless of the economic situation. They have claimed that the system is operating unlawfully, in conflict with policies of the President and the Congress; and have told the people that their Senators and Representatives have neglected their duties by allowing this to happen. It occurs to me that some of us who think sound money is important and that cheap

money would be disastrous should speak up if only to show that we are no more asleep on the job than were Carter Glass and Robert Owen and our other predecessors who made the Federal System what it is today.

Money is easy now, and has been since the 1960 slump in business. Partly because credit has been amply available, at the lowest cost in the world, the American economy has recovered well from the 1960 recession. So far, this has been accomplished without the kind of inflation we have experienced too often in the past, even though, as Senator ROBERTSON has pointed out, the money supply is growing rapidly. Commercial bank loans are increasing at better than 10 percent a year. While their home mortgage loans grew at about the 10 percent rate from mid-1963 to mid-1964, their mortgage loans on nonresidential, nonfarm properties jumped by more than 16 percent in the same period. These figures simply confirm what we can see in our own cities—that office buildings, hotels, and apartments are springing up wherever a spot can be found. I happen to agree with those who are worried about whether banks are helping to blow up a bubble that can burst in financing some of this construction, but whether that is true or not, it is clear that bank credit is doing all and probably more than it can to stimulate the economy.

The only way I can see to conclude that money is tight today is by comparison with what it would be under the World War II bond-pegging policies that we are occasionally urged to return to. We are told that the Federal Reserve could save the taxpayers $5 billion a year in interest on the Federal debt, by restoring 1946 interest rates on Government obligations. In 1946, of course, the Federal Reserve System was following a policy of buying Government obligations in whatever amounts were needed to hold interest rates on Government bonds at 2½ percent—a policy that started as part of the war effort but continued into 1951. It resulted in a mammoth increase in the money supply, and contributed to an inflation that has cost the American people far more than $5 billion a year in taxes alone, not counting what they pay in higher prices.

Congress was not asleep at the switch when this bond-pegging policy was abandoned in 1951 by mutual agreement of the Treasury and the Federal Reserve. The 1951 Treasury-Federal Reserve accord followed extensive congressional hearings and a report urging a return to a flexible monetary policy as a means of fighting both inflation and recession.

That kind of monetary policy can best be achieved by maintaining the present degree of independence of the Federal Reserve System. What this independence means—and what it does not mean—is revealed in a recent statement by the Chairman of the Board of Governors:

> Independence of the System, to me, means simply that our decisions regarding extension of Federal Reserve credit must be made in the light of their long-range impact on the value of the dollar and the soundness of the credit structure on which our market system depends, and not out of solicitude for the momentary financing needs of the Government. Independence does not mean that the Federal Reserve can establish goals in conflict with those of the President or the Congress. We should, and do, use our limited powers to produce a monetary climate in which the economy can flourish, adding its strength to the attainment of whatever goals Americans may seek. The Federal Reserve cannot overcome all the maladjustments that keep some Americans from sharing in the general prosperity any more than we can guarantee perpetual continuance of that prosperity. The Federal Reserve cannot make the policy decisions that determine ultimately whether this country's international transactions will come again into balance or its gold will flow abroad. What we can do, and all we can do, is to make credit decisions as soundly as our ability permits, so that transactions in international markets may proceed with a minimum of interference from speculative forays against the dollar, and so that domestic markets, in performing their task of bringing together those who seek goods and services and those who can supply them, may have the benefit of a reasonably stable price level. If this kind of credit climate is to be maintained, the decisions on which it depends should be made by an institution devoted solely to that end and responsible for its achievement. This is my conception of what Congress did in setting up the Federal Reserve System. This independence of judgment strengthens the formulation of the Government's overall economic policy, and the achievement of our national economic goals, as well as strengthening the credit structure on which the Government must rely to accomplish its objectives.

I see no evidence to support charges that this independence has been used to obstruct programs established by the Congress and the President. On the contrary, President Johnson and President Kennedy both have endorsed the principle of independence and emphasized the harmonious relations that exist between the administration and the Federal Reserve.

In 1952, the Patman subcommittee of the Joint Economic Committee issued a report commenting that:

> The Federal Reserve System has been a helpful institutional development. Its roots are sunk deeply in the American economy and it has borne good fruit. This is more important than that each portion of it be subject to classification by species and genus according to the rules of a textbook on public administration.

During the 1964 hearings on the Federal Reserve System, Secretary of the Treasury Dillon testified that the—

> necessity to test policy proposals against the views of an independent Federal Reserve is, I believe, the best insurance we can have that the claims of financial stability will never be neglected.

He added that the Federal Reserve—

> is a living institution that has demonstrated its capacity to innovate and to change, and which has maintained an established tradition of independent judgment, a mixture of regional participation and policymaking, with the ultimate central control here in Washington, which is unique in our Government, and it has shown an ability to attract highly qualified officials and staff and has had the reputation for operating impartially and efficiently.

To change the present Federal Reserve System to facilitate the making of cheap money will be a mistake and not in the general long-range interest of our Nation.

MEETING OF INTERPARLIAMENTARY UNION GROUP JANUARY 18

Mr. STENNIS. Mr. President, in accordance with the bylaws, the annual meeting of the Interparliamentary Union group will be held on January 18 at 9:30 a.m. in room S–126, which is in the Capitol. It is the Appropriations Committee hearing room in the Senate wing of the Capitol.

The agenda of the meeting will include the following subjects:

First. Report of the retiring president, Mrs. Katharine St. George.

Second. Report of the Executive Secretary.

Third. Election of group officers for the 89th Congress.

Fourth. Nomination of Mrs. St. George as an honorary member.

Fifth. Plans for IPU conferences in 1965.

Mr. President, all Members of the Congress of the United States are members of the United States group of the Interparliamentary Union, and are entitled to attend the meeting and vote on subjects that come before the group. A large attendance at this meeting is hoped for.

PRESIDENT JOHNSON RETURNS OUR IMMIGRATION POLICY TO BASIC AMERICAN PRINCIPLES

Mr. GRUENING. Mr. President, President Johnson is making history this week. It is great history. On Tuesday he sent a splendid education program to the Congress. On Wednesday he sent an epochmaking immigration message to the Hill.

The President's legislation will abolish the existing quota system based on national origins. He rightly says:

> That system is incompatible with our basic American tradition.

And he followed this radical and inspiring proposal of reform with the following equally inspiring elaboration:

> Over the years the ancestors of all of us—some 42 million human beings—have migrated to our shores. The fundamental long-time American attitude has been to ask not where a person comes from but what are his personal qualities. On this basis men and women migrated from every quarter of the globe. By their hard work and their enormously varied talents they hewed a great nation out of a wilderness. By their dedication to liberty and equality, they created a society reflecting man's most cherished ideals.

The President's proposal is reactionary in the true meaning of that word, which means merely a return to a former policy or tradition. His proposal reincarnates what was long the fundamental American idea, ideal, and practice.

> Violation of this tradition by the national origins quota system does incalculable harm—

The President wrote, pointing out that by it is implied that immigrants from

some countries are less desirable than those from others.

The fact is that the pioneering quality which caused men and women to leave their ancestral lands in the Old World with their minds and hearts fixed in hope on this land of liberty and equality, coupled with the opportunities afforded by our freedom, created, as that perspicacious French observer, Alexis de Tocqueville, shrewdly concluded, a new race of people—the Americans.

As President Franklin Delano Roosevelt once remarked to the Daughters of the American Revolution, who needed that reminder:

> Remember always that all of us, you and I especially, are descended from immigrants.

And the miracle of America is that in one generation a refugee from oppression, from poverty, from lack of opportunity for advancement and self-betterment, has achieved either for himself or for his offspring a soaring from these depths to pinnacles of happiness and achievement.

Such examples abound in our midst. In his moving preamble to his keynote address at the Democratic Convention last August, Senator JOHN PASTORE, son of immigrant parents from Italy, said:

> This is not in my script, but, indeed, it is in my heart. I would be a strange person, indeed, if I did not acknowledge this marvelous and wondrous manifestation of good will.
>
> This is something that could happen in America alone. I am a first generation native American of immigrant parents who came to this great land at the turn of the century. My State has already honored me with the two highest positions in the gift of our people to bestow upon any citizen; namely, the governorship of the State and now membership in the U.S. Senate for 14 years.

A close parallel may be found in the record of another of our colleagues, ED MUSKIE.

His father, too, was an immigrant—from Poland. His son, like JOHN PASTORE, a first-generation American-born, likewise was honored by his State—Maine—with election to the governorship and then to the Senate.

I was with ED MUSKIE on a visit to Russia for the Committees on Interior and Insular Affairs and on Public Works to study its hydro programs when he left our party to visit his father's native village in Poland.

It was located not many miles from the town—now in Poland but then in Germany, in East Prussia—where my father was born. He, like the millions of others, had a vision of what America meant. A teenager, he left Prussia for America, where he volunteered for enlistment in the Union Army and served in the 7th New Jersey Volunteer Infantry. Returning to New York after the Battle of Five Forks, in which he fought, and Appamattox, where he witnessed the surrender of General Lee, he studied medicine, specialized in ophthalmology and otology, receiving the highest honors in both fields, being elected in 1903 as president of the American Otological Society and of the American Ophthalmological Society in 1910.

Many of our colleagues are first-generation native Americans. Like JOHN PASTORE and EDMUND MUSKIE, FRANK LAUSCHE and ABE RIBICOFF, whose parents were born in Yugoslavia and Poland, respectively, before coming to the Senate served, in the case of Senator LAUSCHE, as both a judge and Governor of Ohio, while Senator RIBICOFF served as a judge and Governor of Connecticut as well as in the Cabinet; both the parents of our wonderful majority leader, MIKE MANSFIELD, were born in Ireland; so were Senator MCNAMARA'S; the parents of Senator CLINTON ANDERSON, previously Secretary of Agriculture, came to this country from Sweden; Senator JAVITS' mother was born in Palestine, his father in Austria; both of Senator FONG'S parents were born in China; our Vice-President-elect's mother, Mrs. Humphrey, came to these shores from Norway, as did the mother of Senator WARREN MAGNUSON; DAN INOUYE'S father was born in Japan.

These parents, born abroad, were admitted to the United States before the national origins quota legislation was enacted in the 1920's. Had it been in effect at that time, it is quite possible that the parents of some of these outstanding Americans might not have been admitted.

The President's bill will eliminate other discriminations in existing immigration law. It will rectify the hardships involved in the separation of families by existing quota restrictions. It will give, for the first time, favorable consideration to immigrants with special skills. It will extend more generous acceptance to victims of persecution, to exiles from tyranny in less happy lands.

If the Goddess of Liberty, whose statue has long been the symbol and beacon of hope in New York Harbor to the arriving immigrants, could speak, she would doubtless say: "Again, Mr. President, I can lift my lamp beside the golden door."

Perhaps it would be appropriate at this point to read into the RECORD Emma Lazarus' classic poem "The New Colossus," whose message has been revalidated by President Johnson:

Not like the brazen giant of Greek fame,
With conquering limbs astride from land to land;
Here at our sea-washed sunset gates shall stand
A mighty woman with a torch whose flame
Is the imprisoned lightning, and her name
Mother of Exiles. From her beacon-hand
Glows worldwide welcome; her mild eyes command
The air-bridged harbor that twin cities frame.
"Keep, ancient lands, your storied pomp," cries she
With silent lips. "Give me your tired, your poor,
Your huddled masses yearning to breathe free,
The wretched refuse of your teeming shore.
Send these, the homeless, tempest tossed, to me.
I lift my lamp beside the golden door.

MAJOR ISSUES FACING THE COUNTRY—ANALYSIS BY NATIONAL COMMITTEE FOR EFFECTIVE CONGRESS

Mr. CHURCH. Mr. President, the National Committee for an Effective Congress has prepared an excellent analysis of some of the major issues which face the Congress, the Executive, and the Nation at large in the years ahead. In his state of the Union message, President Johnson demonstrated the kind of leadership which the National Committee for an Effective Congress calls for in its statement. I trust that every Congressman, and particularly those of the President's own party, will give generously of their assistance in helping to build a better America.

I ask unanimous consent to have excerpts from the committee's statement appear at this point in the RECORD.

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

ANALYSIS BY NATIONAL COMMITTEE FOR EFFECTIVE CONGRESS

THE CENTURY OF EXPLOSIONS

Our globe is in upheaval and even our private worlds are being altered beyond recognition under the impact of onrushing technological and social changes. Willy-nilly, and with bewildering speed, the entire human race is being swept into new ways of life as radically different from our present condition as modern society is from that of the stone age.

The world has been shaken by the explosion of the atom, but more profound are the upheavals being caused by five cultural explosions: of population, of technology, of urban life, of knowledge, and of human expectations.

Our species which 500 years ago did not even know the shape of its own planet now talks of populating the solar system. And the burgeoning of new capabilities has sparked a worldwide undisciplined demand for economic amenities and social opportunities undreamed of a generation ago.

Those who understand the rate of change and anticipate the problems it will bring are deeply worried. The dislocation of human perspectives is so universal and rapid that we are now crossing the historical equivalent of a sound barrier unaware, and we are entering a new mode of life unprepared.

It is a premonition of what is happening to us as individuals that causes many to recoil from reality and hide behind simple fantasies. No longer is there refuge in the "elaborate cake of custom" which mitigated the personal impact of past changes. "What seems to threaten the whole post-1914 world," says historian William McNeill, "is a general dissolution of local cakes of custom, leaving millions without precise convictions as to what they should do." The shaking of the standards and norms of even modern society has plunged the world into vast insecurity.

The impelling forces are beyond the power of any man or system of government to substantially retard or abate. What can be hoped for—and possibly all that should be attempted—is to channel these forces in such a way as to preserve the decencies of a free society and assure continued exercise of individual aspiration and creativity. Theoretically, at least, we have the means to implement any reasonable choice as to the direction our efforts should take. The problem is to make the choice of goals and determine what course will get us there.

This is the essence of politics. It will be the task of statesmanship to understand that we live on the brink of a vastly different future and to communicate that understanding so that governmental action can anticipate and guide the flow of events. It will not be easy to convince comfortable Americans that they must determine to do something about the blight, unrest, anxiety and despair which are the byproducts of these revolutionary forces. For on the surface of

our national life a shimmering prosperity obscures problems with a dazzling and bewildering abundance enjoyed by those who won or inherited a place in today's society.

A FORWARD LOOK AT FOREIGN POLICY

The upheaval is worldwide, churning all areas and peoples impartially. It seems bound, within the next 100 or 200 years, to cover the entire globe with a relatively uniform, automated and computerized civilization.

Everywhere the transition is profound and painful: from the problems of urbanization and automation that occupy the advanced societies, to the difficulty of reconciling electricity and cannibalism in the most primitive. Where we in the West have only to move from the 20th century into the 21st, others have to reach it from the stone age and from various intermediate stages.

To meet these forces of change since 1945 the United States has made many accommodations in foreign policy. But it is hard to think of any instance since the Marshall plan where American policy successfully joined with the forces of history in achieving a major success. Our diplomacy and military efforts have been largely protective, relying in essence on the force of arms in a balance of terror. Our other aid, trade, cultural exchange and people-to-people efforts, like the Peace Corps, have won modest successes. But while the postwar situation required the highest priority for military preparedness, events now call for a variety of initiatives along far broader and more imaginative fronts which would exploit what is still America's most potent resource, the compelling force of a free society.

To this end American statesmanship will have to be directed toward three major international opportunities facing the Johnson administration immediately:

(1) A recovered Europe is capable of standing on its own feet and determined to make its own choice as to where it should go. If the Atlantic community is to survive in any meaningful sense, it must now be on the basis of consensus and newly defined common purpose.

(2) The Soviets are encountering grave problems in overcoming economic inefficiency and political instability. These problems are our opportunity—not merely for respite in the cold war but also for a rollback of communism where it is most dangerous: in the minds of its adherents. Now that the frailties and frauds of the Soviet system are evident even to the Communists themselves, we have a chance to find ways of persuading them to make adjustments that will bring their society more into line with our own.

(3) In aiding the backward areas, we must act even more in terms of cultural and political effect than in economic terms. This is a matter of understanding the basis of our own accomplishment—that habeas corpus and freedom of speech preceded the industrial revolution. We must be able to communicate to others the value of freedom with such examples as the success of the American Homestead Act in contrast to the failure of the centrally administered Soviet virgin lands program.

We have shown too little creative initiative in promoting the democratic thesis through diplomacy, trade and politics, and have relied too much on frozen military postures. The ties that constricted the old power blocs are now falling apart, and a greater flexibility characterizes the international scene.

THE EXPLOSIONS HIT HOME

At home the problems intertwine and interact, but all stem from the explosions of our century:

The technological explosion, with automated production techniques requiring fewer people at higher educational levels.

A knowledge explosion in which data accumulation is growing at twice the rate of the rest of the economy.

A population explosion in which the 190 million Americans today may become 300 million in less than 40 years.

The effects of these explosions, which become cases in themselves, include:

Urbanization, the growth of megalopolis, requiring the doubling of dwellings and work spaces by the year 2000—building in 35 years the equal of everything constructed in North America since the Pilgrims landed.

Atomization and uglification of individual lives under increasing tension, frustration, noise, congestion, and endemic disorder.

"Underclass" sedimentation, the accumulation of professional poor who live on doles in subsidized ghettos outside the culture, which become political enclaves manipulated by demagogs who perpetuate the boroughs of blight, color being used to reinforce economic barriers.

Youth without hope who drop out of schools that can provide no motivation, expanding the number of unemployable in an increasingly technological economy.

Contraction of free enterprise and opportunity caused by concentration, merger, monopoly, and conglomerate monopoly, galloping toward corporate statism, and fostered by mass control of tastes and standards.

Obsolete governmental apparatus with overlapping and duplication of Federal, State, and local functions unsuited for complex problems which often spill over their arbitrary boundaries and require improvisation of new administrative units such as interstate port and highway authorities.

These are not problems which can be solved by nostalgic New Deal thinking. Today, many of the liberal welfare concepts of the past irritate rather than cure. The difficulties of the affluent society do not derive from poverty, and they may require the ministration of artists and psychologists as much as the ministration of Dr. Walter Heller. Economics is only one factor among many, and the solutions which alleviated starvation may not be equally applicable to glut.

THE EMPTY "IN" BOX AND THE EMPTY LOBBY

These historic imperatives have not yet matured as political issues. They are not found on the agendas of the great lobbies and there is no public clamor for their solution. Business, labor, agriculture, and the Government bureaucracy itself, which constitute the major pressures on policy formation, are not consciously involved with the explosive issues of tomorrow. Each interest group conserves its Sunday punch to protect its own economic base, jealously defending a special power domain within a heavily featherbedded status quo. For the most part, their influence is defensive as they exert vetoes rather than venture initiatives.

Even the intellectual community is not yet exerting a coherent influence upon Government or the public for attention to these problems. The folklore of liberalism is still dominated by memories of the great depression and the concept of a mature economy whose principal problems were distributive.

Administering the future is going to be vastly different from disposing of the accumulated agenda items of the past. In the words of a White House aid, retorting to the suggestion that the landslide made things easier for the President: "From here on our work is going to be mostly self-generating. It is a lot more challenging when you have to be creative than when you are fielding problems as they hit you."

President Johnson's "in" box is virtually empty. The leftover housekeeping problems from the last years of Eisenhower and the unfinished domestic program of the Kennedy administration have been substantially dealt with in Johnson's first, spectacular year. (Medicare seems almost certain of generous enactment by the incoming Congress.)

Lyndon Johnson now stands before a vast horizon on which he, more than any other individual in the world, can determine where the road should go. Never before in history has it been possible for a society to option its future to such a degree. The physical environment, including the production of food, has largely been conquered. The location of new cities can be arbitrarily fixed. Our society is being governed more and more by fiat. Population and industry flow to the district whose Congressman wins the research and development project. The computer has replaced the town meeting. The engineer, the economist, the other specialists will provide the data. How it will be used, the rate of change and the balance between human values and management efficiency, will be determined by the politician.

MR. JOHNSON'S BRAIN BANK

In approaching the complexities of the scientific age, Mr. Johnson has called upon school men and experts for suggestions and programs—bypassing Government departments cursed with routine thinking. The President must start anew because he does not have the backlog available to Franklin Roosevelt whose New Deal ideas and top command were assembled and rehearsed in Albany before he occupied the White House, or of John Kennedy who was presented with a 4-year accumulation of basic position papers for the New Frontier by the Democratic Advisory Council.

Since last June some 13 task forces have been preparing analytical studies and recommendations for the President. They were kept carefully out of sight, and premature disclosure of their findings avoided. These findings are now being conveyed to the President through the Bureau of the Budget.

The panel on education is one of the most impressive, and its thinking probably will rate very high when the legislative program is drawn at the White House. Its chairman is John W. Gardner, president of the Carnegie Foundation for the Advancement of Teaching, and its members include David Riesman, Jerrold Zacharias, Edwin Land, and Father Paul Clare Reinert. As with all panels, the executive secretary is a Budget official.

Robert Wood of MIT is chairman of the panel studying urban problems; Carl Kaysen heads the one on foreign economic policy; Paul Samuelson on unemployment; and Richard Goodwin on beautification of the physical environment. There are panels on resources and other major subjects. The President is known to have urged all panels to submit their "best thinking" on the various problem areas, and to let him worry about political feasibility.

Whether their recommendations will be welded together in one comprehensive program for Congress is not yet known. "The work is uneven, some of it imaginative, and some of it flat," says a White House confidant. "Don't look for a Great Society blueprint, with every White House proposal being another brick or doorknob to fit a master plan."

While the depth and impact of these task forces should not be exaggerated, they indicate that the President is reaching for fresh ideas. This fact will tend to give his proposals a degree of special authority with Congressmen. But the age when philosophers advise the king is not yet at hand, for the program must first survive its trial by Congress. In making the transition from the obese society to the Great Society, the Congress will be the President's prime vehicle and prime obstacle.

II. THE PRESIDENT

Whether Lyndon Johnson gets a footnote or whole chapters in history will depend on

his ability to work in the fields of the future. In the broadest sense the President will have to be our prophet—the seer through whose eyes we perceive and prepare for the worlds of tomorrow. (As Senate leader, Lyndon Johnson was known as "the master of the immediate." Today the pace is so swift that the immediate is what is at the other end of the telescope.)

Within the past decade Mr. Johnson has served his country at three different levels—as the legislator-arbitrator, as the President-inheritor, and now as the President-leader. He proved masterful at the first two levels. His talent for flexibility and parliamentary maneuver made him a successful broker between contending forces. The same man must now raise an uncompromising standard and be the passionate champion for his own program.

There is much speculation in Washington as to how Johnson will carry this new role. He will be required to show a degree of creativity and inventiveness not demanded in his previous tasks. As a southern Congressman puts it: "He will have to probe deeply into what America means and where it ought to be 20 years from now. He will have to surround himself with mature and far-sighted aids. Mere political competence won't carry him through." He will have to risk his popularity, and rebuff many of the divergent groups who rallied under that "one big tent" on election day, if he is to move a comfortable society toward difficult goals.

Many in Congress may realize the existence of the real imperatives but only the President can get the kind of visceral understanding from the country which is necessary for legislative action.

Whether Johnson has the requirements of history in mind as he moves will be tested by many benchmarks, such as whether he:

Does not intervene to protect the two southern Democratic bolters to Goldwater from being purged from the Democratic caucus in the House.

Resists efforts to tamper with reapportionment.

Urges an education program geared to upgrading curriculum content and quality rather than mere construction of school buildings.

Invents new regional frameworks for adjusting to urbanization.

Attempts to cure problems like traffic congestion and slum proliferation rather than merely subsidizing the problems by pouring money into existing agencies for servicing them.

Encouraging elimination of featherbedding in industry and labor along the direction he has already taken with respect to the military.

Can Johnson the tactician and administrator, also become Johnson the teacher and missionary? He has not been noted as a great orator, but few have resisted his rare gift of persuasion. One of the President's friends who has worked with him closely for many years says: "Lyndon knows there's no public understanding of the really fundamental problems so he tries to push them himself. He wants to develop a kind of on-rushing consensus; then he will run around ahead of it so that he can lead it or have it push him. He will start from scratch on an issue and end with 80 percent of the public behind him. Lyndon is a very sophisticated man."

On the other hand, another knowledgeable Democrat doubts that President Johnson will try anything really creative with Congress: "The one word Lyndon learned in 24 years on Capitol Hill is 'do-able.' You only try the 'do-able.'"

But when you are President of the United States what is "do-able" depends in a large measure on what you try.

III. CONGRESS

New combination to unlock the House

The new Congress is the most heavily Democratic since 1937–38. Although there has been no significant change in the Senate, the Democrats in the House now have roughly the same 2-to-1 margin enjoyed by their colleagues in the other body.

On the surface it would appear that the President should have an easier task with his legislative program in the next 2 years than any predecessor for the past 26. In fact, it may be expected that President Johnson's legislative record will be as stunning in 1965 and 1966 as it was in the year just completed. Lyndon Johnson knows his Congress very well and it would not be in character for him to ask Congress for much that he is not sure he can get.

But if he tailors his program just to congressional expectations he may not try for what really is needed. And accepting such a limitation would in effect be accepting a hidden congressional veto. Since the President must deal in realities, he cannot ignore this hidden veto, but he can attempt to reduce it by public education and by encouraging such redeployment of power within Congress as will put it in a forward posture.

Many moves to reposition congressional power are about to be initiated by the Members themselves. The most significant will occur in the House where the election produced shifts in numerical strength to which the membership will now try to give expression in the power structure.

The election changed the party balance from 258 Democrats and 176 Republicans (and 1 vacancy) to 295 Democrats and 140 Republicans.

The ranks of the Democratic study group, which this year had its own campaign committee and gave important support to the incoming freshmen, will be increased from about 125 to about 165 Members. The time is ripe to obtain some needed reforms, and the DSG is planning to move on a broad front on opening day, with favorable prospects for Speaker MCCORMACK's support on at least some of their proposals.

The Democratic study group aim is to make changes in three areas: (A) to strengthen the liberal position in the Democratic caucus, (B) to strengthen the position of the Speaker vis-a-vis the committee chairmen, and (C) to achieve some reforms in the operation of Congress itself.

(A) Within the Democratic caucus, the DSG will attempt to deny seats to JOHN BELL WILLIAMS, of Mississippi, and ALBERT W. WATSON, of South Carolina, who supported the Goldwater-Miller ticket. Exclusion from caucus would mean loss of their committee assignments and seniority rights and would probably cause the two Members to request designation as Republicans. The DSG also plans to move to require caucus approval of all committee assignments proposed by the Democrats' committee on committees so as to assure fairer assignment of committee posts. Finally, in this category, the DSG is proposing the establishment of a Democratic policy or steering committee "to discuss and implement leadership policy."

(B) The liberals are also advocating three proposals to strengthen the hand of the Speaker on the theory that as their elected leader he must be more responsive to their interests than are the committee chairmen whose power derives from seniority. These proposals include a "21-day rule" by which the Speaker could bring a bill to the floor despite the opposition of the Rules Committee, a rule to permit the Speaker to bypass the Rules Committee in sending a bill to conference with the Senate, and a provision easing the requirements for a petition to discharge a bill from the Rules Committee when the Speaker supports the petition.

(C) Also being advanced by the DSG is revision of the party ratios on all committees to reflect the new division in the House and reform of the Congress itself. Inclusion of the powerful Ways and Means and Appropriations Committees would be particularly rough on the Republicans, since by common consent their ratios were left undisturbed in past changes.

Finally, the DSG is calling for the establishment of a Joint Committee on Congressional Reorganization "to modernize House and Senate procedures." Sentiment for such a movement has been mounting for several years. If the Democrats show a willingness to give serious attention to Republican-advocated reforms (such as increased minority staffs on congressional committees and assurance of equal time for the minority in floor debates) it is likely that this move will be successful and that a new Legislative Reorganization Act may be passed before the next election.

A parallel Senate effort has been launched by Senator MIKE MONRONEY, Democrat, of Oklahoma, who has proposed a reorganization bill for introduction in January.

The Senate without Humphrey

In the Senate, where the numbers and names are virtually unchanged, the principal points of interest stem from the departure of HUBERT HUMPHREY and the party switch of STROM THURMOND.

The Democrats without HUMPHREY will suffer a loss of flavor regardless of who is elected to succeed him as whip. This is not a reflection on the present candidates for assistant leader, but on HUMPHREY'S incomparable energy and instant and detailed familiarity with all the major issues. Even if the legislative aspects of the whip's job should be conducted as ably, the image projected to the public will be different, for few men convey such an ebulliant awareness of the thrust of history as does the Vice-President-elect.

While THURMOND will not set any kind of denominator at all for the Republicans, almost all of whom come from areas remote from his influence, his presence in their Senate ranks will spark their first major intra-party conflict at the opening of the session. For they are confronted with the awkward problem of deciding whether to continue his membership on the Armed Forces and Commerce Committees to which he was assigned by the Democrats. Also, they must decide whether to allow him to retain his accumulated seniority or compel him to start at the bottom of the ladder. Pro-Goldwater Senators, grateful for THURMOND'S help during the campaign, are virtually honorbound to insist that his status remain unchanged. But other Republicans, reluctant to see him preempt highly desirable committee seats or be ranked above Republicans who have been on those committees for many years, are preparing to make a fight. Senator HUGH SCOTT, of Pennsylvania, has vowed that "there will be blood on the moon" if the Goldwaterites attempt to push THURMOND to the head of their line.

Of possible greatest significance for the success of President Johnson's program in the new Senate stems not from the last election but from the prospect of the next. Although only one-third of the Senate is up for reelection every 2 years, 10 of the 22 southern Senators come up in 1966. All will be wanting things from the administration in the next 2 years—contracts, bases, and the like, to help shore up their positions with the voters. This is a kind of need Lyndon Johnson understands, and which he will use to good advantage.

In what shape is the elephant?

The record the Republicans make and the image they project in the new Congress will

determine how they run for reelection in 1966, and ultimately what platform the presidential candidate runs on in 1968.

The making of this record and image will not be significantly hampered by the reduction in their numbers. The floor will still be open to Republicans in debate and reporters will still come to them for their view of administration proposals.

More significant will be what they do about their inner divisions. House Republicans especially have been too fearful of straying from the party fold on issues and their leadership has been too rigid in its conception of the obligations of party unity. The result has been a kind of sterile opposition which has proven disastrously unattractive to the voters and has not even had much effect in Congress. With a smaller membership oppositionism offers even less prospect of affecting either the legislative output or the public impression.

Simultaneous with growing realization of these facts there has arisen a desperate conviction on the part of moderate Republicans that they must be creative in their own right—that they must study problems and offer solutions that bear the stamp of their own principles and their own insights into the nature and requirements of our times.

Moves are afoot to change the Republican leadership structure in the House so as to permit greater flexibility on the part of the Members and to provide for more research and policy formulation. Whatever their success may be in the next few weeks, however, it is certain that individual Members and groups of Members will be moving much more boldly on their own in these areas.

The Republican moderates, though scarred in the recent election, did not suffer the gross amputations that befell the conservatives, altering the balance of power within their party—24 of 62 Republican Congressmen who signed a preconvention endorsement of Barry Goldwater will not be back in January, while only 4 of the 34 incumbent Representatives endorsed by the newly formed Committee to Support Moderate Republicans went down to defeat.

Looking around the country at the durability of moderate republicanism in winning and holding governorships in most of the major metropolitan States, and at their survival in the Congress, the moderates have much greater confidence than heretofore in the viability of their own political posture and in the possibility of building on their present base.

IV. THE TWO REVOLUTIONS

Whatever current political leadership may or may not see or accomplish—either at the presidential or congressional level—two revolutions are underway which are making our political system more representative, and which will greatly enhance our prospects for dealing with the problems ahead.

Polarization in the South

First, the revolution in the South is bringing millions of new voters into the electorate, hastening the development of a two-party system and liberating southern Members of Congress from the necessity to trade positions on economic issues in order to buy northern conservative opposition to civil rights measures. This revolution is a product of rising levels of Negro education and leadership, and of the advancing economic integration of the South with the rest of the country, creating new entrepreneur and middle classes which tend to divide politically along lines familiar elsewhere.

A common pattern has been evident in Texas and parts of Tennessee, Florida, North Carolina, and Georgia. Liberal and labor groups have begun to gain more influence within the one-party structure through reinforcement by Negro voters. As this has happened conservatives have left the Democratic party and joined the Republicans.

A polarization process is underway. Inevitably, it tends to accelerate. Some half dozen Congressmen and one Senator from formerly Confederate States voted for the civil rights bill. All were reelected because of the great new numbers of voting Negroes. In turn, the civil rights bill will hasten the entrance of new Negroes into the electorate. This fact and the example of the survival of all those who voted for the bill will encourage others to make comparable breaks in the future.

This process is now irreversible. Powerful forces remain which will attempt to slow it down; but the task of statesmanship is to help it to completion.

The prospective ousting of the two southern Goldwater supporters from Democratic ranks in the House has more than merely punitive significance. Involved is a decision by the party on whether to encourage other Dixiecrats to follow Senator STROM THURMOND. Most southern liberals feel that such an act is essential to hasten the progress of the revolution. They argue that the fewer antagonists of that revolution within the party, the easier the transition will be.

Although the President has expressed no position on the ousting of WILLIAMS and WATSON, there have been brisk rumors that he is opposed. This would be consistent with his "everybody under one big tent" approach. Nevertheless, the rumors must be taken with a grain of salt because many southerners are fighting the ouster move, and their strongest weapon would be an impression that the President is on their side. Symbolically and practically what is at stake here is the future of the Democratic Party and of the revolution in the South; any position the President may take would be a clear signal of his own intent concerning that future.

Reapportionment everywhere

The second revolution in our political system is a result of the rapid urbanization of our population.

Urbanization created increasing inequities in the apportionment of Federal and State legislative seats, preserving an outdated imbalance in favor of rural areas. This gave rise to mounting pressure for court-ordered reforms which have finally been acknowledged by our judiciary. Now a vast process of reapportionment is underway.

Within a few years the metropolitan-rural balance of power in national and local government will be fundamentally and irrevocably altered. And for the first time political power in the new America will be deployed in such a way as to be responsive to the areas with the greatest problems.

The effects bear not only upon whether urban, suburban, and rural areas are equitably represented in Government bodies, but upon the internal character of the political organizations of the parties themselves.

Take a hypothetical case of a Midwestern State consisting of one large metropolitan area and a predominantly rural out-State area. Assume that presently 100 members of the State legislature are apportioned so that 70 represent the rural areas and 30 the metropolitan areas. Reapportion that State so as to reverse these numbers. The consequence will be that 40 of the legislative seats (more than half of those now held by rural representatives) will go to the metropolitan area. This means that 40 State legislators will have to shift their orientation and their views in order to survive—or be replaced by others of more metropolitan views. And reinforcing this there will evolve a shift in outlook of the organizations which try to elect their candidates.

Since outside of the South, the Republican Party has held most of these rural seats, the consequence will be an upward flowing reorientation of the entire party to a more modern and representative outlook. This suggests that the present Goldwaterite movement may well prove to be the last gasp of Main Street Republicanism as we have known it since World War I. Similar effects will occur in the Democratic Party in the South, enhancing the impact of the civil rights revolution.

REPRESENTATIVE WATSON'S DECISION TO BECOME A MEMBER OF THE REPUBLICAN PARTY

Mr. THURMOND. Mr. President, on January 12, 1965, the able and distinguished Representative from my congressional district, the Honorable ALBERT WATSON, announced his decision to become a member of the Republican Party. It was my pleasure to be present in Columbus, S.C., with Representative WATSON on this occasion.

In making his announcement, Representative WATSON presented a most eloquent statement outlining the reasons for his decision to switch from the Democrat to the Republican Party, and also to offer his resignation from the Congress so that the people of his district might have an opportunity to express themselves on his action.

In making this decision, Representative WATSON again demonstrated great courage and sincerity in standing by his convictions as he did when he declared himself in favor of the Republican nominee for President in the general election campaign of last fall. In announcing his support of Senator Goldwater, Representative WATSON realized that he would be subjected to abuse and retaliation by his Democratic colleagues in the House of Representatives. Nevertheless, he felt in his heart that he must follow his convictions regardless of the odds and regardless of the cost involved. On January 2, 1965, his Democratic colleagues in the House did choose to retaliate against him and another distinguished and able Representative, the Honorable JOHN BELL WILLIAMS, of Mississippi, for exercising their free will and standing by their convictions in the presidential election.

Representative ALBERT WATSON is not only a courageous gentleman, but he is also a man of outstanding ability who has so won the support and confidence of the people of his district that he was renominated and reelected to a second term in the Congress this past year without any opposition.

I am confident, Mr. President, that the people in the Second Congressional District in South Carolina will stand by Representative WATSON with another strong vote of confidence when a special election is called to fill the vacancy which will be created by his resignation, and this will be a fitting testimonial to an outstanding Representative, a dedicated patriot, and a courageous American.

I ask unanimous consent, Mr. President, to have printed in the RECORD a copy of Representative WATSON'S statement, and also a copy of a statement issued by me on January 4, 1965.

There being no objection, the statement and news release were ordered to be printed in the RECORD, as follows:

STATEMENT BY CONGRESSMAN ALBERT WATSON, SECOND CONGRESSIONAL DISTRICT OF SOUTH CAROLINA

This has been a most difficult decision, and, while I assume full responsibility for the consequences thereof, I am deeply grateful for the advice given me by many citizens from all walks of life. First, let me assure everyone that the action I am taking is not motivated by personal anger or vindictiveness. If only my personal welfare were at stake, I could withstand all of the abuses and insults given me by the Democrats, both in Washington and at home. However, the issue is not just punishment of me, but punishment of the people I am honored to represent.

When the Democratic caucus stripped me of my seniority, they likewise punished the people of South Carolina. When they denied my postal patronage, they likewise punished the people of South Carolina. When they relegated me to a position of second-class Congressman within the Democratic Party, they likewise relegated the people of this district to the same status, because my position in the last presidential election was overwhelmingly supported by the citizens of South Carolina. Personal abuse I can stand, but I will not tolerate abuse of the people I represent.

The question is not how much seniority I lost in being pushed behind some 70 freshmen Democrats in Congress, but the question is whether or not the punishment was just and correct. I refuse to have the Congressman of this district punished while the Congressman from Harlem, ADAM CLAYTON POWELL, is rewarded for the same offense. Obviously, the Democratic Party leadership of South Carolina has again swallowed this double standard and discriminatory practice against a fellow South Carolinian. Again, as in November, they are blindly following the national Democratic line, with utter disregard to the traditional beliefs of the South Carolina Democratic Party.

In my judgment, the Democratic Party of Jackson and Jefferson, indeed the Democratic Party of South Carolina, is dead. The party has abandoned its original ideals and principles and has become the party of special interests and pressure groups. Today the attitude of the liberal extremist within the Democratic Party is not only one of intolerance toward a conservative, but of actual vindictiveness toward a conservative in the South. Witness the 148 Members of Congress, primarily Democrats, who voted against the seating of the entire Mississippi delegation, which had been duly elected by the people of that State.

In reaching this decision, I was deeply concerned as to its effect upon Fort Jackson and Shaw Air Force Base. These are the finest military installations in America, and I am extremely grateful that both have been greatly expanded during the brief period I have served in Congress. This expansion was not because of politics, but because of need. We should all remember that these military facilities were not placed here for political reasons, but to meet a military need, and that need exists even more today than ever before in so-called peacetime history. While I have been sadly disappointed with the gradual deterioration of the Democratic Party, God forbid that it or its leaders would stoop to the low of playing politics with our military preparedness. Certainly, I shall continue to work with my esteemed friend, Congressman RIVERS, and the other responsible members of the Armed Services Committee, for the greater expansion of these installations.

A person does not lightly decide to leave the traditional party of his father, but in reality I am not leaving the party, because the Democratic Party has left us. Then too, it is not easy for a man to choose to affiliate with the Republican Party when it has just suffered a severe defeat in the last election. No doubt the easy road and the one of political expediency would have been for me to have apologized, sought to make amends with the Democratic leadership and gotten on the bandwagon. While such may have been the easy road politically, I believe it would have been the road of dishonor.

In choosing the Republican Party, I am joining those Congressmen who are fighting for South Carolina, on our side against the Supreme Court decision to reapportion, while the Democrats are fighting against us. In joining the Republican Party, I shall be working with those Congressmen who believe that South Carolina should have the right to retain its State right-to-work law, while the Democrats are fighting to destroy it. Yes, in choosing the Republican Party, I am joining those who are fighting for a strong, consistent, and sensible foreign policy, and for a sound domestic program within the limits of our budget, as well as for a limitation of the Federal bureaucracy which threatens the destruction of all individual's and States rights.

I have also considered the possibility of declaring myself as an Independent. Some for whom I have the highest respect have urged this course. However, with no Independent Party or organization in Congress, a person in such position would be seriously handicapped in trying to serve his people. Also, an Independent would be at the mercy of the majority party, in this case the Democrats, for his committee assignments. If, as a Democrat, they have stripped me of my seniority because of my refusal to put party before principles, you could well imagine how the Democrats would treat me as an Independent. Instead of being forced to eat the Democratic crumbs in the kitchen, while ADAM CLAYTON POWELL sits at the head of the banquet table, I would no doubt be assigned to the woodshed. The people of this district deserve better treatment.

In order to best represent the people of my district and State I must work within the framework of one of the national parties. The Republican leadership of the National Congress has assured me of its help and cooperation in serving the people of this State. The Democratic leadership has, by its very action, served notice on the people it will do all within its power to defeat any officeholder who refuses to support the national party line. The Republican leadership in South Carolina has demonstrated its interest in complete and free representation for the people, whereas the Democratic chairman of South Carolina is interested only in the National Democratic Party and the name "Democrat." Believing I was elected to serve all the people of the Second District, I have tried during the past 2 years to do just that. My doors were always open to all citizens—Republican, Democratic, independent alike—and no partiality was given in my efforts to be of service. This I shall continue to do.

Having decided that it is for the best interest of the Second Congressional District for me to affiliate with the Republican Party, I was next faced with the problem of whether or not I should resign from Congress, since I was elected as a Democrat.

Many citizens have said that I would be justified in making the change without resigning, since the Democratic caucus had unduly punished me, since I was elected by all the people and not just the Democrats, and further, since the people of this district overwhelmingly supported my position. While these are compelling arguments, I still feel that justification of my action can and must come from a free expression of the people.

Others have said my resignation is not necessary, since the State Democratic Party chairman has repeatedly called for my defeat and further urged me to join the Republican Party, as did that courageous and patriotic Senator, STROM THURMOND. Notwithstanding the statements made by these party leaders, I still feel that all of the people should be given an opportunity to express themselves on this matter.

Still others have said that, should I resign, it will necessitate an expensive special election for the people, as well as unnecessary campaign costs for me, which I can ill afford. I cannot believe you can equate the privilege of voting to dollars and cents, and certainly, I would never consider the financial problem imposed on me by resigning when the right of the people to settle an issue is at stake.

Accordingly, to remove all doubt as to whether or not I was right in standing by my convictions in November and in opposing the Democratic liberal extremists, I am submitting my resignation from Congress to the Speaker of the House, effective the date following a special election which will be set by the Governor. The reason I am delaying the date of my resignation is because I do not want the people of this district to lose their representation in Congress, and, notwithstanding the heavy demands of a campaign, I shall not neglect my responsibilities in Washington. In that special election I shall seek the nomination for Congress on the Republican ticket.

To those many friends who urged me not to resign, I can only say that I have done so because I believe it to be the most honorable course I can follow. Only the people themselves can resolve this issue. It will present problems for all of us, as I am voluntarily resigning from almost a full term in Congress, to which I was elected without opposition. Yet as our illustrious senior statesman, James F. Byrnes, has stated, "I am doing this because I believe it is right." Regardless of the political consequences for me, I shall have the assurance of doing what I believe is right.

STATEMENT BY SENATOR STROM THURMOND, REPUBLICAN, OF SOUTH CAROLINA

Under a Socialist system, freedom must necessarily be suppressed in order to bring about conformity with the will of the ruling power. This truism was proved again Saturday when House Democrats voted to punish Congressmen ALBERT WATSON, of South Carolina, and JOHN BELL WILLIAMS, of Mississippi, for exercising their free will and standing by their convictions in the presidential election.

This is the type of coercive action which can be expected from Socialist-Democrats who have changed the Democratic Party into the Socialist Party and who now are determined to make our Nation a Socialist America.

This should serve as a lesson, not to the two Congressmen, but rather to all Americans who wish to preserve their own free will. If these two Congressmen have committed any sin in refusing to support their party's national ticket, they must answer to the people who gave them their position of public trust and service—not to their colleagues in Washington.

It is especially discriminatory to select these two southern Congressmen for punishment while letting Congressman ADAM CLAYTON POWELL serve as chairman of a committee even though he exercised his right to dissent from the national party ticket in 1956. This is a point which will not be overlooked as the Democratic Party fades into further oblivion in the South as a result of this action.

Again, I commend both of these gallant men for standing by their convictions, even in the face of threats of reprisals. They have served well their consciences and in doing so

have thus lived up to the trust reposed in them by their people to always stand for what they believe to be right.

THE NIKE X MISSILE DEFENSE SYSTEM

Mr. THURMOND. Mr. President, the most critical inadequacy in our strategic defense remains the absence of any defense against ballistic missiles. As time goes by, this inadequacy grows even more critical.

Currently a second generation ballistic missile defense system, the Nike X is under development. The Army has not recommended a production commitment for the Nike X for fiscal year 1966, reportedly because the production of the Nike X system is not yet at the point where technical progress dictates that failure to produce would result in obsolescence. This, of course, is a question at which Congress needs to look quite closely in the coming weeks.

The Army did reportedly request preproduction engineering funds for the system, but the request was denied by the Secretary of Defense. Certainly this is a matter which needs to be corrected in the authorization of funds which Congress will consider shortly.

It is encouraging to note that increasing public notice is being taken of the critical deficiency in the field of ballistic missile defenses and the urgency of deploying the Nike X system. I ask unanimous consent that there be printed in the RECORD at the conclusion of my remarks a column by Joseph Alsop from the Washington Post of January 13, 1965, entitled "Next Year, the Nike X"; an article from Missiles & Rockets of January 4, 1965, entitled "Study Aids Case for Nike X"; and an editorial from the same issue of Missiles & Rockets entitled "The Threat."

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

[From the Washington (D.C.) Post, Jan. 13, 1965]

NEXT YEAR, THE NIKE X

(By Joseph Alsop)

A great deal of nonsense is being talked about the continuous future shrinkage of the U.S. defense budget—nonsense, at least, if President Johnson does not repeat the big mistake that so gravely marred President Truman's otherwise remarkable record.

The circumstances are not absolutely dissimilar, for there is very little doubt that the prime cause of Harry S. Truman's big mistake was the new self-confidence inspired by being elected President in his own right in 1948. The mistake was to cease to take the cold war seriously, and to cut the defense budget to ribbons. The result was the Korean war.

In the case of President Johnson, the test of his real intentions about defense policy will come, perhaps fortunately for him, only after another year has gone by. The test will be whether he decides to pay the heavy bill—perhaps as much as $40 billion over a period of years—to give the United States an effective antiballistic missile defense system.

Next year is the test's due date, because the Defense Department's brilliant Nike X development program will then reach the stage of large-scale contracting for hardware. When that time comes, it is going to be vastly more difficult for President Johnson to reject the Nike X program than it was for President Kennedy to reject Nike-Zeus.

President Kennedy's rejection of Nike-Zeus, though much criticized at the time, was undoubtedly wise. This first effective American antiballistic missile is a good weapon, but it has the grave defects that are normal in first essays in new kinds of weaponry.

Specifically, Nike-Zeus can be easily fooled by decoys attached to an attacker's ballistic missiles, and it is not capable of warding off a saturation attack. For just these reasons, President Kennedy overruled the U.S. Army, which wished to spend $10 billion on Nike-Zeus deployment, and instead ordered development of the vastly more advanced Nike X.

Nike X is like Nike-Zeus in being a point defense weapon, as all antiballistic missiles must almost certainly be for some time to come. But novel radar and other systems, now almost completely tested with striking success, protect Nike X from fooling by decoy devices. And this crucial improvement, plus much greater speed and other advantages, make a Nike X defense system fully capable of dealing with a saturation attack of enemy ballistic missiles.

A complete defense is of course impossible. Some attackers must always get through. Yet the figures are enough to show that despite its high cost, a Nike X defense system will be a worthwhile investment. The right way to think of it is to imagine a sound insurance policy, costing about $500 a head, on the lives of no less than 70 million Americans.

As of now, since this country has no antiballistic missile defense and no shelter system to speak of, a Soviet missile attack on the United States is estimated to be likely to cost the lives of rather more than half the population—around 110 million persons, in fact. But a complete Nike X defense system would save the lives of 70 million; and it would also save a proportional share of our cities and our industry, thus making it possible for our industrial society to survive as an organism. There is only one condition. Congress must overcome its aversion to a serious shelter program, which is needed to make the Nike X system work.

The annual cost of this $500-a-head life insurance policy for 70 million Americans will not be so intimidating as one might suppose. The shelter program will need an all-in investment of about $5 billion. Missile manufacture and deployment will require a further investment of about $35 billion. But the outlay will naturally be spread over a considerable period of time, making the yearly investment not much more than $5 billion.

Strategically, politically, and in every other imaginable way, the United States will gain immensely from possessing a defense system of this kind. In such a situation as Britain faced in 1939, there is all the difference in the world between a price tag on surrender amounting to the end of civilized life in the United States, and a price tag that may be very terrible yet still preserves the future for later generations of free Americans.

Such, then, is the nature of the choice that is going to have to be made next year, when the Nike X program reaches the hardware phase. A wrong choice, such as President Truman made with Louis A. Johnson, is of course imaginable. But further defense cuts should not be counted on, until this issue has been faced.

[From Missiles & Rockets, Jan. 4, 1965]

STUDY AIDS CASE FOR NIKE X: NO RECOMMENDATIONS MADE

(By James Trainor)

Primacy of offense over defense in strategic warfare—a shibboleth long accepted by defense planners—has been called into question by the Nike X threat analysis study.

Several other "truisms"—such as the "destabilizing" effect of a ballistic missile defense (BMD) system on deterrent posture, the severity of the "*n*th country" problem, and the cost of penetrating an anti-missile-missile defensive system—have been found to be either invalid or highly dependent on the scenario under which strategic nuclear war occurs.

In the making since July 1963, the highly classified, voluminous threat analysis has been completed and submitted to Secretary of Defense Robert S. McNamara. Presenting no recommendations, the analysis does provide the arithmetic underpinning upon which a decision to deploy or not to deploy Nike X can be based.

The trade-off studies involved in deploying a ballistic missile defense system are far from complete, however. Divided shelves or levels of deployment, protection of command and control centers versus protection of urban centers, protection of critical industry, the rate of recovery of the Nation in relation to the protection—and the survivability—of the civilian industrial base are but a few of the intricate questions still to be probed.

STUDY'S SCOPE

These analyses will not be conducted on the crash basis that the threat analysis study involved, nor will they be as centralized as was the basic study. The threat analysis study covered more than a year of intensive effort and involved more than 200 professionals full time.

The Hudson Institute pulled together inputs from a wide range of industrial and military sources. A Nike X threat analysis office was created within the Army staff and was headed by Maj. Gen. Austin W. Betts.

Stanford Research Institute has been retained by the Army to conduct further trade-off studies, but the special character of the threat analysis office is also to disappear, with future studies and analyses performed by elements of the Army staff, particularly the Deputy Chief of Staff for Operations.

OFFENSE VERSUS DEFENSE

Almost from the inception of the Nike-Zeus program, its critics have claimed that, given the character of modern strategic missiles, the defense would never be able to catch up to the offense. For a modest investment, the argument ran, the offense would be able to overcome any defensive system with ever more sophisticated penetration aids.

On the basis of the threat analysis study, however, the offense and defense "are very much closer to a standoff now," according to a Defense official, and the cost of one overcoming an advantage of the other are "in the general ball park of equivalence."

"Except for a few people on the outside of the problem," this official contends, "all of the people who have really studied the problem, including organizations such as the Rand Corp. and the Weapons System Evaluation Group (DOD), agree that ballistic missile defense is a useful contribution to a damage-limiting strategy."

The usefulness of ballistic missile defense is extremely sensitive to the scenario under which a strategic nuclear war takes place, this official points out. If such a conflict occurs as a result of an ever-deepening international crisis in which both sides steadily increase their readiness postures, the value of BMD is less than if a sudden attack were mounted against this country by the Soviets.

In the first instance, the United States could receive enough warning of Soviet intentions to strike before the Soviet missiles were launched. Under these conditions, it makes more sense to invest in such damage-limiting weapons as Minuteman ICBM's and antisubmarine weapons.

Also, the official says, if the Soviets are incapable of launching all their ICBM's in

one salvo, offensive missiles would be effective in destroying these missiles before they could be launched. BMD, even in this scenario, would still contribute to damage limitation by countering at least partially those missiles which were launched against the United States.

A defensive system would be the major means of blunting a surprise attack. The system would not be able to counter all the ICBM warheads launched against the United States, but it would kill a percentage of them.

This is the important point: a BMD system "can be defeated in part, not in total." And the extent to which it is not defeated could determine the ability of the Nation not only to survive but to recover from a nuclear war.

Therefore, the proper mix of damage-limiting forces depends on the magnitude of the threat and the postulated scenario under which war occurs.

BMD DESTABILIZES NOTHING

"There isn't enough defense in the world to protect everyone. Therefore, the destabilizing argument is just not valid," is the way one Defense official disposes of the argument that to deploy a BMD system would upset the mutual deterrence brought into being by the possession by both major powers of the means of destroying each other's societies. There will always be deterrence, even with a ballistic missile defense system, he feels, because it is just not feasible to protect all the population.

On the subject of the "*n*th country" problems—the proliferation of nuclear weapons and their means of delivery by smaller, and presumably less responsible, countries—it now appears that this would not be as serious as first supposed. "Take the case of the mad Cuban with one missile. He is not likely to waste that missile on Podunk but is more likely to concentrate on New York or Washington—the prestige, high-density target." Therefore, the BMD deployment problem would be easier, with the defensive system concentrated around these centers.

If this "mad Cuban" did avoid the prestige target because of his awareness of the defenses surrounding it, BMD still has paid off by denying him an attack on the high-density centers.

[From Missiles and Rockets, Jan. 4, 1965]

THE THREAT

Secretary of Defense Robert McNamara has indicated that he will not seek funds in the fiscal 1966 budget for a Nike X preproduction program. Further, the Secretary has made clear his feeling that deployment of the anti-missile-missile system does not make sense unless it is accompanied by an adequate civil defense shelter program.

We quite agree with him about the shelters. Any nuclear exchange involving Nike X would result in an unacceptably high fatality rate among an unprotected civilian populace, to say nothing of the effects wrought by those incoming warheads which escaped interception.

Shelters for civilians therefore are a must for any credible missile defense. To date, there has been no adequate civil defense program—although a step was made in the right direction when authority over the program was transferred to the Pentagon.

Whether this administration now is willing to back an all-out civil defense effort is open to question, however. For one thing, the thought of alarming the Great Society at its very inception with strong support, both moral and financial, for blast and fallout shelters is a distasteful one to President Johnson. Also being taken into consideration is the question of whether initiation of such a program might not be taken by the Soviet leadership as an indication of a more belligerent policy by this country. There are those who strongly believe that it would and who watch closely for any sign that the Russians are undertaking a wide-scale shelter program. So far they have not.

The temptation in these circumstances is to do nothing and avoid alarming both Americans and Russians. There is also the hope that a continuing détente in the cold war might make the whole unpalatable Nike-X-cum-shelter business unnecessary. Just what move the Soviets will make next in the ICBM field also is under close scrutiny, again in the hope that they will do nothing to upset the comfortable offensive superiority now credited to this county by U.S. intelligence.

Unfortunately, the Nike X and fallout shelter decision is one which must be made soon. This is not an area in which we can stand around forever with our option in our hand. If and when an antimissile defense is needed, it will be needed immediately—not at some future date which will allow time for deployment.

Some comfort has been taken in certain circles from the belief that Nike X is not really important because missile defense can never catch up with missile offense. The just-completed Nike X threat analysis study sheds some interesting light on this theory. The study indicates that missile offense and defense are much closer to a standoff than many people believe.

The significance of this is considerable. For one thing, it means that a U.S. ballistic missle defense can play an important role in our strategic posture. More important, it means that the door is open for the Soviet Union to undertake an antimissle defense which can offset our present superiority in strategic missiles.

The administration belief that the Russians have not done so is indicated by the confident cutback by Secretary McNamara of 200 previously planned Minuteman missiles. But the questions remain of whether the Soviets could do so, and whether they could do so without our detecting the initiation of such a large-scale program.

An article in the December issue of Fortune by the very able Mr. Charles J. V. Murphy sheds some interesting light on this. Mr. Murphy details the history of the Soviet missile effort, as watched by the Turkish radars and the U-2 aircraft, as well as other intelligence sources.

Although we have detailed much of the history in this magazine as it developed, it is worthwhile noting what Mr. Murphy has to say about Soviet antimissile defenses: "Meanwhile, there had emerged, too, ominous indications that the Russians had begun to test an anti-missile-missile system, a concept that our scientists then held and still hold to be wholly impracticable. Indeed, the R. & D. center of this enterprise was finally located by a U-2 early in 1960 in Central Siberia, at Sary Shagan, a large community on Lake Balkash, about 400 miles east of the ICBM test establishment at Tyura Tam. It was established that the interception of rockets by other rockets had actually been attempted, with some success, and thereafter in U.S. intelligence calculations account had to be taken of the chance, however, improbable, that Soviet technicians might be close to a defense against the ICBM's."

As Mr. Murphy points out, this was in 1960. Dr. Harold Brown, chief of research and engineering in the U.S. defense establishment, acknowledged not long after taking office that the Soviets had a significant lead over the United States in this field. There is no reason to suppose the Russian effort has slackened.

The question remains: Could the Soviets conceal plans for deployment of an effective anti-ICBM system? With the Russians aware that they are being closely scrutinized by the Samos reconnaissance satellites, we find nothing surprising in the theory that a closed society such as the Soviet Union could hide its antimissile intentions until the last possible moment.

We then would be presented with a fait accompli which would offset our vast investment in Minuteman, Polaris, and Titan II.

Since it also is possible for the Soviets to carry out the same tactic in regard to new offensive missiles, we believe it necessary to move forward swiftly with both Nike X and a shelter program, no matter how unsettling it may sound.

A top Defense official has something to say about that also. He points out that any anti-missile-missile system will kill a percentage of incoming warheads, but not all of them.

"Therefore, the destabilizing argument is just not valid," he says. Missile defense does not upset the mutual deterrence of the two sides.

We therefore hope Secretary McNamara will seek an adequate civil defense program and that Congress will press both for this and for preproduction funds for Nike X.

WILLIAM J. COUGHLIN.

HOME RULE

Mr. ROBERTSON. Mr. President, in the January 18 issue of U.S. News & World Report, there was published a thoughtful article on what would be involved in home rule for the District of Columbia. Students of American history are well aware of the fact that the first Congress of the United States met in Philadelphia, because that was where sessions of the Continental Congress had been held and where our Declaration of Independence had been proclaimed. The seat of the new nation was moved from Philadelphia to New York because the police of the city of Philadelphia failed to protect the new Congress from pressure groups. New York was not a desirable site for a national capital, because it was too far removed from the Southern States; so the Congress, meeting in New York, passed a bill to establish the capital midway between the New England States and the Southern States, to be located on the Potomac River, in an area to be designated as the District of Columbia, and it was not to have the privilege of suffrage and home rule. Over my protest, the Senate has voted on several occasions to give home rule to the District of Columbia. In my opinion, this would do violence to the fundamental principle underlying its creation by Congress.

I ask unanimous consent to have printed at this point in the RECORD the article on this subject, from U.S. News & World Report.

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

IF NATION'S CAPITAL DOES RULE ITSELF

A unique experiment is being proposed for Washington, D.C., The experiment: "home rule"—self-government for the residents of the Nation's Capital. It has the backing of the White House.

Most of Washington's residents are Negroes, and the prospect is that they would elect a Negro government. This would make Washington the only major city in the world governed by Negroes.

For nearly a century, this Nation's Capital has been governed by Congress, acting as

Washington's city council, and the U.S. President, acting as the city's mayor.

Now political pressure is growing to give Washington, D.C., "home rule"—return the governing power to the people who live in the city and let them elect their own officials.

President Johnson has pledged the power of his administration behind a home-rule bill in the new Congress, in which the President has a heavy Democratic majority.

Chances of passage of such a measure are considered the best ever.

QUESTIONS AND PROBLEMS

Raised are these questions: What if the residents of Washington are given the power to rule themselves? Will a self-governing capital involve a unique experiment? What problems will it face?

In a nation whose population is 9-to-1 white, Washington is 58 percent Negro—the most heavily Negro of any big American city.

It is taken for granted that Negro voters, outnumbering whites, would elect Negro officials.

"It is my expectation that we will have a Negro for mayor," says Joseph Rauh, chairman of Washington's Democratic Central Committee and a leading advocate of home rule.

Whites also would be expected to give way to Negroes in other key posts—in the school system, police, and courts.

This would make Washington the only major city in the world governed by Negroes. And the United States would be the only predominantly white nation with a Negro as head of its capital.

Any new government in Washington would find itself beset by complex and growing problems, some of them unique.

Crime, increasing at a rapid rate, makes Washington's streets among the most dangerous in the Nation.

There is a strong and continuing migration of white families from Washington to nearby suburbs in Maryland and Virginia. Washington is becoming to a large extent a city of aging white couples with few children and Negro families with many children.

Washington schools—From 39 to 88 percent Negroes in 24 years

Year	White pupils	Negro pupils	Percent white	Percent Negro
1940	56,547	36,263	60.9	39.1
1950	46.736	47,980	49.3	50.7
1960	24,982	97,897	20.3	79.7
1964	17.673	125,016	12.4	87.6

Source: District of Columbia Board of Education.

Among those moving out of the city are many big taxpayers.

Government is Washington's biggest industry. The Federal Government owns 43 percent of the city's land area. Foreign governments, with their embassies and chancelleries, also own sizable chunks of valuable real estate. So do religious, educational, and charitable organizations.

Altogether 16,642 acres of Washington's land area are exempt from taxes. This is 54 percent of the city's total.

This raises tax problems such as are faced by no other city. Officials estimate that all these tax exemptions cost the city $53 million a year in lost taxes. This loss is only partially made up by Federal contributions to the city, now running at a rate of $37.5 million a year.

Many thousands of people who work in Washington don't live in the city. They commute from outlying suburbs—mostly by automobile. The Washington area has the Nation's greatest density of automobiles per square mile. It has no underground rail system. This means heavy spending for streets and bridges.

Other Washington problems include a big relief load, rates of illegitimate births, and venereal disease that are among the highest in the Nation, and public schools so heavily Negro that they defy attempts to achieve a "racial balance" in enrollments.

A CONSTRICTED CITY

Most cities, facing problems such as Washington's, can expand by annexing suburbs, thus enlarging their tax base and reclaiming some of the taxpayers lost by migration from the city.

Washington can't do this. Its boundaries—enclosing 69 square miles are fixed by Federal law. It is not a part of any State, so it cannot look to any State government for help.

Until the 1930's, when the Federal Government began to be big business, Washington was a relatively small city—only 486,869 in 1930.

Since then, Washington has grown to about 808,000 population, ranking ninth in size among all U.S. cities.

Yet Washington today has 146,900 fewer whites than it had in 1940—and 183,200 fewer than in 1950. The city's growth is in Negro population.

Suburbs surrounding Washington are growing even faster than the city itself. And the suburbs are predominantly white—ranging from 1.8 percent to 11.7 percent Negro in 1960. Add in the suburbs, and only 25 percent of the 2.3 million residents of Washington's metropolitan area are Negroes.

WHY HOME RULE ENDED

The city of Washington had self-government from 1802 to 1874. But friction developed between the city and Congress.

Racial issues created additional friction after the Civil War. Some 30,000 freed slaves flocked into the city, and Congress and the local government bickered over who should pay for their education. When Congress gave the ex-slaves the vote, many white people boycotted the polls.

Washington population—From 28 to 58 percent Negroes in 24 years

Year	Total population	White residents	Negro residents	Percent white	Percent Negro
1940	677,200	484,600	192.600	71.6	28.4
1950	810,500	520,900	289.600	64.3	35.7
1960	768,700	345,600	423,100	45.0	55.0
1964	808,000	337,700	470,300	41.8	58.2

A sign of the future: Among Washing residents under 20 years of age, more than 70 percent are Negroes.

Source: 1940–50–60, U.S. Census Bureau and District of Columbia Health Department; 1964, Census Bureau estimate; racial breakdown for 1964 is a projection by economic unit of U.S. News & World Report.

The showdown came when the city overspent its income and Congress had to bail it out of debt. Then Congress abolished home rule and took over the city's administration itself.

Washington now has a Board of Commissioners who do some of the work normally done by a city council and mayor. All three members of the Board are appointed by the U.S. President.

Washington's local laws are enacted by Congress, which also controls the city's taxing and spending. Special committees are set up in each House of Congress to handle Washington legislation.

In recent years, home-rule bills have passed the Senate five times. Each time, the bill was blocked in the District Committee of the House, which contains several southern Members and is headed by Representative JOHN L. MCMILLAN, Democrat, of South Carolina, an opponent of home rule for Washington.

A NEGRO GOVERNMENT?

It is generally recognized that one of the major obstacles to congressional passage of home rule is the large number of Negroes in Washington and the expectation that they would give the Nation's Capital a Negro government.

Many white Washingtonians share congressional reluctance on this account.

It is also argued that home rule would conflict with the concept of Washington as a Federal city, and that it might imperil the financial aid that Washington now gets from Congress.

Nearly one-fourth of all District adults hold Federal Government jobs that bar them, under the Hatch Act, from partisan politics.

A large segment of Washington's population is transient. Many residents do not really regard it as home. Those who have lived there long are not accustomed to voting. It was not until last year that Washingtonians were even permitted to vote for U.S. President.

Both the Democratic and Republican national platforms have endorsed home rule for Washington, however, and President Johnson recently wrote the Democratic city organization:

"I believe in home rule, and I pledge you here and now the best efforts of the next administration to provide local self-government for the District of Columbia."

All this is focusing new attention on Washington and its many problems.

THE CRIME PICTURE

While all big cities have reported a rise in the rate of crime in recent years, Washington's crime rate has increased faster than the average—83 percent in the last 7 years.

Police records show that of all persons arrested for major crimes last year, 87 percent were Negroes.

Much of the crime, in Washington as elsewhere, is committed by youths.

Largely as a result of the migration of white families to suburbs, more than 70 percent of all Washington residents under 20 years of age are Negroes.

This situation is reflected in the city's public schools, where 87.6 percent of all pupils are Negroes.

Washington's schools were segregated by race until the U.S. Supreme Court outlawed segregation in 1954. Then the school enrollment was only 57 percent Negro, and most of the city's schools soon became racially mixed.

Since integration, the flight of white families with school-age children from Washington to suburbs has speeded up—and many schools have, in effect, become resegregated. There are now 26 schools that are all-Negro and 63 other schools with fewer than 10 white pupils.

Busing pupils from one part of the city to another—a method of "race balancing" tried in some northern cities—would have little effect in Washington.

A HAVEN FOR NEGROES

Washington for years has been regarded as a haven by the Negroes fleeing segregation and poverty in the South. There is no discrimination in restaurants and theaters. Housing barriers are falling slowly but steadily as the Negro population spreads into more sections of the city.

Government payrolls offer jobs for Negroes. Of the 27,133 full-time employees of the District of Columbia government, 50.3 percent are Negroes. Of the 247,000 Federal employees in the Washington area, 24.2 percent are Negroes.

Now, with the prospect of home rule, Negroes in Washington stand to gain a new opportunity. The Nation's Capital could become the first major city in the modern world governed by Negroes.

WASHINGTON'S BIG PROBLEMS

Crime: Up 83 percent in last 7 years. Among cities of 500,000 to 1 million population, Washington now ranks, per capita: First in aggravated assaults, second in robberies, fifth in major crimes of all kinds.

Last year, 87 percent of all persons arrested for major crimes were Negroes.

Relief: Welfare costs exceed $11 million a year. Nearly 10,000 Washingtonians are on relief. Yet the unemployment rate in the Washington area is only 2.1 percent—which is far below the national average of 5 percent.

Tax exemption: City loses $53 million yearly in taxes. Of Washington's land area, 54 percent is tax exempt. Most of this exempt area is owned by Federal Government.

Part of Washington's tax loss is made up by Federal contributions, which totaled $37.5 million in fiscal year 1964.

Illegitimacy: District of Columbia rate highest of any city. Washington registered 4,529 illegitimate babies in 1963—a rate of 228.2 per 1,000 live births.

Of the 4,529 illegitimate babies, 4,145 were Negro.

Venereal disease: Widespread in Washington. Nation's capital has Nation's highest rate of gonorrhea—1,298 per 100,000 population. In syphilis, Washington ranks fourth among all big cities, with a rate of 235.3 cases per 100,000.

Washington, D.C., No. 1 Negro city in the Nation—Percentage of Negroes in total population

	Percent
Washington	58.2
Charleston, S.C.	50.8
Augusta, Ga.	45.0
Richmond, Va.	41.8
Jacksonville, Fla.	41.1
Birmingham, Ala.	39.6
Baltimore, Md.	39.2
Atlanta, Ga.	38.3
New Orleans, La.	37.2
Winston-Salem, N.C.	37.1
Memphis, Tenn.	37.0
Jackson, Miss.	35.7
Montgomery, Ala.	35.1
Newark, N.J.	34.1
Detroit, Mich.	28.9
St. Louis, Mo.	28.6
Cleveland, Ohio	28.6
Philadelphia, Pa.	26.4
Chicago, Ill.	22.9
New York, N.Y.	14.0

Source: All percentages from 1960 census, except that Washington's is a 1964 computation by the Economic Unit of U.S.N. & W.R. from a Census Bureau estimate of the total population; Baltimore's is a 1964 estimate by the Baltimore Health Department.

IMMIGRATION

Mr. ROBERTSON. Mr. President, I am opposed to changing our immigration laws as recommended this week by the President. His proposals are substantially the same as those of President Kennedy in 1963, and include some steps that have been advocated for 20 years.

While there will be disagreement on the exact number of immigrants to be expected, there certainly will be some increase, and every immigrant will be competing with an American citizen for a job at a time when unemployment remains a major economic problem. And I do not see how anyone can categorically say the number of immigrants would be increased by less than 7,000, if no quota whatever is to be placed upon the Negroes to be admitted from Jamaica, Trinidad, and Tobago. Thousands from those former British possessions already have flooded England, creating a serious economic problem.

Neither can I agree that our present immigration laws are incompatible with our basic American tradition. Our American tradition is that the first settlers were of Nordic stock, and came from Great Britain. Shortly after the Revolutionary War, there was a substantial immigration, from Germany, of those seeking religious and economic freedom. With the division of the Northwest Territory into States, the area was settled by a fine group of farmers from the Scandinavian countries.

Ever since 1882, we have had laws prohibiting immigration to this country of Orientals. Those laws have been only slightly modified in recent years. That was the basic American tradition, until broken in the early part of the current century by some ruthless industrial magnates, who brought thousands of workers from southern Europe into the coal fields and steel mills of Pennsylvania and West Virginia, to break the back of a young and weak organized labor movement.

The Immigration Act of 1924 was passed for the deliberate purpose of protecting organized labor and of preserving the basic national characteristics of our Nation.

Following World War II, the United States, out of sympathy for stricken peoples, departed from its basic immigration policy, by passing, between 1948 and 1953, temporary laws under which thousands of displaced persons and refugees were admitted to the United States.

But in 1952, Congress reaffirmed its basic immigration policy, by passing the McCarran Act, which preserved the quota system and strengthened the safeguards against admission of Communists and other enemies of our democratic institutions.

President Kennedy said, and the claim is now repeated, that emphasis would be placed upon admitting immigrants who possess skill. That term is as vague as the word "discrimination" in the civil rights bill, and can mean anything that any bureaucrat sees fit to make it mean. But the door is left wide open to those without skill if they can claim relationship to someone already here. Most of the new immigrants will be of that character.

In other words, the removal of the limitation of national origins quotas is somewhat akin to removal of the gold backing for our currency. It is not a perfect system; but it furnishes an automatic brake, free from administrative manipulation.

If it be politically expedient at the present time to remove the handicap of the Immigration Act of 1924, why will it not be equally expedient at a later period to eliminate all restrictions, and to accept a flood of immigrants?

History has no example to equal the generosity shown by our Nation since the end of World War II to all of the so-called have-not nations of the world, and especially to the nations of southern Europe, who now are exerting pressure for the admission of more of their nationals.

We have loaned and given away about $105 billion, and the end is not in sight. Included in our gifts have been millions of dollars' worth of food. But we should not lose sight of the fact that through erosion we have lost two-thirds of our fertile top soil, and our other natural resources are being used up, in the face of a birth rate greater than that of any country in Europe.

I hope this Congress does not complicate our problem of caring for our own unemployed by admitting more foreign workers at the same time that we are removing tariff restrictions upon what those who stay in Europe see fit to ship to us.

GRANGE VIEWS ON THE FARM CRISIS

Mr. McGOVERN. Mr. President, I ask unanimous consent to have printed in the RECORD a press release I have received today from the National Grange, in which Herschel D. Newsom, distinguished master of the Grange, expresses that organization's views of the present farm crisis.

I find myself very much in agreement with what Mr. Newsom has said to the Florida State Grange.

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

GRANGE MASTER WARNS AGAINST REDUCTIONS IN FARM INCOME

TAMPA, FLA., January 7.—"The war on poverty cannot be won until the basic inequity between agricultural interests and the rest of our economy is eliminated. This cannot be accomplished by further reduction in agricultural prices, whether that reduction is the result of market forces or the withdrawal of Government money," Herschel D. Newsom, master of the National Grange, told the officers and delegates of the Florida State Grange, meeting in Tampa, Fla., for their annual banquet.

Pointing out that American farmers receive only about 75 percent of that which would be received by other segments of the economy for similar investments of labor, capital, risk, and management, the farm leader state "The simple fact is that, whether we like it or not, the agricultural economy has been extended as far as it should be in terms of credit inputs. Rural banks have extended their lending capacity as far as is legally possible.

"Since 1951, American farm net income has dropped from $16.3 to $12.6 billion. During this same period, interest payments have increased from $6.3 to $27 billion, an increase of over 300 percent. Interest on farm debts has, in other words, increased from less than half net farm income to more than twice net farm income in this 12-year period.

"Farm debt last year increased about $3.4 billion, of which $2 billion was for nonreal estate loans. For the first time since 1961, farm real estate debt has risen considerably faster than nonreal estate debt," Mr. Newsom continued.

"With the present precarious situation being faced by American farmers, talk about continuing decreases in farm income, whether they are caused by decreasing expenditures or as a result of trade negotiations which permit our trading partners to erect unreasonable and discriminatory barriers against American agricultural exports is unrealistic and inconsistent with the economic and political facts of American life," the national master concluded.

WHEAT CERTIFICATE OPERATIONS WORKING SMOOTHLY

Mr. McGOVERN. Mr. President, I ask unanimous consent to have printed in the RECORD two items from the current

issue of the Southwestern Miller, dated January 5, 1965.

The first of these articles is about the smooth operation of the voluntary wheat certificate program, which became effective last July 1. The Southwestern Miller, a trade magazine, has praise for the manner in which the Department of Agriculture has administered the program, when it says:

Anyone who appraises the certificate program only from the standpoint of processor accounting can hardly avoid the conclusion that it is being quite well administered. ASCS is doing a far better job than the Internal Revenue people did on the processing tax of New Deal days.

The article reports that certificate payments on the 1964 crop will come to almost exactly what we anticipated when the bill was enacted—$450 million.

The second article is a report on the earnings of Pillsbury Mills for the 6 months ended November 30, 1964. The company's net profits after taxes set a record at $5,464,000. This was an increase of $720,000 over the earnings for the same period the year before. This indicates that the certificate plan has not had dire consequences in the milling industry.

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

CLOCKLIKE WHEAT CERTIFICATE REMITTANCES, ABOUT $450 MILLION A YEAR, BRING COMPLIMENTS FOR MILLS

HANDLING THE CERTIFICATE MONEY

Nine miles or so south of downtown Kansas City is the Government office that, among other things, receives remittances from millers and other processors for wheat certificates. In the building in which this program is centered are 1,000 employees, 450 of whom are on the staff of the Agricultural Stabilization and Conservation Service of the U.S. Department of Agriculture. Only seven or eight of this group are assigned to certificate accounting with processors. Some others work on reconcilement of drafts drawn by county ASCS offices to cover payments to eligible growers. The major part of the building is used for other ASCS functions, most extensive of which relate to handling and marketing of wheat that comes into the possession of that agency.

Processors' payments for certificates required in November operations amounted to $35,582,220.90, bringing receipts from this source up to more than $164 million since the certificate program began on July 1. Anyone wishing to project the wheat certificate total for a year should begin his calculations with September, because dollar receipts for July and August were affected by extensive use of transition certificates. Total for the September–November quarter is more than $113,500,000, which seems to point to an annual take of about $454 million—probably somewhat less, as flour production usually is a little greater in the fall months than in some other part of the year.

MILLS SPEEDY AND ACCURATE

The certificate program has now largely become clockwork as far as processors' payments are concerned, according to Arnold E. Ferguson, assistant to the ASCS director and in charge of certificate sales. "It can hardly be called routine, as handling more than $35 million per month is not a routine operation," he remarked recently. "Both we and the processors had plenty of humps to get over during the first 2 or 3 months, but these problems have been pretty largely resolved and a great majority of the reports are now arriving in complete order. There are still a few questions being raised, there are a few misunderstandings here and there, now and then we turn up errors on reports, but on the whole the processors are to be complimented upon the speed and accuracy with which they have conformed to the requirements of a new law."

INSPECTORS NOW ON THIRD ROUND

Mr. Ferguson added that a large majority of the difficulties now being encountered in the administration of certificate sales concern very small mills, mostly those that do a purely local business. Many of the people operating such mills did not have time, or did not take time, to acquaint themselves fully with the requirements of the law and the regulations. However, their problems are gradually being worked out. One of the factors that is helping considerably in this connection is the work of six traveling inspectors who are currently on their third round of calling on all wheat processors. Incidentally, the checks thus far made disclose only a very few cases in which apparent excessive quantities of wheat have been ground under the producer exemption and these are presently being investigated.

WEIGHT AND CONVERSION FACTORS

Inquiry of millers and other processors about the mechanics of wheat certificates has failed to turn up many baffling problems. At first, of course, there were a number of questions that had to be clarified, but making the reports has now become systemized in almost all cases even if time-consuming. Probably one of the most important issues to arise has been the choice between using weight of wheat and a standard conversion factor in determining certificate liability; a good many millers, chiefly those below average size, realized belatedly that it would be simpler and probably somewhat advantageous to them to use the conversion factor rather than weight of wheat. ASCS has authorized more than 30 such concerns to change their method of reporting in this respect, although it was stated earlier that once a choice had been made it would remain in force. Nearly all the larger and more efficient mills report on weight of wheat ground.

A BETTER ADMINISTERING RECORD

Anyone who appraises the certificate program only from the standpoint of processor accounting can hardly avoid the conclusion that it is being quite well administered. ACSC is doing a far better job than the internal revenue people did on the processing tax of New Deal days. The latter was a nightmare in more than a few respects; the regional internal revenue offices had little information for months and no consequential checking of compliance was done for a couple of years.

SERIES OF BURDENS UPON BUSINESS

The certificate program has nonetheless produced a series of burdens upon businesses that process wheat for human consumption. There is the clerical and executive time required to develop the data for accurate reports. There was a considerable loss on wheat inventories that were inevitably on hand July 1; the transition certificates that were heralded as a relief to the squeeze became in reality a means of saddling processors with a sizable expense item. Flour mills were the targets of a hard propaganda campaign by Government officials against rising prices stemming from higher material costs that were created by the program, a campaign that is at least partially responsible for heavy losses in this milling year. And a host of importunities have come from flour buyers for flour millers to undertake legal means to contest the use of wheat certificates, even though the prospect of success for such action would seem to be remote.

Millers have derived only one plus to date from the certificate program. The reduction in wheat prices that it brought about has in turn lowered the value of wheat inventories, so that interest costs have diminished. It is distinctly doubtful, however, whether savings in this quarter will offset any great part of the added costs referred to just above.

SOME DISTILLERS AND HEALTH FOOD

The vast majority of the 517 companies processing wheat for human consumption and therefore subject to the certificate tax are flour millers. The others include breakfast cereal manufacturers, a few soy sauce makers, a couple of distillers, and several dozen so-called health food stores. Most of the stores grind only small quantities, in some cases as little as 10 bushels per month, but they have the same proportionate liability as do the large proccessors.

The grind of the health food stores is so limited—as is also the certificate grind of flour mills doing mostly an exchange business—that it costs the Government much more to collect their certificate payments than it receives from them. This has led to proposals that very small operators be exempt from certificate purchases, but the problems that any such step would create for other processors might well prove to be staggering.

IN VERMONT AND LOUISIANA

Location of the certificate-tax payers is shown on the accompanying map. Dots in such unfamiliar places as Vermont, Massachusetts, and Louisiana—unfamiliar for wheat processors, at any rate—denote health food stores, as does a considerable share of the cluster in California.

GRAND TOTAL OF $231 MILLION

Total receipts from the 25-cent wheat export certificates through December were $67,138,537.64, including $990,000 as offsets against the export subsidy. When export figures are added to the processor payments, the grand total receipts to date are above $231 million.

TO KANSAS CITY FEDERAL RESERVE BANK

The funds received from wheat processors and wheat exporters for certificates are deposited in the Federal Reserve Bank of Kansas City, in an account that is earmarked for payments to producers.

RECORD FIRST-HALF EARNINGS BY PILLSBURY—NET IN 6 MONTHS ENDED NOVEMBER 30, 1964, RISES TO NEW MARK OF $5,464,000, WITH GAINS FROM CONSUMER FOODS, FOREIGN BUSINESS, AGRICULTURE

MINNEAPOLIS, January 5.—Net earnings of the Pillsbury Co. in the first 6 months of its current fiscal year established a new alltime record.

For the 6 months ended November 30, 1964, Pillsbury reported net profits after taxes of $5,464,000, equal to $2.49 a share on the common stock. This compares with $4,744,000, or $2.16 a share, in the corresponding 1963 period.

Sales for the first 6 months of the 1964–65 fiscal year amounted to $224,308,000, up $1,746,000 from the corresponding period of the previous year. The gain was in face of the loss of about $12,500,000 in sales caused by withdrawals from operations that were not profitable.

THREE AREAS CONTRIBUTE TO GAIN

In the 6-month report to stockholders, President Paul S. Gerot emphasizes the contribution of new convenience food product developments, expansion of the company's international business, and an improvement in the agricultural area. Earnings from the latter area were increased by an integrated broiler operation and the sale of unprofitable formula feed mills.

IN MILLING IN JAMAICA, TRINIDAD

The 6-month report also includes the formal announcement of new Pillsbury operations in Jamaica and Trinidad. In Trinidad, the company will assist in the operation of a flour mill now under construction and will participate in the marketing of the mill's flour output. In Jamaica, Pillsbury will help establish both a flour mill and a livestock feed plant, and be part of the mill's marketing organization.

CONSUMERS PRODUCTS NOW ABOVE 100

Nine new products in the consumer area went from research and development to retailers' shelves nationally in the first half of the year, it is stated. This brings the number of Pillsbury consumer products in total distribution to more than 100.

The report notes that a $13 million capital expenditure program this fiscal year includes the equipping of a 174,000-square-foot consumer products plant at Terre Haute, Ind., which is scheduled to open in the early spring.

Mr. Gerot pointed to a favorable second half for Pillsbury "based on sound business judgments of our marketing people, coupled with conservative national economic forecasts."

PRESIDENT JOHNSON'S GREAT EDUCATIONAL PROGRAM

Mr. GRUENING. Mr. President, education and democracy are one and inseparable.

The foundation of a democratic society is a citizenry able to think for itself, and not merely willing but determined to do so.

In 1810 Thomas Jefferson wrote:

The information of the people at large can alone make them the safe, as they are the sole, depositary of our political and religious freedom.

Thomas Jefferson said many times that education was the most effective weapon man had against tyranny.

He wrote in 1818:

If the children * * * are untaught, their ignorance and vices will, in future life cost us much dearer in their consequences, than it would have done, in their correction, by a good education.

We know he was right.

In his January 12, 1965, education message to the Congress President Lyndon B. Johnson documented the need to encourage every child to get as much education as he has the ability to take. The President traced the development of education opportunities in this country from the time of the Northwest Ordinance of the Continental Congress in 1787 which proclaimed that schools and the means of education shall forever be encouraged.

Times change. What was adequate becomes obsolete. What was once progressive no longer is adequate to meet the challenges of the Great Society.

The President compared the cost of educating a child for 1 year as opposed to keeping a delinquent youth in a detention home or a family on relief or a criminal in a State prison for the same period of time. He told the Congress:

We now spend about $450 a year per child in our public schools. But we spend $1,800 a year to keep a delinquent youth in a detention home, $2,500 a year for a family on relief, $3,500 a year for a criminal in a State prison.

If we are to achieve the national goal of full educational opportunity the President seeks, we must, first, build the 400,000 classrooms to house 4 million new elementary and secondary pupils in the next 5 years; second, replace existing, old facilities; third, train 800,000 new teachers and give to those who serve education now the skills and techniques of the 20th century; fourth, make available in sufficient supply such tools as books, libraries, preschool facilities, modern language laboratories, scholarships, grants, and employment opportunities for students seeking higher education at the college or postcollege level.

These needs are national. They must be solved at the national level.

When I was Governor of the Territory of Alaska I stated in my January 1949 message to the Territorial Legislature:

If education fails, government by consent of the governed is bound ultimately also to fail. No duty of government is more inescapable than giving our children the best educational opportunities possible.

President Johnson has sent to the Congress a great education message. I have, in turn, sent copies to the commissioner of the Alaska Department of Education, to the members of the Alaska State Board of Education, and to the president of the University of Alaska, Dr. William R. Wood.

Dr. Wood wired the President the following message:

Senator GRUENING has just read to me by telephone the portion of your splendid message to Congress pertaining to higher education. The depth of insight into the problems of higher education and the scope of proposals for offsetting them provide a most encouraging basis for achieving the goals of a great people.

Already the portions of the education message dealing with the strengthening and improving of educational quality and opportunities in our elementary and secondary schools have been incorporated in bill form. I have joined as a cosponsor of S. 370 which was introduced Tuesday by the distinguished chairman of the Labor and Public Welfare Committee's Subcommittee on Education [Mr. MORSE]. The bill will be the subject for hearings beginning January 26 and I applaud my good friend from Oregon [Mr. MORSE] for acting so promptly.

When a bill incorporating the proposals of the President to improve America's higher education program is introduced, I shall give it my full support.

The education program proposed by the President is designed to make available to all children, regardless of environment or parental income, the opportunity to learn.

A generation ago President Franklin Delano Roosevelt in his memorable inaugural address told us of the need to correct inequalities wherein one-third of the Nation was ill clad, ill fed, and ill housed. The fact that over 30 years later the percentage of one-third so depressed has diminished to only one-fifth is nothing to cheer about. Our affluent four-fifths have done a lot better, and as a nation we should be greatly concerned about that other fifth. President Johnson has shown his great concern and is giving Congress the leadership in this field that is most heartening.

Poverty is widely distributed throughout the United States. It is both urban and rural. It is widespread throughout Alaska, among our native population—Indians and Eskimos—whose chief handicap has been their lack of educational opportunities in their youth.

We can do much to correct this situation if we enact S. 370 and its companion measure, yet to be introduced, to help higher education, which incorporate the recommendations of the President. The cost of these new programs ranges from $1.5 to $1.665 billion, according to reports I have seen.

The State of Alaska would receive $1,878,777 under programs proposed in S. 370.

Title I provides $1 billion for the education of children of low-income families. Alaska's share would be $1,336,472.

Title II provides $100 million for school library resources and instructional materials. Alaska's share would be $318,630. Libaries in the majority of our public schools are inadequate. The Office of Education reports that in many schools there is an average of less than one-half book per child and that some cities spend less than 15 cents a year per child for library books. Worse, more than two out of every three public elementary schools have no libraries.

In our high schools we are told that at least one-fourth of the Nation's public high school systems do not provide free textbooks and it has been stated, too, that high textbook fees are one of the reasons for the school dropout problem. The modest request of title II for $100 million to help correct this deficiency initiates a 5-year program. The program will make available for the use of school children school library resources and other printed and published instructional materials including textbooks essential to improve educational quality.

Title III provides $100 million for supplementary educational centers and services. Alaska's share would be $119,467. This money could be used to initiate reforms in science and language instruction which badly needed to be improved.

Title IV provides $45 million for educational research and training. The money would expand the existing program which seeks to disseminate nationally research findings made at a particular institution so that education as a whole may benefit.

Title V provides $10 million for State departments of education to help strengthen the leadership resources, modernize the collection, processing, and analyzing of educational data, and in other areas selected by the State. Alaska's share would be $104,208.

In his education message, the President said:

We need to extend our research and development—to history, literature, and economics; to art and music, to reading, writing, and speaking; to occupational, vocational, and technical education. We need to extend it to all stages of learning—preschool, elementary and secondary schools, colleges and graduate training.

Regional education laboratories as proposed will help, but much more must be done in this area of the humanities which have been neglected.

To move America forward in the humanities field I introduced on January 6 a bill to provide for the establishment of the National Humanities Foundation to promote progress, research, and scholarship in the humanities and the arts, and for other purposes. This proposed legislation implements the teaching of the humanities.

The great goal toward which we strive is to make certain that America is a land of continuing opportunity, of growing potentialities, of expanding vistas.

In the area of higher education the President will propose that the Nation spend $260 million for new programs to "extend the opportunity for higher education more broadly among lower and middle income families; to help small and less well developed colleges improve their programs; to enrich the library resources of colleges and universities; and to draw upon the unique and invaluable resources of our great universities to deal with national problems of poverty and community development."

Specifically, in his education message, the President says he will recommend a program of scholarships for needy and qualified high school graduates to enable them to enter and to continue in college. He advises us that he will recommend expansion of work-study opportunity and guaranteed low-interest loans.

More and more such aids will be needed. A college education is expensive. Today the parents and/or the student may expect to pay nearly $2,400 a year in a private college and about $1,600 in a public college. Experts predict these costs will increase by one-third during the next 10 years.

Because small colleges, which often are isolated, are burdened by spiraling costs, the President seeks a national fellowship program to encourage highly qualified young graduate students and instructors in large universities to augment the teaching resources of the smaller institutions.

He correctly observes that our great universities can help us solve the problems of the cities.

President Johnson's education message has been warmly received.

I ask unanimous consent that editorials appearing in the New York Times, January 14, 1965, the Washington Daily News, January 13, 1965, the Washington Post, January 13 1965, the New York World-Telegram and Sun, January 13, 1965, the Philadelphia Inquirer, January 13, 1965, the Baltimore Sun, January 13, 1965, and the Christian Science Monitor January 14, 1965, commenting on his message, be printed in the RECORD at the close of my remarks.

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

[From the New York (N.Y.) Times, Jan. 14, 1965]

FOCUS ON EDUCATION

President Johnson's education message is a skillful effort to fix national priorities while avoiding paralyzing controversies. It emphasizes the vast cost to the United States in human misery and economic waste of educational neglect. Perhaps most important, it warns that the Nation dare not overlook quality in building up the world's largest mass-education enterprise.

All previous formulas have been brushed aside to break the deadlock over aid to public schools. The President wants the impact of poverty used as the yardstick for distributing $1 billion to the States as first aid for school districts in need of help. This is an imaginative approach—one that infuses Federal funds where they will serve best as an equalizing device.

Mr. Johnson has clearly chosen this new road to outflank Roman Catholic demands for direct aid to parochial schools. By way of a trade, he offers the concept of supplementary education centers, with facilities to be shared by public, private, and parochial schools.

Such centers hold great promise for improving education, especially in the big cities. They provide a means of breaking the confines of de facto segregation; they could become centers of excellence, spreading the benefits of vital—but often isolated—curriculum reforms.

But, despite their promise, it remains questionable that the joint use of these facilities by public and church-related schools can be made to conform with the Constitution's insistence on church-state separation. In some States, notably New York, the very letter of the State constitution now rules out the shared-time concept.

On the higher education front the President is on sound ground in asking for more generous support of students, especially through adding scholarships to the present loan programs. In general, the message focuses on critical areas for immediate action—preschool instruction for slum children, equalization of educational opportunities and upgrading of ill-trained teachers.

It would be absurd, however, to pretend that it represents a leap through the gates of "the Great Society," Mr. Johnson himself calls the first year's expansion of $1.5 billion in existing education funds "a small price to pay." It may well be too small a price unless rapidly followed by more massive aid. It in no way erases the need for a program of general support for public schools.

Equally urgent is the elevation of the President's chief education adviser to Cabinet status. The message clearly demonstrates that education is of highest national concern; it also shows that the Government's educational involvement threatens to be scattered over a wide variety of agencies and departments. A top-level spokesman for education is essential to prevent duplication and to assure that Federal support of education emerges not as a patchwork but as a policy consonant with the nobility of its aims.

[From the Washington (D.C.) Daily News, Jan. 13, 1965]

EDUCATION AND PROGRESS

If this country is to make real progress toward eliminating poverty, unemployment, and racial inequality, it will have to be done through education. No other approach can even begin to solve the problem involved.

It will do no good to create jobs, for example, if workers with the needed skills are not available to fill them. Nor can equal rights be legislated if the cultural gap between races is so wide that they live in two different worlds.

That is why President Johnson's proposals on education are worth serious study even from those who in the past have opposed Federal aid to the schools. For the first time, an effort is being made to tackle the Nation's basic problems where they begin—not at the level of the voting adult, but of the learning child.

Under the Presidential plan, $1 billion a year in Federal funds would be distributed to local school districts to improve the educational opportunities of the "disadvantaged" child. This would be supplemented by another $400 million annually to improve school libraries, provide preschool classes in poverty-stricken areas, and put more quality into teaching methods and facilities.

Parochial schools and other private institutions would share in the benefits indirectly through use of communitywide services—teaching specialists, language centers, science laboratories, and similar facilities. A separate program would devote $260 million a year to helping children of poor families finance their way through college.

The object, as President Johnson sees it, would be to provide every child the opportunity "to get as much education as he has the ability to take."

This is certainly not the case today. The child born in a slum home, of parents who themselves have known nothing but squalor and near illiteracy, often is far behind other youngsters even before he reaches the first grade. In a few more years—especially if he attends a substandard school—he is hopelessly mired for life.

As for the argument that the Federal Government should stay out of the educational field, the fact is that it is already there—and in a big way. Federal commitments to education, directly and indirectly, total more than $6 billion this fiscal year.

What the President proposes is to step up the spending and change its direction toward what he believes are vital national goals.

As sent to Congress, the program has some questionable points. A poor family is arbitrarily defined as one with an income of less than $2,000 a year. This may constitute poverty in some cases and not in others—depending on the family itself and the locality.

Basically, however, the program aims in the right direction. Poverty and ignorance are national problems. They breed on each other. They can be eradicated only by attack at the roots, which is what Mr. Johnson recommends.

[From the Washington (D.C.) Post, Jan. 13, 1965]

NO. 1 BUSINESS

Lyndon Johnson's genius for finding a way out of blind alleys is brilliantly exemplified in his message to Congress on education. It reflects political realism at its pragmatic best. To begin with, it puts first things first, attacking the most glaring and urgent aspects of the country's education problem. And, secondly, without imperiling vital constitutional principles, it moves around, if it does not actually resolve, the religious conflict which has for so long frustrated every effort to extend Federal aid to education.

The education of youth, says the President, is "the No. 1 business of the American people." It is, in truth, basic to every other form of national business—to the country's economic well-being, to its security at a time when science is the key to national strength, to its development of the arts and amenities of life. It is the indispensable weapon for the war which the President has summoned the country to wage on poverty. For poverty, as he put it, "has many roots but the taproot is ignorance."

It is directly at poverty, therefore, that the President's program is aimed. The essence of the program is a billion-dollar effort to be launched in the fiscal year 1966 to furnish assistance to public elementary and secondary schools serving children of low-income families. This means putting Federal aid where it is most needed and where it can do the most good—and where local resources are most strained and most inadequate.

The most controversial aspect of the President's program will undoubtedly be its pro-

posal for the sharing of supplementary educational centers and services by the children in private nonprofit as well as public elementary and secondary schools. These facilities, under public control and with appropriate restraints and safeguards, can make an immensely useful contribution to the country's schooling. They can increase the resources for teaching science, foreign languages, music and the arts. And in doing so they will undoubtedly strengthen and support the quality of education in private as well as public institutions.

The President's message leaves a good deal of uncertainty as to the administration of these supplementary centers and services. Perhaps this is intentional; and perhaps it will lead to a gool deal of local variation which may prove exceedingly fruitful. It may also, however, lead to a good deal of acrimony and misunderstanding. For our part, we think it must be made indisputably clear that these facilities cannot under any circumstances be made the means or the site of any sort of religious observance or indoctrination. The Constitution, as well as every consideration of sound public policy, forbids it.

The President's program does not, of course, meet all the Nation's educational needs. It does not afford anything like the resources needed for new school construction or for teacher recruitment and the improvement of teachers' salaries. And at the college level, its scholarship proposals seem likely to aggravate the already frightening shortage of physical facilities.

But the program provides a beginning—and a sound beginning. Its focus on impoverished areas, its provisions for giving a good headstart to deprived children at the preschool years, its fostering of libraries and education research and innovation in teaching techniques—all these reflect an imaginative and resolute approach to the country's most pressing problem. The program can be expanded as it gets underway and finds community acceptance. Let us hope heartily that the President's resourceful and constructive compromises will evoke in every element of the Nation a readiness to find common ground and to move forward toward completion of America's "No. 1 business."

[From the Christian Science Monitor, Jan. 14, 1965]

HELP FOR SCHOOLS

The founder of this newspaper, Mary Baker Eddy, was an ardent and lifelong supporter of public education. Even as a girl she had written: "No despot bears misrule, where knowledge plants the foot of power, in our God-blessed free school."

She believed schooling of the right sort to be requisite to mankind's highest moral. spiritual, and intellectual development.

Despite the great progress in education visible in the United States, despite the time, effort, devotion, and money spent on education, it is apparent that much remains to be done before it can be said that America is giving all its children the education they need and deserve. The problems of school dropouts, of schooling in poverty-stricken pockets of rural and urban life, of youths inadequately trained and counseled for earning their living in an increasingly competitive labor market, of brilliant students unable to get the education they deserve because of lack of funds—these and other unsolved problems show that America still faces a major educational challenge.

President Johnson in his special message to Congress proposes a $1,500 million attack on certain of these problems during the coming fiscal year. This would be in addition to the $2,600 million already in the Federal budget for education during that 12-month period.

This program is already being subjected to heated discussion. While much support for varying portions of the program is apparent, it is also clear that other portions will and should be subjected to searching criticism.

Mr. Johnson proposed "a national goal of full educational opportunity" wherein "every child must be encouraged to get as much education as he has the ability to take." He also declared that "in all that we do, we mean to strengthen our State and community education systems." We subscribe to each of such aims, nevertheless we question whether the President's proposals for raining funds on rich and poor States alike—in some cases benefiting the rich State far more than the poor one—actually preserve and strengthen local responsibility.

Summarized briefly, the President's proposals call for (a) preschool community projects to correct environmental handicaps, (b) major payments to States for distribution to low-income areas to improve public grammar and high schools, (c) grants to States for the purchase of books for both pupils and school libraries in both public and private nonprofit schools, (d) supplementary educational centers and services for special instruction, devised by public and nonprofit private schools in cooperation, (e) regional educational laboratories to improve educational methods, (f) strengthen State educational agencies, (g) scholarships for worthy and needy college students, (h) expansion of work-study opportunities and low-interest loans for college students, (i) legislation to strengthen the financial and educational standing of smaller, needy colleges, (j) help college libraries, (k) further university-community cooperation, and (l) step up training of teachers, instructors, and professors.

At many points this program will bring Federal assistance to bear on areas where additional help is needed. Further study is necessary, however, to determine whether in so tightly earmarking its funds for specific projects, Washington will get full value for its dollar. There are cases where communities may be lured if not even forced to spend their allocations in one direction, when the greatest need lies in another.

A serious constitutional question is raised by the open, as well as the implied, intention to give a portion of this money to other than public schools. At this moment there is a taxpayers' suit in Maryland challenging the payment of public funds to colleges of several different religious denominations. Reports from Washington state that the White House believed that such aid to private schools was necessary to break the roadblock which legislators sympathetic with parochial school needs had thrown across the path of aid to public schools. A real question arises as to whether such a breaching of the separation of church and State is too high a price.

Additional aid to education is clearly necessary at all levels. But further study is needed to make sure that the implementation of the President's proposals is accomplished in a sound and legal manner.

[From the New York (N.Y.) World-Telegram and Sun, Jan. 13, 1965]

EDUCATION AND PROGRESS

If this country is to make real progress toward eliminating poverty, unemployment and racial inequality, it will have to be done through education. No other approach can even begin to solve the problems involved.

It will do no good to create jobs, for example, if workers with the needed skills are not available to fill them. Nor can equal rights be legislated if the cultural gap between races is so wide that they live in two different worlds.

That is why President Johnson's proposals on education are worth serious study even from those who in the past have opposed Federal aid to schools. For the first time, an effort is being made to tackle the Nation's basic problems where they begin—not at the level of the voting adult, but of the learning child.

The object, as Johnson sees it, would be to give every child the opportunity to get as much education as he has the ability to take.

This is certainly not the situation today. The child born in a slum home, of parents who themselves have known nothing but squalor and near-illiteracy, often is far beyond other youngsters even before he reaches the first grade. In a few more years—especially if he attends a substandard school—he is hopelessly mired for life.

As for the argument that the Federal Government should stay out of the educational field, the fact is that it is already there—and in a big way. Federal commitments to education, directly and indirectly, total more than $6 billion this fiscal year.

What the President proposes is to step up the spending and change its direction toward what he believes are vital national goals.

As sent to Congress, the program has some questionable points. A poor family is arbitrarily defined as one with an income of less than $2,000 a year. This may constitute poverty in some cases and not in others—depending on the family itself and the locality.

Basically, however, the program aims in the right direction. Poverty and ignorance are national problems. They breed on each other.

They can be eradicated only by attacks at the roots, which is what Johnson recommends.

[From the Philadelphia Inquirer, June 13, 1965]

EDUCATION AND POVERTY

President Johnson's special message on education, submitted to Congress Tuesday, sets forth a bold and imaginative program to enlist the maximum potential of education as a weapon in the Nation's war on poverty.

The President has made far-ranging proposals but nearly all of them are centered on a common theme: to open new educational doors for children of poor and needy families. "A national goal of full educational opportunity" is the way Mr. Johnson expressed it.

There is undeniable truth in the President's pronouncement that "poverty has many roots but the taproot is ignorance." Considering the enormity of the task, the first-year cost of $1,660 million in Federal funds for new projects does not seem excessive.

Nonpublic schools, operated on a nonprofit basis, would be eligible for some Federal assistance under the Johnson proposals—as, for example, in funds for the purchase of books of a nonreligious nature for classroom or library use. Constitutional questions are certain to be raised in Congress about any use of public funds for nonpublic education and the issues may be resolved eventually in the courts.

It should be emphasized that all school aid proposed by the President would be channeled through States or local school districts and subject to control at those levels.

A major problem to be encountered, in translating the Johnson program into practical legislation, is directing aid to where it is most needed. The bulk of the expenditures—$1 billion the first year—is to be earmarked for elementary and secondary schools serving children of families with less than $2,000 annual income. It is planned to distribute the aid on a formula based on income data compiled by the Census Bureau.

Although "pockets of poverty" is a widely used phrase, census figures indicate that children in the under $2,000 family income category are scattered among approximately 90 percent of the school districts in the Nation. Many districts, if not most of them, have a fair representation of pupils from various economic levels. There seems to be no workable way to channel school aid solely to the poor and the needy. Giving the most aid to districts with proportionately high enrollments from poor families, as the President recommends, is better than distributing funds at random and without regard to economic need.

The President's education message—including provisions for assistance to preschool children and college students as well as to elementary and secondary schools—constitutes a sound starting point for Congress and ought to result in the enactment of constructive legislation this year.

[From the Baltimore (Md.) Evening Sun, Jan. 13, 1965]

AID FOR EDUCATION

President Johnson has presented his request for the expansion of the Federal aid to education by some $1.5 billion in the next year as "the No. 1 business of the American people." It springs from a faith both old and strong. As he pointed out, that faith runs back to a declaration of the Continental Congress that "education shall be forever encouraged". Nor can there be any doubt that the overwhelming majority of people agree with him that "every child" is entitled to "get as much education as he has the ability to take," that this represents a national need, and that "nothing matters more to the future of the country."

His proposals, running the gamut from a program in support of pre-school projects to higher education—"no longer a luxury but a necessity"—are as wide ranging as those contained in the health and medical program laid before the Congress on Monday. The core of the plan, however, is found in the billion dollars he asks for additional assistance to the elementary and secondary schools, "the foundation of our education system." Enactment of the proposals set forth in this section of the message is described by the President as "of utmost urgency."

Two aspects of the program are particularly noteworthy. Mr. Johnson has emphasized the note of "urgency" by keying this part of his scheme to the attack on poverty. The distribution of the aid through the States to the school districts would be designed to bring help especially to the schools "serving children of low-income families." In this way the President adds an extra dimension to the appeal in behalf of making "a national goal of full educational opportunity." And by stressing the desirability of making the benefits available to "all children within the area served," including students in nonprofit private schools as well as public schools, by means of "shared services" and some "common facilities" that "can be maintained more efficiently for a group of schools rather than for a single school," he seeks to offer a way out of, or around, the troublesome state-church issue.

Whether the effort will prove successful is not yet clear though it appears that it has already elicited support from some of those who had resisted earlier attempts to mediate the difficulties inherent in almost any formula that would make private and parochial schools eligible for help. If it proves that Mr. Johnson has in fact circumvented any strong opposition on this point the likelihood of favorable action on the program will be bright. But as to that we shall not know until all the details of the scheme are clearly exposed in actual measures Congress will consider. The President has made a strong case for his request, large and elaborate as it is. As in the case of the medical program, however, Congress will have the duty of studying the particulars with all the care they deserve to be given.

MINERALS INDUSTRY AND FEDERAL ACTION—ADDRESS BY SENATOR JACKSON

Mr. GRUENING. Mr. President, last Monday my colleague, the distinguished junior Senator from Washington, HENRY M. JACKSON, the chairman of the Senate Interior and Insular Affairs Committee, addressed the American Mining Congress meeting in Washington.

Senator JACKSON'S remarks on "The Minerals Industry and Federal Action" is such an excellent summary of the present status of the mining industry with reference to assistance from the Federal Government that I feel it must be shared with this body. Therefore, I ask unanimous consent that the text of Senator JACKSON'S speech be inserted in the RECORD at the close of these remarks.

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

(See exhibit 1.)

Mr. GRUENING. Mr. President, as the sponsor of legislation (S. 338) to liberalize tax deduction for exploration expenses of mining industries, I would call special attention to Senator JACKSON'S comment concerning the need for this legislation to stimulate additional exploration of mineral resources of the Nation.

The following are Senator JACKSON'S comments about S. 338 which I introduced with Senators ALLOTT, BARTLETT, BENNETT, BIBLE, CANNON, CHURCH, DOMINICK, HART, JACKSON, JORDAN of Idaho, LONG of Missouri, MCGOVERN, METCALF, MONTOYA, MOSS, MUNDT, RANDOLPH, and SIMPSON, as cosponsors:

To do this job of exploration the industry needs stimulation and help. I believe a tax incentive program which goes beyond the existing limitations in the internal revenue law would be in the national interest. As you are well aware, a bill for this purpose was introduced late in the last session of the Congress. It would have allowed all exploration costs to be deducted as a current business expense for tax purposes. The Treasury Department objected to the removal of deduction limitations as proposed in last year's bill on the theory these represent capital investment.

A modified bill has just been introduced which attempts to meet these objections by including recapture provisions. The recapture provisions would provide for payment of taxes—after a mining operation becomes profitable—equivalent to the taxes which would have been paid in the absence of this bill. They would also provide for adjustment of tax on any realized gain in the disposition of mining properties to prevent conversion of ordinary income into capital gain.

Although this bill is within the jurisdiction of the Finance Committee, I have instructed the staff of the Interior Committee to work closely with the Treasury and the Joint Committee on Internal Revenue Taxation as well as the Finance Committee in an effort to help obtain agreement on this proposal. This is a matter of great importance to our whole economy and I am hopeful the Congress will act favorably.

Mr. President, I am also greatly encouraged by the interest of Chairman JACKSON in legislation to aid the gold miners. While mining as an industry has been the stepchild of Uncle Sam in comparison with subsidies and assistance granted to other segments of the economy, the gold miners have been orphans in the household. In my capacity as chairman of the Minerals, Materials, and Fuels Subcommittee of the Interior and Insular Affairs Committee, it has been one of my primary goals to find a solution to the overriding problem of the gold mining industry—the inflexible price at which the product can be sold. It is my intention to introduce again in this session of Congress legislation directed toward improving conditions in the gold mining industry.

I look forward to the welcome support of the chairman of the full committee in efforts to enact legislation to aid the gold miners.

EXHIBIT 1

THE MINERALS INDUSTRY AND FEDERAL ACTION

(Remarks by Senator JACKSON before American Mining Congress, January 11, 1965)

Before this group of leaders of the American Mining Congress, I would be foolhardy indeed to try to speak as an expert on mineral production, processing, and marketing. I am the first to recognize the fact that you all know more in those fields than I could possibly tell you. I am a lawyer, and, along with some 534 other Members of the Senate and the House, am a lawmaker.

Yet I feel close to and identified with American mining. My own State of Washington is an important producer of minerals, and I am chairman of the Senate Committee on Interior and Insular Affairs, which has initial responsibility for Federal legislation affecting the mining industry and the development of the mineral resources of the publicly owned lands of the United States.

From this perspective I would like to take a quick look at the present situation with you—briefly review the last Congress, and then discuss for a few minutes what the Interior Committee will be considering of interest to you in this, the 89th Congress. In so doing, I will try to present the picture as I see it. You are much too sophisticated a group for me to try to use what people out in my section of the country call the "bailing wire" approach. That is, I'm not going to tell you that we of the 89th Congress are going to pass this little bill for that little section of the minerals industry, or take this little action to give a little relief for that small group.

The minerals industry and its problems are much too big, much too important to the security and welfare of our country for any such "bailing wire" approach. For you are affected, directly and immediately, by international and national events, by what happens politically and economically in other nations, as well as in our own. Developments in Chile with respect to much greater Chilean participation in ownership of American mining properties there, is exhibit A of these facts. Exhibit B is the reflection in the minerals industry of the overall prosperity in the United States.

Probably few members of the American Mining Congress would agree that the state of the domestic minerals industry is good, yet good is a highly subjective term, and for the country as a whole the state of the minerals industry is at least better. It is better now, that is, than it has been for a number of years. Only last Friday, President Johnson and Secretary Udall announced that the Nation's mineral production in 1964 broke all previous records, establishing a new high of $20,400 million. This Bureau of Mines estimate is $800 million higher than the

value reported for 1963, and $1.6 billion greater than the 1962 figure. It represents an increase of about 4 percent over mineral production a year ago.

Nearly all of the 80 mineral commodities, for which production figures are kept, shared in the upward trend. Of the three major groups of minerals, metals enjoyed the largest value gain, rising 10 percent above their 1963 level. The value of nonmetals (excluding fuels) rose 5 percent, and that of fuels rose 3 percent.

Happily, these increases are not solely the result of higher prices. Most minerals were produced in greater quantity. In the nonmetals group alone, 37 of the 46 commodities on which the Bureau reports were produced in greater volume than in 1963.

My own State of Washington shared in these better times, with mineral production rising to a value of some $76.8 million during 1964, an increase of nearly 8 percent over the 1963 figure.

Now, I want it clearly understood that I am not claiming that Congress enacted any specific legislation for the mining industry that is responsible for this relative prosperity. The mining industry shared in the overall prosperity and economic growth of our country. Our gross national product for 1964 is estimated by the Joint Committee on the Economic Report to have been at the rate of approximately $633 billion for 1964.

In other words, to paraphrase an expression that was famous a few years ago:

"What's good for the country is good for the mining industry."

Of course, Congress had a part in the attainment of this alltime high in prosperity. The tax relief bill helped the minerals industry as well as others. Mines and mining shared in the stimulation our economy received from the numerous other national economic measures.

This brings me to the second point, and that is the need, the necessity, for American mining men to concentrate on finding new ore deposits, new supplies and reserves of metals, fuels, and nonmetal minerals within the United States. I firmly believe that, in the words of the French philosopher Voltaire, "We must cultivate our own garden." We must develop our own resources and be able to stand on our own feet with respect to our essential needs of basic minerals.

Recent events abroad, and possibility of still more drastic developments, speak for themselves in this regard.

Let me make myself clear on this very delicate subject, involving as it does our foreign policy and the economic well-being of many American companies: I am not advocating that American companies pull out of oversea production of minerals. Of course, with respect to many of them, such as tin, there is little or nothing to leave, even if we would. In the case of others, any pullout would damage our relations with friendly governments as well as upset our own industrial relationships.

What I am urging is increased emphasis on discovery and development of new supplies of minerals in the Northern Hemisphere, and particularly in the United States itself. This can be done without upsetting our foreign trade-foreign relations applecart.

The recent extraordinary developments in the lead area of south-central Missouri are an example of what I mean. As I am sure you all know, through the use of modern prospecting methods, a tremendous new lead ore reserve has been discovered there and will, I am informed, be of great significance. Also, Bureau of Mines experts tell me, there is reason to believe that there still are vast reserves of lead, zinc, and silver in the Coeur d'Alene and Metalline Falls areas, and still a lot of unfound copper around Butte. These are but some examples of some of our domestic mineral potentials.

To do this job of exploration the industry needs stimulation and help. I believe a tax incentive program which goes beyond the existing limitations in the internal revenue law would be in the national interest. As you are well aware, a bill for this purpose was introduced late in the last session of the Congress. It would have allowed all exploration costs to be deducted as a current business expense for tax purposes. The Treasury Department objected to the removal of deduction limitations as proposed in last year's bill on the theory these represent capital investment.

A modified bill has just been introduced which attempts to meet these objections by including recapture provisions. The recapture provisions would provide for payment of taxes—after a mining operation becomes profitable—equivalent to the taxes which would have been paid in the absence of this bill. They would also provide for adjustment of tax on any realized gain in the disposition of mining properties to prevent conversion of ordinary income into capital gain.

Although this bill is within the jurisdiction of the Finance Committee, I have instructed the staff of the Interior Committee to work closely with the Treasury and the Joint Committee on Internal Revenue Taxation as well as the Finance Committee in an effort to help obtain agreement on this proposal. This is a matter of great importance to our whole economy and I am hopeful the Congress will act favorably.

Now, to touch briefly upon recent legislative developments affecting mineral production. The tax relief measure, as I have mentioned, probably had a greater impact than any other single piece of legislation in the just past 88th Congress. Another highly important legislative action was the repeal of the Silver Purchase Act. I shall have more to say on silver a little later.

More limited pieces of legislation that became public law were the tripling of the acreage limitation on coal leases to 46,080 acres, and the raising of the limitation on phosphate leases to 20,480 acres from the previous maximum of 10,240 acres. This measure should be of great help to western phosphate producers and to the fertilizer industry in general.

A measure of great potential interest was that of establishing the Public Land Law Review Commission. The Commission soon will be in the process of organizing itself, and I expect it will start its highly important work in the near future. We shall want the knowledge and the views of you members of the American Mining Congress.

Finally, a quick look ahead—and I shall mention only those measures directly affecting mines and mining likely to be considered by the Senate Interior Committee. Of most general interest, probably, will be a revival of the proposal to study strip and open pit mining methods and their effect on surface uses of the land. I am well aware that the end results of such a study well might be new burdens upon you mining men. It is in your own self-interest, as well as that of the public, for you to recognize and to take the lead in coming up with solutions of the problems arising from open pit mining, rather than leaving it to the Government.

Another probable measure that will be of interest to mining men in some localities is one which will authorize leasing of geothermal steam deposits on Federal lands. As all of you know, often geothermal steam is highly mineralized, and the mineral residue often is more valuable than the heat itself.

It will be recalled that last year our committee held comprehensive public hearings on Senator ANDERSON'S flexible quota bill for lead and zinc. We reported the measure favorably, with a good strong record to support it. However, because quotas come within the jurisdiction of the Committee on Finance, the measure had to be re-referred to that committee and there it died. Senator ANDERSON is preparing to introduce his flexible quota lead and zinc bill again, and I think Senator ANDERSON'S approach is a most carefully thought-out, constructive one. If it works with lead and zinc, it could well be applied to other basic minerals, the market for which has been highly unstable. I hope all of you will support it actively.

As to gold, the gold stabilization bill already has been introduced in the House, and a companion measure will soon be before us in the Senate. I am well aware of the plight of our domestic gold miners, and the urgent need of our country for more gold. Our committee most certainly will try to come to grips with the problem. But in view of the attitude of the Treasury Department toward what it insists on regarding as an attempt to upset the apparently sacrosanct $35 an ounce price, I cannot honestly hold out too much hope for concrete achievement. Treasury's hostility has been the same throughout Republican and Democratic administrations alike. In any event, our committee will try to do something about gold, and we will welcome your ideas.

I want to bring these remarks to a close by touching upon perhaps the most immediately pressing of all of our minerals problems. That is, of course, silver. Because silver is the basis of most of our coinage, the Interior Committee shares jurisdiction over silver with the Committee on Banking and Currency, and, in fact, it is in that committee that legislative action in the 89th Congress probably will center.

I don't need to tell any of you that silver, although a very old and revered metal through the ages, is a wonder metal of today. Industrial and national security needs for silver are so great as to threaten to overshadow even its historic role in coins and art.

These new industrial and defense requirements come upon us at a time when we need more coins than ever before in our daily life. We are entering a new age of merchandizing and retail distribution through vending machines which require more and more coins. Also our expanding toll road systems require coins and more coins. A trip by road from Washington to Boston costs something over $8 in tolls, for example, most of which has to be paid in coins.

Patently, greater production of silver is perhaps the most urgent of all of our minerals problems.

Some administrative action to help meet the need is being taken. The Office of Minerals Exploration in the Department of the Interior is offering to advance 75 percent of exploration costs for finding new silver deposits. Secretary Udall has instructed the Geological Survey and the Bureau of Mines to step up their activities to help find and produce more silver. The just-introduced bill to change the tax treatment of exploration expenditures, which I mentioned earlier, could be a great boost to silver production.

But I fear the immediate solution must be found in using existing supplies of silver differently. This may mean a change in the silver content of existing coins, and possibly minting new coins of, say 15-, 20-, 30-cent denominations using combinations of silver with other alloys. A great many vending machines now require the use of two coins, since many items are priced at 15 or 30 cents. New 15- or 30-cent coins using as little silver as possible and still permitting our coin machines to operate would of course ease the situation somewhat.

However, a change in the silver content of existing coins probably offers the most immediate solution to our need for more silver. I realize I am on delicate ground indeed. Let me make plain and emphasize that as a westerner, born and bred, and as a Senator from a great silver-producing area, I am in

full support of silver coinage. But we are faced with a condition, not a theory. A great many responsible observers—persons whose views I respect—agree that a change in the composition of our dime, quarter, and half dollar is imperative. The shrinking Treasury reserves of silver and the rising demands for coins are the factors that have combined to force us to face a decision that cannot be long delayed.

But if there must be a reduction of the silver content in our coinage, I am strongly of the opinion we should be extremely wary of any suggestion that silver be removed entirely. I say this for two reasons.

In the first place, the United States has always had silver in its coinage. Coinage of intrinsic value has been, and is, an integral part of our American heritage. While the value of coins is not entirely dependent upon their silver content, the presence of silver provides a stabilizing effect and confidence in our money.

In the second place, complete elimination of silver from the coinage would mean a serious disruption to the vending machine industry, to which I have already alluded. Silver, as you all know, is high in electrical conductivity. Most vending machines identify dimes and quarters electrically.

And there is another vital factor. Our new coinage, whatever its content, must circulate side by side with our present coinage. The temptation to hoard must be discouraged. It seems feasible to me that the public would be less inclined to hoard the present coinage, if the new coins contained a significant amount of silver. The prospects for hoarding our present silver coins would be far greater if the new coins contained no silver whatsoever.

Of course, we must be realistic about his problem. The Treasury has to be assured that it will have an adequate supply of silver to meet coinage requirements over a long-term period. It cannot and should not be faced with a similar problem in a few short years.

The hard fact that must be faced is that at the present rate of depletion of Treasury holdings of silver, this source of supply could be completely exhausted in 4 or 5 years. This would eliminate the present ceiling on the price of silver. The price increase would make the melting down of coins in circulation the cheapest source of silver. The result would be economic chaos and the loss of our tradition of silver coinage.

This is where you gentlemen come into the picture. I am encouraged by the documented estimates I have seen indicating an increase in silver production of 18 percent in the next 4 years. There are 1.8 billion ounces of silver in our present coinage. It is quite possible that a goodly part of this silver will be recovered by the Treasury and converted to lower content coinage. This, coupled with present Treasury reserves and projected production increases, should certainly provide an adequate long-term reserve for coinage of reduced silver content and permit our Nation to continue its time-honored tradition of coinage of intrinsic value.

I want to express my appreciation for the opportunity to meet with you leaders of our minerals industry; and as chairman of the committee of the Senate that has great responsibility for Federal action in your field, I invite your views and assistance.

FACT SHEET: ESTIMATED FEDERAL PAYMENTS UNDER S. 370

Mr. MORSE. Mr. President, I am advised that much interest in S. 370, the Johnson administration elementary and secondary schools bill, has been manifested by senatorial offices, which wish to know the extent to which the States will participate in each of the programs under the bill.

In an effort to be of assistance in answering such questions, I ask unanimous consent that there be printed at this point in my remarks in the RECORD a table prepared by the Office of Education. The table is entitled "Estimated Federal Payments Under the Elementary and Secondary Education Act of 1965." I feel sure this table will be most helpful to them.

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

Estimated Federal payments under the Elementary and Secondary Education Act of 1965

State	Education of children of low-income families	Supplementary educational centers and services	School library resources and instructional materials	Strengthening State departments of education	Total
United States and outlying areas	$1,000,000,000	$100,000,000	$100,000,000	$8,500,000	$1,208,500,000
Alabama	31,738,000	1,848,183	1,743,209	161,458	35,490,850
Alaska	1,336,472	318,630	119,467	104,208	1,878,777
Arizona	9,100,006	937,181	819,362	127,384	10,983,933
Arkansas	21,095,002	1,100,693	942,684	133,576	23,271,955
California	60,137,510	8,263,535	9,356,424	410,041	78,167,510
Colorado	7,721,560	1,109,926	1,071,419	135,638	10,038,543
Connecticut	6,155,076	1,436,389	1,400,169	141,940	9,133,574
Delaware	1,966,851	425,768	258,226	107,837	2,758,682
Florida	27,896,230	2,710,131	2,617,466	188,687	33,412,514
Georgia	34,517,871	2,235,274	2,185,906	178,025	39,117,076
Hawaii	1,904,676	531,380	393,138	111,804	2,940,998
Idaho	2,100,136	537,339	372,489	112,917	3,122,881
Illinois	37,288,765	4,943,134	5,389,313	253,009	47,874,221
Indiana	18,424,129	2,458,260	2,541,258	182,383	23,606,030
Iowa	16,346,232	1,491,506	1,491,407	146,459	19,475,604
Kansas	9,090,592	1,233,866	1,152,628	137,925	11,615,011
Kentucky	28,215,150	1,691,776	1,557,466	149,679	31,614,071
Louisiana	37,904,234	1,882,932	1,932,808	158,875	41,878,849
Maine	3,780,000	660,364	528,537	116,335	5,085,236
Maryland	13,741,401	1,783,996	1,818,913	155,096	17,499,406
Massachusetts	11,908,492	2,588,350	2,635,630	174,363	17,306,835
Michigan	29,765,556	4,062,794	4,695,888	243,670	38,767,908
Minnesota	19,248,386	1,867,997	1,998,425	159,008	23,273,816
Mississippi	28,028,704	1,341,527	1,224,582	143,346	30,738,159
Missouri	25,957,735	2,194,717	2,321,138	171,011	30,644,061
Montana	3,511,907	538,784	384,799	112,351	4,547,841
Nebraska	6,774,304	881,108	779,136	123,765	8,558,313
Nevada	631,040	377,940	212,853	104,473	1,326,306
New Hampshire	1,451,592	496,163	337,963	109,388	2,395,106
New Jersey	17,777,548	3,159,017	3,250,467	193,995	24,381,027
New Mexico	8,351,640	699,717	593,744	119,486	9,764,587
New York	75,127,295	8,034,171	8,336,439	334,342	91,832,247
North Carolina	48,496,960	2,514,127	2,447,947	188,249	53,647,283
North Dakota	4,834,410	513,786	349,089	111,055	5,808,340
Ohio	35,235,338	4,926,076	5,434,535	266,996	45,862,945
Oklahoma	14,777,840	1,325,618	1,273,402	144,929	17,521,789
Oregon	6,853,177	1,069,776	985,782	133,013	9,036,748
Pennsylvania	44,890,181	5,407,680	5,938,648	265,660	56,502,169
Rhode Island	3,399,750	601,767	430,178	111,285	4,542,980
South Carolina	25,519,125	1,452,925	1,326,833	147,371	28,446,254
South Dakota	6,142,156	542,251	388,881	112,284	7,185,572
Tennessee	31,092,525	1,970,661	1,835,751	167,730	35,066,667
Texas	74,580,048	5,097,472	5,373,277	284,529	85,335,326
Utah	2,373,062	691,632	590,688	121,164	3,776,546
Vermont	1,489,957	390,835	209,098	106,137	2,196,027
Virginia	29,312,850	2,221,193	2,106,138	172,557	33,812,738
Washington	9,525,713	1,592,775	1,599,956	153,808	12,872,252
West Virginia	15,554,250	1,072,551	929,563	132,645	17,689,009
Wisconsin	14,471,631	2,123,991	2,290,563	162,258	19,048,443
Wyoming	1,358,100	363,499	188,433	106,592	2,016,624
District of Columbia	3,825,800	534,934	347,598	110,588	4,818,920

MINING IN ALASKA LEADS THE WAY

Mr. BARTLETT. Mr. President, in the story of our Nation's economic development, mining plays a major role. In many of our Western States, the first major industry to produce employment and to bring capital was mining. This is true not only of the Rocky Mountain States, but of Alaska, as well.

The first large groups of American settlers to come to Alaska came for gold. Some of our oldest cities were built on gold. Through the years, the State has produced millions of dollars of this metal, as well as millions' worth of copper, silver, and mercury.

The story of mining in Alaska is not over. A new and hopeful chapter has begun in the exploration and development of the copper showings at Ruby Creek, 250 miles up river from Kotzebue. The prospects there sound most encouraging; and it is fitting that this work is being done by the Kennecott Copper Corp., which was formed in Alaska almost half a century ago.

Mr. President, Mr. M. J. O'Shaughnessy, general manager of the New Mines Division of Kennecott, in an address before the Chamber of Commerce of Fairbanks, on December 3, outlined the history of the company and the plans it has for the Kobuk. I ask unanimous consent that Mr. O'Shaughnessy's remarks be made a part of the RECORD at this point.

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

COPPER—50 YEARS IN THE 49TH STATE

(Address by M. J. O'Shaughnessy)

It is a long journey—no matter how measured—from a weatherbeaten mining shack in the Wrangell Mountains of Alaska to a towering skyscraper in New York City where one of the world's largest copper producers has its headquarters, but this is essentially

the story of Kennecott Copper Corp. over the period of almost half a century.

Because the company I represent was formed in Alaska, and because Kennecott is once again helping to develop this State's great mineral resources, I am happy to take this opportunity tonight to trace some of the company's early history and to comment on prospects that lie ahead.

In reviewing the past in some detail this evening my purpose is not so much to recount history, as to focus attention on some important guidelines that our past experience may give us for the future.

Kennecott, Alaska—as many of you in the audience are aware—is located on the east side of the Kennecott Glacier, at an elevation of about 2,200 feet, on the south slope of the Wrangell Mountains. I am being meticulous in pinpointing the area because it was from this humble beginning that the Kennecott Copper Corp. of today emerged.

The Kennecott Glacier with a width of about 4 miles at Kennecott, runs in a general north-south direction and heads about 16 miles to the north in an enormous icefield stretching along the east-west summit of the Wrangell Range at elevations of 13,000 to 16,000 feet. Mount Blackburn is the highest mountain with an elevation of 16,140 feet. Four miles below Kennecott at the town of McCarthy the glacier is receding and becomes the headwaters of the Kennecott River.

Near Kennecott, three creeks—National, Bonanza, and Jumbo—join the glacier from a northeasterly direction. McCarthy Creek also joins the Kennecott Glacier and River at McCarthy, with its headwaters in the same general area as the three creeks. Nikolai Creek is a tributary to McCarthy Creek, joining it about 8 miles above McCarthy.

The Kennecott River flows into the Nizina which in turn joins the Chitina about 15 miles southwest of McCarthy. The Chitina then flows west for about 70 miles and flows into the Copper River at the town of Chitina. From there the Copper River flows south for some 130 miles to the Gulf of Alaska near Cordova.

Cordova and Valdez are the two principal seaports in this area and they are about the same distance—120 air miles—from Kennecott.

Implements of copper were reported to have been seen in the hands of Copper River Indians by early Russian explorers and traders who visited the mouth of the Copper River long before the mineral resources of Alaska were considered to be of value.

The first interest in such resources by the U.S. Government was in 1884 when an expedition directed by the Army under the command of W. R. Abercrombie was formed. Leaving Seattle on June 1, Lieutenant Abercrombie, with a doctor, 2 other officers, and a troop of 16 men, landed on June 16 at Nuchek on Hinchenbrook Island. This was the closest entry for the larger ships, and it was also the trading post used by the Copper River Indians.

The Copper is a large temperamental river, glacier-fed and joined by numerous other glacier-fed tributaries. In the early summer months these cause turbulent floods carrying large masses of ice and boulders. Fifteen miles above its outlet into the Gulf of Alaska, the Copper River starts to fan out from its one channel to form an enormous delta having a spread of 15 miles where it spills into the sea. The many channels through this delta are continually changing and the river is totally unsuitable for navigation.

Notwithstanding the warnings of the Indians against an attempt to ascend the river, Lieutenant Abercrombie and his troop made a valiant but futile effort. In a 2-month period of extreme hardship they had only reached the Childs and Miles Glaciers, about a 20-mile advance, and they then faced the dangerous rapids which were named Abercrombie. A retreat was made back to Alaganik, another Indian village close to the westernmost outlet, and from there the expedition made a sea voyage by canoes to the port of Valdez. They had just sufficient time to reach there and make a quick reconnaissance before the freezeup.

A second attempt to ascend the Copper River was made in 1885 by Lt. Henry T. Allen under the direction of the War Department. Heeding the experience of the Abercrombie Expedition, Lieutenant Allen was instructed to reach the mouth of the river at least by March, so as to ascend it on the ice. He was accompanied by Sergeant Robertson and Private Fickett. Landing at Nuchek they added Peter Johnson, a prospector, to their party. Johnson's partner, John Bremner, had started up the river in the preceding year with a group of the Indians from the interior, and Johnson was extremely anxious to follow and rescue Bremner, who was rumored to be stranded in an Indian village.

Lieutenant Allen left Nuchek on March 20, 1885, with his three white companions and three Indians. They experienced a rugged trip, using canoes to start from Alaganik, with their sleds loaded on the canoes, and alternating from boating to portaging for the first 10 miles. The balance of the journey was arduous and conducted under difficult weather conditions, but on April 15 they reached Tarel, an Indian village just below the mouth of the Chitina River. There they found John Bremner in destitute condition and practically starving, along with a small group of Indians belonging to the tribe of Chief Nikolai. After a short rest and physical recuperation from the Allen provisions, the Indians guided the expedition to the main village of Chief Nikolai by a torturous 4-day trip up the Chitina River to the mouth of the Nizina and then along the Nizina to Dan Creek. They found that this village was regarded as being in the heart of the area's mineral region, and the chief pointed out to them the locality of a vein which at that season of the year—April—was inaccessible. He also gave them some samples of bornite (sulfide of copper and iron) and they were told that some other samples obtained in the district had been sent to Boston for assaying with results showing up as high a content as 60 percent copper. The copper used by Nikolai and his people for utensils and bullets was found in the form of nuggets in nearby streams.

Concurrent with the discovery and activity of the Klondike, within a 100-mile radius from the Copper River and its tributaries, there was a rush of prospectors to Valdez in the spring of 1898. The same W. R. Abercrombie, now a captain, was given another assignment in Alaska. This time he was ordered to make a military reconnaissance of the Valdez-Copper River area. During 1898 and 1899, with adequate facilities, both in terms of men and pack horses, his troop surveyed and established a military road from Valdez to Copper Center.

Frank C. Schrader, Arthur C. Spencer, and Oscar Rohn, geologists of the U.S. Geological Survey, were attached to the Abercrombie expeditions of 1898 and 1899, and they contributed valuable information to guide the prospectors. The limestone-greenstone contact that is the dominating structure along which the Kennecott ore bodies occurred, was noted, studied, and described by them as an important geological horizon with favorable mineral possibilities.

As a result of this activity the importance of Valdez as a year-round seaport entry for both Alaska and possibly the Yukon was widely publicized. Stephen Birch, a young mining engineer in New York City, became interested. He convinced some influential friends, Mr. and Mrs. Havemeyer, that he was serious in a desire to go to Alaska in a quest for minerals, and the Havemeyers and several associates agreed to provide all expenses. Subsequently, Stephen Birch landed in Valdez with a request to Captain Abercrombie to attach him to his expedition in a civilian capacity. From that point on, Birch apparently traveled extensively with the troop and kept in close touch with all prospecting activities.

The Nikolai mine is located on the creek of the same name, a tributary of McCarthy Creek. The ore occurrence was probably the one that Chief Nikolai pointed out to Lieutenant Allen, since it is visible from Dan Creek. It was revealed to Edward Gates by an Indian named Jack, who was able to find it from directions furnished by the chief. It was located in July 1899 with ownership by the Chitina Mining & Exploration Co., an association of nine men headed by R. F. McClellan.

This group was returning to the Nikolai to develop their property in 1900 and at Valdez they were joined by two sourdough prospectors, Jack Smith and Clarence Warner. Smith and Warner accompanied the Nikolai crew as far as McCarthy, where they parted from them to follow along the east side of the Kennecott Glacier.

As one looks up at the mountains to the northeast from the Kennecott Glacier, a well-defined contour line immediately catches the eye at an elevation of about 6,000 feet. This is the same contact between the Nikolai greenstone and the Chitistone limestone noted and reported by the USGS geologists. It can be traced for about 75 miles in a northwest-southeast direction from the Chitistone River to the Kotsina River.

The Nikolai Mine is close to the contact, and all members of the Nikolai group had been in close touch with the USGS geologists and were aware of their opinions regarding the contact. Smith and Warner were searching for an approach to the western extension of this favorable structure from the Kennecott Glacier. They took off to the northeast at Bonanza Creek, and after following this up to timber line, about 4,000 feet elevation, they could not miss seeing the outstanding green cliffs of copper which crowned the Bonanza Mine. The story is told that the prospectors were looking for horse feed at the time and first mistook the malachite for green grass.

The discovery was made the first part of August 1900, and it was so rich that Smith and Warner immediately returned to the Nikolai to bring their mine friends to see the Bonanza. It was then located by the 11-member partner association, the Chitina Mining & Exploration Co.

The claims located by the stakers covered over a mile in length along the limestone-greenstone contact.

One mile to the northwest along the contact from the Bonanza, there was a small outcrop of chalcocite which flared on one of the limestone beds about 50 feet normally above the contact. This outcrop was 15 feet long by 12 feet thick. From it, a narrow vein which broke through the bedding, contained about 18 inches of chalcocite and malachite. This was the surface expression of the Jumbo Mine which was the greatest producer of the four mines, the Bonanza, Jumbo, Erie, and Mother Lode, which were eventually opened up in the district.

Stephen Birch was in Valdez when the members of the Chitina Mining & Exploration Co. returned there in the fall of 1900. He was greatly impressed by their reports of the unique outcrop of the Bonanza and when one of the owners needed cash he purchased a one-eleventh interest.

After visiting the property, he was more impressed and with the backing of the Havemeyers he purchased complete control of the property, paying $25,000 each to the other owners.

The property then passed into the ownership of Alaska Copper & Coal Co., with

H. O. Havemeyer as president. This company, with Stephen Birch as manager, opened up sufficient ore and favorable possibilities to interest a Guggenheim-Morgan combination. In 1908 the ownership passed to Kennecott Mines Co., and in 1915 it became the Kennecott Copper Corp. with Stephen Birch as president.

Valdez was first picked as the best seaport outlet for a railroad and the Havemeyers started surveys from there in 1907. Further consideration brought out the importance of coal deposits at Katalla and the project was switched to that port.

However, a safe harbor was not practicable at Katalla and Cordova was the next choice. In the meantime, M. J. Heney, financed by Boston capital, had started to build from Cordova. Competition arose but the Havemeyers were able to negotiate a deal for the right-of-way via the Copper River Valley with retention of M. J. Heney as construction manager.

The railroad passed over sloughs, streams, and deltas to mile 39 on the east side of the Copper River and then recrossed it over a steel bridge at mile 49. It then passed between Childs and Miles Glaciers into Abercrombie Canyon along its course on the west side of the Copper with magnificent scenery for 82 miles to Chitina. It was necessary to cross the Copper once more just above its junction with the Chitina River. Here, where the spring ice flows were terrific, another steel bridge was considered but found impractical. The alternative was a pile bridge with reconstruction of new bents each year after the floods took their toll. From Chitina the road followed the west of the Chitina River, then along the Nizina and Kennecott Rivers to mile 196 at Kennecott. Many construction problems were encountered but they were taken in stride by M. J. Heney, a great railroad builder, and his sturdy crew of engineers and construction men.

Thus the Copper River and Northwestern Railway was completed in 1911 at a total cost of over $20 million. Its maintenance required a crew as large as that needed to operate the mines and mill, and to keep the rails clear in the winter through the Copper River flats, the largest rotary snow plows then available in the world were required.

After the two prospectors, Jack Smith and Clarence Warner, had sold their interest in the Bonanza-Jumbo group of claims to Stephen Birch, they continued to prospect in the Kennecott area. They located another group to the north of the Bonanza, on the opposite slope of Bonanza peak. This was about a mile distant by air, but several miles by trail. They called this new prospect the Mother Lode group. The outcrop was in the higher beds of limestone, about 1,200 feet above the limestone-greenstone contact. A rather persistent fracture of 1 to 2 feet in width, with copper stain, and weak mineralization of chalcocite and malachite, outcropped for at least 200 feet. The Mother Lode Mine was started on this showing by the Mother Lode Mines Co. about 1910 or 1911 and continued until 1919.

The Mother Lode Co. did not have a mill, so its income was dependent entirely on high grade ore shipments. The operations had not been profitable and a large investment had been made by the shareholder.

There were some very severe snowstorms in the area in the spring of 1919, and destructive snowslides followed. The Kennecott Mines were completely cut off from all communications with the mill camp for several days, as all telephone lines were down and the trails could not be used because of continuous slides. Several towers on each tramway were demolished by the slides, and the cables were carried down the mountains as much as a mile from the tramway right-of-way.

The Mother Lode Mine suffered serious reverses as a result of the slides. The miners lived in the tunnels for a couple of days, while the massive snowslides were booming around the bunkhouse. The tramway and powerlines were badly wrecked. New capital was needed for repairing the damage and for further exploration, and a deal was made with Kennecott. Kennecott agreed to advance up to a certain sum for exploration work, for which it would receive a 51-percent interest and full operating control. Under the new management, in 1919 the Mother Lode became a very successful mine, its ore body eventually connected up with one of the ore bodies which was developed by the Bonanza-Jumbo crosscut to make the great Bonanza-Mother Lode vein.

The fourth mine of the Kennecott group, the Erie, was more or less of an "eagles nest" in the cliffs above the Kennecott Glacier, 4 miles north of Kennecott. The 12,000 foot crosscut, which connected it with Jumbo, made a producer of the Erie.

The Kennecott Mines were worked out by November 1938. The total tonnage mined at Kennecott was 4,626,000 tons containing an average grade of about 13 percent copper. In many of the open pit mines in the Western States today, we are processing ore averaging less than 1 percent copper, so you can see what a true bonanza this was. The total production was 591,535 tons of copper and about 9 million ounces of silver. A fitting tribute to the vision and courage of the men who found the ore, to the financial interests which provided the necessary risk capital, and to the operators who resolved it all into a successful conclusion.

There was quite a long period of inactivity for Kennecott in Alaska and it was not until the 1950's that exploration interest was renewed and intensified.

The copper showings at Ruby Creek on the upper reaches of the Kobuk River and above the Arctic Circle were discovered by goldseekers in 1901. After a very brief flurry of activity the prospects remained dormant until they were rediscovered by Rhinehart Berg in 1948. For the next 8 years Berg's faith in the property's potential and much hard work enabled the opening up of the best of the near-surface copper mineralization there. In this work he was assisted by Mr. Jack Bulloch, of Kotzebue.

In 1956 Mr. Russ Cradwick, of Bear Creek Mining Co., Kennecott's exploration arm, examined the showings exposed by Berg's work and as a result the property was taken under option and drilling started in 1957.

This was followed by 6 more years' drilling with field activities starting as early as March and extending as late as October in each of these various years.

The surface exposures did not prove to be very promising: However, better ore potential was developed below the surface, and as a result of this work a decision was made to go underground in order to prove the existence of the ore indicated by drilling and to determine the other physical characteristics of the deposit which would have a bearing on its economic worth and future development.

The deposits we are interested in today lie about 13 miles north of the village of Kobuk and 50 miles north of the Arctic Circle. Kobuk is 254 miles upriver from Kotzebue, or about 175 miles due east from that village. It is about 325 airmiles from Fairbanks, as you know.

Normal freighting access to the region is by ship or barge from the Seattle area through the Bering Sea, the Bering Strait, and to Kotzebue Sound to Kotzebue, thence by shallow river barge upriver to Kobuk and then overland 13 miles to the mine site. The sea route is hazardous and subject to delays caused by the everpresent icepacks and the river navigation is dependent upon the time and quantity of the seasonable rain in the Kobuk River Valley.

Our original plan was to take a small mining plant with 1 year's supplies into the mine site last summer and to commence shaft sinking this fall. However, the icepack prevented our equipment from reaching Kotzebue before late in July, and the Kobuk Valley was bone dry until the end of August. As a consequence, we only could shuttle our equipment and supplies about 75 miles upriver during the dry season and move our materials another 100 miles further upstream when the rains came this year. We then hope to complete the freighting project the last 50 miles overland by tractor train during this winter.

It is planned to sink a shaft some 1,100 feet in depth, take a good look at the ore under ground in order to evaluate its true potential, and then decide our future course of action. We hope, as you can well imagine, that we are successful in this venture.

I have gone into some detail in these two mining ventures as each represents a good example of the true Alaska challenge. Also, they highlight the factors which must be faced in seeking to develop and carry Alaska's minerals to the marketplaces of the world.

Let us now try and assess Alaska's mineral potential; some of the adverse factors we must face in developing it; and some of the possible solutions to the related problems.

Much has been written about the untapped mineral resources of Alaska, and we all recognize that it is difficult to develop a yardstick to measure its future potential. However, one of the clearest indicators to me is expressed by a comparison of the annual mineral production of Alaska per square mile of territory with other countries which have been developed to varying degrees.

When we do this we find that the figures show $27,800 per square mile for Great Britain, $8,110 for Poland, $4,500 for the mainland United States, $975 for Soviet Russia, $435 for Canada, and $105 for Alaska.

Perhaps you are as surprised as I am at these figures. If we can think of Alaska as having the same ultimate mineral output potential per square mile as Poland our annual production value would exceed $5 billion. And a reasonable part of this should be copper. Fantastic? I do not think so.

To develop this tremendous hidden potential we not only must have capital, but also motivation, knowledge, people, power, transportation, and markets.

From a mining viewpoint investment of capital requires a good tax climate: one which recognizes the inherent gamble in the search for minerals and permits a profit commensurate with the overall risk. We should push for the recognition of all exploration expense as an allowable operating cost before Federal taxes, the retention of the depletion allowance which recognizes the limited life of an ore body after it is found and developed, and the maintenance of a State tax structure which is not throttling and assesses only the fair share of the necessary contribution for the useful and essential government functions.

Our knowledge of the ways and means of finding ore bodies is growing daily. Remember that over 90 percent of the scientists who have ever lived are working today. This factor can help overcome the time element in the high productivity ratios for some of the older countries mentioned before.

We require people. Our free enterprise system has demonstrated time and again in the past that people are available if the motivation is sufficient to arouse the latent frontier spirit which has been so successful in the past.

We must increase our efforts to train people for the challenges ahead and in this

respect our University of Alaska is making a rapidly growing contribution—it deserves our support as well as the other colleges in the State.

We should extend our vocational school training to supply the skilled journeyman, tradesmen and operators to keep the wheels of new industry turning. We need such schools not only in our urban areas, but in the interior native communities to train a skilled technical force as well as supply material for the professional group. We all recognize the inherent mechanical ability of the native Eskimos and Indians. This can be developed into a major source of essential talent for the future challenges. For power we have the unharnessed rivers—great and small as well as the stored resources of coal, gas, and oil.

Of all the factors essential to the successful development of Alaska's mineral wealth, I believe the most important is transportation.

You will recall that the solution of the transportation problem made the original Kennecott mine a successful venture.

The same problem faces us today at Bornite, and faces almost all of the State of Alaska.

Development of this State's great natural resources will provide jobs, economic growth and prosperity, but that development depends, in large part, upon expanding the means of transportation. Our main highway system should be extended to the Seward Peninsula and secondary feeder roads developed as necessary to open up the natural resources: and these are not limited to the mineral potential only.

Our highway system should be integrated with better use of our great inland waterways. Flood control and dredging possibilities should be investigated fully so as to develop cheap transportation as rapidly as practicable.

For exploration access and the movement of personnel, a better system of landing fields is needed for our interior airlines and bush pilots. The military has done a good deal of work in this area and has provided fields which can be used for civilian uses, but more fields are urgently needed.

It is obvious that our mineral wealth must be carried to the world markets and that it must be able to compete with similar products from all other sources. We must take a good look at our sea lanes and our harbor facilities.

The highway and inland waterway system should be integrated with the good harbors and they should be kept open by ice breakers when necessary and practicable.

Pipelines to carry the oil, coal, and gas for local industries to come, and for export, will follow the development of new consumers; and mining in all parts of the world always has advanced the frontiers and pioneered the way for other industries from the beginning of civilization.

Alaska is a frontier and a challenge to all of us. Every Alaskan family stands to benefit economically and socially by the development of industries, natural resources, transportation systems, educational facilities and market outlets of this great State. Let us join together to push the frontier into the Arctic Ocean and make Alaska a true land of oportunity for this and succeeding generations.

The PRESIDING OFFICER. Is there further morning business? If not, morning business is closed.

THE MILES CITY VETERANS HOSPITAL

Mr. MANSFIELD. Mr. President, yesterday, January 14, my office received a call from Great Falls, Mont. This call came in at 2:15 p.m. Mr. Emil Bauer, of Great Falls, called and said that a World War I veteran, Victor Brown, had a stroke the preceding night, and that Mr. Gue, manager of Columbus Hospital, called the veterans hospital at Fort Harrison to seek admission for Mr. Brown.

Mr. Bauer stated that Mr. Gue was informed that they could not take him because they did not have a bed available. Mr. Bauer stated that they found a card, which he gave Mr. Gue, which indicated that Mr. Brown recently made application to the Veterans' Administration for benefits, and that he would get that for the "C" number.

He stated that Mr. Brown was not able to talk. The doctor said that he had had a stroke on the left side. Mr. Brown lives in the home of Mr. Bauer's mother-in-law at 1008 Fourth Avenue North, Great Falls. He is not able to remain at Columbus Hospital because he has no income. They will have to try to get him on relief through welfare if he cannot be admitted to a veterans hospital.

Mr. Bauer called back about a half hour later, on yesterday, to say that he now had Brown's full name, Victor H. Brown, C–1988108. I might say parenthetically that numbers are evidently very important nowadays. He said the manager at Columbus Hospital told him that he, the manager at Columbus Hospital, had talked with the manager of the veterans hospital at Fort Harrison shortly before noon today. He said that Mr. Brown receives a pension and that the hospital is having difficulty trying to get him into the county hospital under welfare because the patient is not able to sign his name.

We contacted the Veterans' Administration in the District of Columbia. At 12:15 today, my office received a call from the Veterans' Administration, advising that Victor Brown will be admitted today to the Fort Harrison hospital. The hospital at Fort Harrison is now contacting Mr. Brown's physician to make the necessary arrangements.

Yesterday the Fort Harrison hospital was filled to capacity. Earlier this week, the Veterans' Administration announced that it was closing the veterans facility at Miles City, Mont., now filled almost to capacity by June 30 of this year.

I do not know where the Veterans' Administration gets its information. I do not know why it places so much stress on computors and not enough stress on human needs.

I assume it is known that at the present time there are 20,000 living veterans of the Spanish-American War, and that their average age is 85.6. I assume they know that there are 2,285,000 living veterans of the First World War, and that their average age is 69.5. I assume they know that there are 15,075,000 living veterans of World War II, with an average age of 44.5. I assume they know that there are 5,688,000 Korean war veterans, with an average age of 34.3. I assume they know that in 1950 the average daily patient load in veterans hospitals was 96,643. In 1955, it was 106,682. In 1960, it was 111,408.

In World Wars I and II, on a percentage basis, Montana furnished more members to the armed services than did any other State in the Union. As a reward we get notice that the hospital at Miles City, a veterans facility which is one of the new ones, having been put into operation in 1951, is to be closed.

I have in my hand a copy of the Miles City Star, dated Tuesday, January 12. This is a statement by Mr. Malcolm Randall, administrator of the Miles City VA hospital.

The paper states:

> The hospital is at near capacity as far as patients are concerned, Randall says. There is one patient bed unoccupied, he said.

The next day, there were two vancancies, because that night a veteran died in the Miles City veterans hospital.

It is my understanding—and I believe these figures are correct—that 75 percent of the patients in the Miles City VA hospital come from eastern Montana; 15 percent come from Wyoming; and 10 percent come from the western Dakotas, both North and South Dakota.

It is my further understanding that some time ago the Veterans' Administration decided that the computers should be called in to locate veterans hospitals which are small, which are relatively isolated, where the patient load was small, and where the facilities were removed from medical centers.

It is my further understanding that over the past weekend, over Saturday and Sunday, typographical crews typed letters which were to be sent up on Monday for signature, but most of them had to be retyped because of typographical errors. I understand that letters to Senators—mine was dated January 13—were typed over the weekend, to be ready for transmittal, on an "operation avalanche" basis. This was evidently a well-planned operation which a great many people knew something about, except Senators and Representatives from States concerned.

I note in the New York Times, under date of Wednesday, January 13, one of the reasons the Veterans' Administration gives. I quote from that newspaper:

> The VA now likes to concentrate its medical care in big-city areas close to teaching hospitals and medical schools.

I wonder if the Veterans' Administration realizes the fact that the closest facility to Miles City is at Fort Harrison. By air it is 300 miles, and by road it is 348 miles. If Mr. Brown, of Great Falls, who was finally admitted to Fort Harrison, had had to go to Miles City, it would have been 447 miles. The Miles City service area is bigger than all the New England States put together. The closest facilities, outside of Fort Harrison, are at Fargo, N. Dak., 450 miles, on the Minnesota line; Sioux Falls, S. Dak., 490 miles, on the Minnesota line; Grand Island, Nebr., 545 miles away; Cheyenne, Wyo., 370 miles away; Spokane, Wash., 570 miles; Boise, Idaho, 550 miles.

Those are the distances from the Miles City facility, which is supposed to go out of existence.

If the Veterans' Administration plan is carried through on June 30 of this year, where are veterans from the Dakotas, Montana, and Wyoming going to go? How are they going to get there? Who is going to bear the expense?

Are the veterans of Montana, the Dakotas, and Wyoming to be discriminated against? I say "No."

And, while they are abolishing hospitals, I note that in the past 5 years the following new hospitals have been built: Palo Alto, Calif., at a cost of $23 million. That is what we are going to save by closing these facilities, they say. Brecksville, Ohio, $25 million; Cleveland, Ohio, $18 million.

Those three were authorized in 1946.

In 1956, Nashville, Tenn., $12 million; Martinez, Calif., $12 million; Downey, Ill., $22 million; and Jackson, Miss., $10 million.

Hospitals presently under construction: Washington, D.C., $21 million; Wood, Wis., phase I, $32 million; Charleston, S.C., $11 million; Atlanta, Ga., $13 million; Gainesville, Fla., $11 million; Temple, Tex., $8 million; Miami, Fla., $19 million; Memphis, Tenn., $19 million; Long Beach, Calif., phase II, $18 million; Oteen, N.C., $9 million.

But that is not all. Remember they are closing down 14 to 17 facilities.

But here is a list of hospitals not now being constructed but hospitals authorized for future construction. I repeat—future construction.

San Juan, P.R., $22 million; Hines, Ill., phase I, $21 million; Los Angeles, Calif., $23 million; Chicago, Ill., $18 million; Columbia, Mo., $12 million; Northport, N.Y., phase I, $16 million; San Antonio, Tex., $15 million; Tampa, Fla., $16 million; San Diego, Calif., $27 million; and Long Island, N.Y., $26 million.

It does not look too good for States with small populations.

Mr. GRUENING. Mr. President, will the Senator from Montana yield?

Mr. MANSFIELD. Not now.

It does not look too good for the States with small populations but only for the large population areas or the sunny climes.

Just where does the small State fit in this Union?

I know where it fits in the Senate. I believe that what we should keep in mind is this: That those of us who come from the sparsely settled West have supported the programs of the folks in the urban areas time and time again—many times to our own political detriment.

But, we wish a fair deal. I believe that it is an outrage that the hospital in Miles City is to be discontinued. This is a hospital which is presently operating at capacity, as is the hospital at Fort Harrison near Helena, Mont.

Mr. President, let me note that last December two radar stations were closed in Montana, one at Miles City and one at Cut Bank. The first information I had was 3 hours before the official press release was issued.

In the same month, the great air base complex at Glasgow, Mont., the newest airbase in the country, was closed. That information, too, came to me on the same basis—on 3 to 5 hours' notice.

In January of this year, an announcement was made that the congressionally authorized minting of silver dollars at the Denver Mint, which was scheduled to begin after the first of the year, had been postponed indefinitely.

Did anyone in the bureaucracy bother to advise the Senators of the States most immediately involved before this action was taken? No.

That information came to us from the newspapers.

A few days ago, an announcement was made that the Miles City veterans hospital was slated for closing. I must say that the bureaucracy is improving because in this instance I received 1½ hours' notice from an official in the Veterans' Administration before the information became generally known.

Now, Mr. President, as I noted earlier, I recognize the need for change and sometimes the inevitability of change of this nature.

But I am persuaded that in these changes, the human needs could far better be met if there were some prior consideration of them with the elected Members of Congress, both Republican and Democrat, who are close to the people of the areas involved. As a minimum, there ought at least to be the courtesy of adequate notice to the Senators and Representatives of the States involved. Noification by avalanche, which the bureaucracy appears to be resorting to increasingly in these situations, is a ruthless, insensitive tactic, and it is going to be met by a snowballing protest until it is ended.

On Wednesday, the Veterans' Administration announced the closing of 14 hospitals and 17 regional offices. Among those listed is a general hospital at Miles City, Mont. Other Senators are fully capable of speaking to the effect of these closures in their States. As a Senator representing Montana, which I am before all else in the Senate, I shall confine my remarks to the injustice which is inherent in the closing of Miles City General Veterans Hospital.

This hospital is in eastern Montana. It serves an immense, sparsely settled area, not only of my State, but of North Dakota, South Dakota, and Wyoming. With its closing, the distances which veterans in the region will now have to travel for hospital care at the nearest veterans facility will be increased anywhere from 300 miles, upward.

Now, all of this, Mr. President, is in the name of economy. Whose economy? Not the veterans of the region who have every right under the law and simple justice to claim first-class service. Not the veterans who need prompt medical attention. Not their families who will have to travel great additional distances in order to provide the essential therapy which is involved in visits to patients. Not the region in and around Miles City whose economy has grown up in part around services supplied to the hospital complex.

Miles City, in Custer County, is in the heart of an eight county blizzard area which affected eastern Montana last month. It is in the heart of an area in which 25 to 50 percent of the calves due this spring will not be forthcoming. It is in the heart of the area in which Fort Keogh is being slowly liquidated. It is close to the area where the abolition of the Huntley project, we have been told, will soon take place.

Mr. President, that kind of economy is "milked" economy. It is the kind of economy which tends to accelerate the process of headlong flight of people to urban areas. The problems there are not growing less acute, for that is where veterans' hospitals, along with countless other public and private services, are steadily being concentrated. In accelerating this process, it is a false economy, because it multiplies problems and skyrockets costs in the cities.

It is the kind of economy which tends not only to increase urban blight, but to hasten rural decay. It is the economy of reduced service to the public with which we have become all too familiar in these years of the computer mentality. Mr. Driver, the head of the VA, in his letter, admits to the use of the word "computer" in the manner of arriving at decisions of this kind. Indeed, the Administrator of the Veterans' Administration in his letter on the closing makes much of the fact that computers are coming to play a larger and larger role in the operation of the agency.

In the first World War, I was only a seaman second class. Subsequently, I was a buck private in the Army. Then I was a private, first class, in the Marine Corps. In those days we had serial numbers, as servicemen have today. But to me a veteran is not a serial number. He is a human being. I can go back and show the promises that the Congress made. Nothing would be too good for the men who fought in the First World War, in the Second World War, or in the Korean war. We would take care of them. They could give 3, 4, 5, or 6 years of their lives, but, we told them, "Do not worry; if you come back, you will be given the best of care," and that included medical attention.

Mr. President, the closing of the Miles City and other veterans' hospitals is billed as motivated by economy—"the saving of the taxpayers' dollars."

The other day I found on my desk 150 maps of the United States of the kind which I hold in my hand. They were sent to me recently by some Federal agency or other. They are beautiful maps. They are historical maps. They came well wrapped. I did not ask for them. They are available to me, as they are to other Senators, for free distribution to whomever we may chose to give them.

Annually I receive thousands of pamphlets and bulletins from the Department of Agriculture on a wide variety of subjects. Not a day passes when a departmental organ or some other publication of one agency or another does not arrive at my office door and often in great quantity. Those, too, are available for free distribution. I do not question the value of those publications for the rather select audiences to which they are most often directed. But I do say that if we are to put stress on economy, we might better start with that sort of

Government expenditure for publications which involve countless millions of dollars of materials, labor and professional skill, the proofs of which more often than not are directed toward a very limited segment of the population.

I now hold in my hand an item issued by the Veterans' Administration. I suppose it could be called a human computer, because all one need do is to place the arrow in a certain position, push it up or down or turn it around, and he would find where all the Veterans' Administration hospitals in the country are located. Eighty-five copies of that item came to my desk. I did not ask for them. I do not need them. I wish the Veterans' Administration would spend the money on the veterans and give them the needed care by keeping open needed facilities. I do not believe we should start by cutting down on services which are designed to meet the human needs of the veterans, of whom there are now in excess of 20 million.

Mr. President, it is an old story. When we are in an emergency, nothing is too good for those who are called upon to make great sacrifices for the Nation's safety and benefit. When the emergency is over, we begin, after a while, to forget the earlier promises. The enthusiasm wanes; the apathy waxes.

If we continue in the manner in which we are operating, I wonder how long it will be before we arrive at the point which we achieved before World War II, when the administration of veterans hospitals was so inept and inadequate and so economized as to constitute a national scandal. I do not mean to reflect on the present management of the Veterans' Administration, but the warning flags are flying.

As a Senator from a western mountain State, I have always tried to understand and sympathize with the special needs of urban and depressed areas in various parts of the Nation. But I do not intend to acquiesce in any computed design of this nature for the future of the Nation which overlooks my State and my region. I wish to make it clear, here and now, that I expect the same kind of consideration for my part of the country and my State as I am prepared to extend. I expect it from the bureaucracies of the Government and from Congress.

I should like to support measures for Appalachia, Urbania, or whatever; but I do not propose to support them at the expense of establishing a new economic wasteland in Rockania.

Even if it were an isolated incident, the announcement of the impending Miles City closing would warrant a vehement protest of this kind. But it is not an isolated instance. We have seen a progression of this sort of thing in Montana. Not too long ago, the Government, through the Interstate Commerce Commission, sanctioned the closing of Milwaukee Railroad passenger train service between Deer Lodge, Mont., and Aberdeen, S. Dak. The line runs through Miles City.

Since the election, as I have said before, I have received notification that the radar bases at Cut Bank and Miles City, Mont., would be closed, and that the Glasgow Air Force Base would be phased out over a few years, even though it is the newest Air Force base in the country, and even though approximately $100 million was spent on it. Only last spring, $1 million was spent on extending its runways. Hundreds of people uprooted themselves from other parts of the State and Nation in order to locate at Glasgow in connection with this facility. The city expanded its service in education, water supply, and housing; and I believe the rural telephone association even entered into a contract with the base, a contract on which they may lose money. Now it all goes into the ashcan.

Similarly, the Miles City General Hospital is, I repeat, one of the newer veterans hospitals. It is well equipped to supply the needs of the veterans of two World Wars, the Korean war, and perhaps others, as well. The needs of the veterans are increasing, not declining. For a decade and a half, a community's way of life has grown around the presence of this hospital. Now it, too, goes into the ashcan.

MINTING OF SILVER DOLLARS

On another subject—this bears emphasizing—my distinguished colleague from Montana [Mr. METCALF] and I—last year urged Congress to authorize the minting of 45 million silver dollars. That may not mean a great deal to the people of the East and the large urban areas, where everything else is being concentrated, but it means much to us. In Montana, especially, and throughout the West, in general, these silver coins have a special significance and great general utility. They are not oddities. They are a tradition, and they are money.

Yet the news now reaches us that this authorized minting of silver dollars is held up somewhere in the bureaucracy. If I read the signs correctly, there is a possibility that it may be omitted altogether.

I say to the Senate and to the people of my State that had I known of these developments before the election, I would have put the truth on the line before the election. It has never been my practice, and it never will be my practice, to gild the lily before an election and then let the gold flake off thereafter.

I understand that a resolution of criticism was introduced in the Montana Legislature because of the silver dollar matter. This is politics, and I can accept it. But I say, without qualification, that if there is any suggestion that I knew of these developments before election and withheld that knowledge from the people of Montana, that is an utterly false suggestion.

If the people of Montana are surprised and dismayed by these developments concerning the silver dollar and the Miles City facility let them know that it is a surprise and a dismay which I share completely.

I recognize that changes in technology bring about changes in the way, and even the paces, in which both business and Government must carry on their function. Montana is no more immune from changes of that kind than any other part of the Nation. Let me say to the bureaucracies of this Government that they may not be able to put the human factor into the computers when decisions for change are made, but no Senator, no elected official of this Government can ignore that factor, nor should it be ignored.

I ask these bureaucracies:

On what side of the ledger of these so-called economy decisions do you put the losses of the man who is thrown out of a job by the change?

On what side do you put the losses of the bankrupt businesses?

On what side do you put the losses inherent in the forced movement of people, and especially young people, brought about by your changes?

On what side do you put the decline in property values?

On what side do you put the curtailed and inadequate services which result from the change to those who are entitled to the best by law and equity?

If changes are to be made, as they must be made from time to time, I would hope that they should be based, in part at least, on more commonsense and human sense than this closure at Miles City. If changes are to be made, the least which should be expected from this Government are adjustments which offset their adverse effects on the people involved.

The least which should be expected is tangible provision for a rapid conversion of valuable facilities and skills from one public purpose to another. The least which should be expected is a concrete plan which is meaningful in terms of the plight of those who are adversely affected by mechanical decisions in Washington.

Unless these expectations are met, we shall find ourselves pulling out the roots of poverty in one part of the country, only to transplant them to other parts, with ever-rising cost to the public everywhere.

Mr. President, I want to state that until these expectations are met in my State, as a Senator representing Montana, which is my primary responsibility, in concert with my able colleague, Senator LEE METCALF, I shall not let this matter be forgotten.

Mr. President, I ask unanimous consent that I may have printed in the RECORD at the conclusion of my remarks an article entitled, "Treasury Dragging Feet on Minting Cartwheels," published in the Montana Standard and the Butte Daily Post on January 10, 1965; an article entitled, "Montanans Miss Their Beloved Silver Dollars," published in the Great Falls Tribune on January 10, 1965; an article entitled, "Miles City VA Hospital To Be Closed June 30," published in the Miles City Star, on January 12, 1965; an article entitled, "VA To Shut 14 Hospitals in Economy Move, Including 3 Upstate," published in the New York Times on January 13, 1965; a letter of notification dated January 13, 1965, from the Veterans' Administration, concerning Miles City; and a well thought out letter written by an old friend of mine, Mr. Harry E. Sawyer, director of the Veterans' Welfare Commission of the State of Montana, under date of January 13, 1965.

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

(See exhibit 1.)

Mr. MANSFIELD. Mr. President, I had intended to have printed in the RECORD more than 500 telegrams and letters to support my case and show how the people of Montana, the Dakotas, and Wyoming feel. But, in the interest of economy, I shall not do so.

THE MILES CITY VETERANS HOSPITAL

Before I close, I repeat what I said in the beginning. Yesterday we received a call from a veteran who had a stroke. He could not speak. He could not sign his name. He could not be admitted to the Veterans' Administration facility at Fort Harrison because it was full.

Today that man is going in, but only because, perhaps, two Senators and two Congressmen contacted the VA personally, and a way was found to do it. In other words that hospital is filled to capacity. Yet the Miles City hospital is to close down. On the night of January 12 I was advised that there was one vacancy in the Miles City hospital. On the night of January 13 I was informed that one patient died on the night of the 12th, and there were now two vacancies.

What is meant by the liquidation of these hospitals from sparsely separated areas? What is gained by closing a facility which serves a geographic area bigger than the New England States put together.

I repeat what I said before, that my State furnished 88,000 veterans out of a population of 700,000. This facility at Miles City will be taken away from a State that furnished more men in World Wars I and II, on a percentage basis, than any other State in the Union. We are entitled to a study of this question. They, the Veteran's Administration, are building more hospitals and they are authorizing more and, at the same time, they are closing down hospitals where they are needed. So we need to take a look into this question and see that hearings are held to see where the trouble is and take a look at the computer which seems to arrive at the decisions so far as our veterans and hospitals are concerned.

EXHIBIT 1

[From the Montana Standard, Jan. 10, 1965]

TREASURY DRAGGING FEET ON MINTING CARTWHEELS

WASHINGTON.—Montana's congressional delegation ignored party differences Saturday in criticizing the Treasury Department for a delay in minting new silver dollars.

Silver dollars became a political issue in Montana last year until Congress authorized minting of 45 million new cartwheels.

Administration policymakers said Saturday Congress will be asked to rescind its authorization for the minting. Plans had been announced last year to start issuing the new coins either late last year or early in 1965.

There seems little doubt that the Treasury will ask for a reduction or elimination of silver content in all new coins.

If the silver dollars were minted, the Treasury would be put in the awkward position of recommending silver conservation in minor coins while consuming 38 million ounces of silver in the dollars.

A shortage of all coins has persisted for several years despite a tremendous increase in production. Treasury officials have said there are signs of some slight easing of the coin shortage. But there is usually some "flowback" of coins into Federal Reserve banks after the Christmas shopping season and officials probably will observe this flowback before making a final decision on silver coinage.

No silver dollars have been minted for about 30 years. Their use is limited to a few Western States and to trade promotions elsewhere.

Treasury officials believe the minting of 45 million dollars would not bring them back into general circlulation. There already have been advertisements in coin collectors' publications offering to sell the new coins at a premium of $3 to $5.

Senator LEE METCALF, Democrat, of Montana, reached immediately, said:

"This is another in a series of breaches of faith with westerners by the Treasury Department.

"It has been only a little more than a year since the Department informed me that it intended to take steps to assure a continuing supply of silver dollars. If such steps were taken they were neither far enough nor fast enough.

"This past fall, the Department advised Senator MANSFIELD that the new dollars would be minted shortly after the first of the year. It now is obvious that the Department has no intention of meeting this second commitment.

"That there is a general coin shortage does not justify failure by the Department to keep its word to continue the silver dollar, the traditional medium of exchange in the West. I shall have more to say on the whole mismanagement of the silver problem in a speech in the Senate early in this Congress."

Senator MIKE MANSFIELD, Democrat, of Montana, also said the report disturbed him and that if true it would be "a breach of promise and a thwarting of congressional intent."

"A report of an accredited official of the Treasury Department to the effect that the administration will seek the de-authorization of the authority to mint an additional 45 million silver dollars disturbs me greatly and is a matter which requires early clarification," MANSFIELD said. "It is a matter of extreme importance to the West and I intend to do my utmost to see that previous commitments are carried out and that the people of Montana and the West are provided with additional silver dollars.

"The current silver shortage and the shortage of coins in no way minimizes the need for more silver dollars. This report comes as a complete surprise and I hope that the Treasury Department will live up to its previous commitments and proceed to mint the additional silver dollars as the Congress authorized at the earliest possible time."

Representative JAMES F. BATTIN, Republican, of Montana, commented:

"I regret the delay in minting silver dollars authorized by Congress and I feel it would be a real breach of faith if the authorization were rescinded.

"Inasmuch as the authorization was a political issue in several States, and was solved by passage of the legislation, I would think a reversal would indicate there had been some underhanded tactics involved and would leave you a black mark on the administration.

"Senator CANNON, of Nevada, was reelected by 86 votes and claimed considerable credit during his campaign for the silver dollars legislation."

Representative ARNOLD OLSEN, Democrat, of Montana, was out of the city and unreachable for comment.

[From the Great Falls (Mont.) Tribune, Jan. 10, 1965]

MONTANANS MISS THEIR BELOVED SILVER DOLLARS

HELENA.—From the bartender who tapes together the paper dollar bills his patrons tear up, to the Federal Reserve bank official who says banks don't even bother to order them any more, Montanans miss their beloved silver dollars.

Silver cartwheels may have become even more a thing of the past Saturday with news the Treasury Department has not minted the $45 million Congress had approved and would like to avoid it altogether.

Clement Van Nice, head of the Federal Reserve bank branch in Helena, said the last silver dollars from the U.S. Treasury were shipped to Montana member banks in April.

Montana banks aren't ordering dollars because they know they can't get them, he said in sharp contrast to a year ago when the supply began dwindling fast. New orders came into Helena as fast as the dollars went out.

It was at this point last year that a Bozeman businessman inspired some trade and chuckles by making his own silver dollars—gluing two half-dollars together, that is, until the Government told him to stop.

A Helena bank teller, who sees the public every day, said people have stopped asking for silver dollars but talk about them and ask when they will be available again.

In a spot check around Helena, two supermarket managers said there still is a heavy demand for silver dollars by customers, but probably less than a year ago.

One grocery store is checked regularly, usually unsuccessfully, by a woman whose husband owns a coin-operated service station.

Many Montanans rarely had seen and possibly never had used paper dollars before last summer.

Persons moving into Montana from other States made the switch back to paper dollars without difficulty.

But many persons have not.

A bartender on Helena's Last Chance Gulch, said, "I have to buy scotch tape by the roll now. They tear up the paper dollars and throw them at me."

[From the Miles City (Mont.) Star, Jan. 12, 1965]

MILES CITY VA HOSPITAL TO BE CLOSED JUNE 30

(By Bob Scanlan)

The Miles City Veterans' Administration hospital is to be closed effective June 30, 1965, according to reliable information received at the Star this afternoon. This action by the Veterans' Administration in Washington, D.C., also includes 13 other VA hospitals in the Nation.

As soon as this information was received, contacts were made with eastern Montana's Congressman JAMES F. BATTIN and Senator MIKE MANSFIELD. Both expressed great concern over the announcement and promised action to determine the reasoning behind such action.

Congressman BATTIN stated he could not understand what action would cause the Federal Government to cut down on the care of the men and women who received injuries and disabilities while defending America. Senator MANSFIELD is expected to call Miles City tonight with what information he might learn.

Local veterans organization leaders have called a meeting for 7 p.m. tonight to discuss the matter. The meeting is to be held at the new Veterans of Foreign Wars headquarters and is being called by Dale Stevenson, commander of the American Legion.

Malcolm Randall, administrator of the Miles City VA hospital, had not been officially notified of this action as of early this afternoon. He said he was "shocked" to hear that the rumor may be officially true.

The hospital is at near capacity as far as patients are concerned, Randall said. There is one patient bed unoccupied, he said.

The operating budget of the hospital is $1.6 million annually. There are 136 per-

sons on the payroll which amounts to $847,000 each year.

OPENED IN 1951

The Miles City VA hospital was first proposed in 1945 before the end of World War II. The citizens of Miles City donated to a fund and raised $29,682 to purchase the land on which the hospital is built.

On September 22, 1948, the contract was awarded for the construction at a cost of $4,600,000. The groundbreaking ceremonies were held October 17, 1948, and the hospital was completed in 1951.

The first patient was admitted August 1, 1951. Since that time the hospital has provided medical care and service to over 1,000 veterans each year.

[From the New York Times, Jan. 13, 1965]

VA TO SHUT 14 HOSPITALS IN ECONOMY MOVE, INCLUDING 3 UPSTATE

WASHINGTON, January 12.—The Veterans' Administration advised Members of Congress today that it would close 14 hospitals and 17 regional offices across the country. It estimated the saving at $25 million a year.

Hospitals to be closed were picked on the basis of low patient demand, difficult staffing and outmoded structures, the Veterans' Administration said.

The functions of the regional offices on the list for closing are to be transferred to the nearest other available VA offices.

The scheduled date for all closing is June 30. Three New York State hospitals—at Bath, Castle Point, and Sunmount—are on the list.

Other hospitals scheduled for closing are at Clinton, Iowa; Dwight, Ill.; Fort Bayard, N. Mex.; Grand Junction, Colo.; Lincoln, Nebr.; McKinney, Tex.; Miles City, Mont.; Rutland Heights, Mass.; Thomasville Ga.; White City, Oreg., and the tuberculosis division at Brecksville, Ohio.

About 6,000 beds are involved. No new patients will be accepted in the listed hospitals, the Congressmen were told. Remaining patients will be transferred to other hospitals and all hospital employees are being offered jobs elsewhere.

The offices to be closed include those at Albany and Syracuse. Operations will be transferred to New York City and Buffalo, respectively. The Brooklyn and New York City offices will be continued physically, but under common management.

Other regional offices to be closed, and the offices with which they will be combined are:

Manchester, N.H., and White River Junction, Vt., both to Boston; Fargo, N. Dak. and Sioux Falls, S. Dak., both to St. Paul; Juneau, Alaska, to Seattle; Wilmington, Del., to Philadephia; Cheyenne, Wyo, to Denver; Reno, Nev., to Los Angeles.

Also, Lubbock, Tex., to Waco; San Antonio to Houston; Wilkes-Barre, Pa., to Philadelphia; Cincinnati to Cleveland; Kansas City, Mo., to St. Louis; Shreveport, La., to New Orleans.

The economy orders, while sure to stir protests from individual Congressmen, were not expected to be blocked in the House Veterans Committee.

The Veterans' Administration operates about 170 hospitals. For a long time the agency has expected to close some. The VA now likes to concentrate its medical care in big-city areas close to teaching hospitals and medical schools.

VETERANS' ADMINISTRATION,
Washington, D.C., January 13, 1965.

Hon. MIKE MANSFIELD,
U.S. Senate, Washington, D.C.

DEAR SENATOR MANSFIELD: In accord with our policy of keeping you informed, I want to tell you of our plans to streamline operations in the Veterans' Administration through adjustments to be made in our field structure.

These changes provide for continued high quality service to veterans and a savings to taxpayers in administrative or overhead costs amounting to some $23,500,000 in fiscal year 1966.

The past decade has seen many changes in all programs administered by the Veterans' Administration, as well as significant changes in the management of these programs. Many of the benefit programs established to assist veterans in readjusting to civilian life are phasing out and will terminate in the not too distant future. Indeed, some have already done so; and, as is to be expected, participation in many of these programs has dropped sharply. At the same time, we have improved and simplified our operational procedures to maintain maximum efficiency at the lowest cost. As a part of our management improvement program, we have converted some of our benefit programs to automatic data processing, utilizing the most versatile electronic computers yet devised. Still other programs and functions, such as personnel data and payroll, are presently being converted to automatic data processing.

In our medical programs, we have seen significant breakthroughs in medical science which have greatly altered the type and nature of medical care and the facilities necessary for providing such care. Tuberculosis is a good example of this. Where formerly we had 21 hospitals devoted exclusively to long-term care of veterans with tuberculosis, today, as a result of chemotherapy, we have little need for entire hospitals devoted to nothing but the care of tuberculosis patients. The progress of medical knowledge requires additional diagnostic and therapeutic tools. The inability to provide these within the confines of existing physical plants has made some of our hospitals obsolete. These obsolete hospitals must be inactivated and replaced with modern facilities, if we are to continue to provide American veterans with the broadest possible spectrum of medical care. Hospitals also were established in some areas that now have a more than proportionate declining veteran population. As the number of hospital beds we may provide is limited, it is important that in establishing replacement beds, we place them where the greatest need exists and near the medical schools with which we are affiliated.

The characteristics of our domiciliary members have also undergone significant changes in recent years. This program was initially established to provide a home for indigent veterans who could not sustain themselves in their communities. Today we have a vast social security program which, together with increased veteran pensions, is providing more and more veterans with assurance of freedom from financial want. Additional wide ranging programs on both the Federal and local level are also providing more facilities to these veterans as well as to the rest of the population.

As you know, to cope with these changes, we have, in recent years, adjusted and readjusted our organizational pattern to keep pace with the changing needs. We have closed some hospitals; we have relocated others; we have merged some regional offices; closed a number of small VA offices, and consolidated program functions.

We have recently completed a thorough analysis of our programs and operations, both in the Department of Medicine and Surgery and the Department of Veterans Benefits. We find that additional organizational changes must be made if we are to continue to achieve maximum operational efficiency and economy, and at the same time maintain our high standards of service. Accordingly, I have approved the following actions:

Close the following hospitals: VA center, Bath, N.Y.; VA hospital, Lincoln, Nebr.; VA hospital, Castle Point, N.Y.; VA hospital, Rutland Heights, Mass.; VA hospital, Grand Junction, Colo.; VA hospital, Dwight, Ill.; VA hospital, Fort Bayard, N. Mex.; VA hospital, Brecksville, Ohio (Broadview Heights division); VA hospital, Miles City, Mont.; VA hospital, Sunmount, N.Y.; and VA hospital, McKinney, Tex.

Close the following domiciliaries: Bath, N.Y.; Thomasville, Ga.; White City, Oreg.; Clinton, Iowa.

Merge the following regional offices, New York: Merging station, Albany, Syracuse; receiving station, Buffalo.

(Brooklyn and New York functions will be consolidated under one manager, but remain in the same physical locations.)

Pennsylvania: Wilkes-Barre, Philadelphia; Ohio: Cincinnati, Cleveland; Missouri, Kansas City, St. Louis; Louisiana: Shreveport, New Orleans; Texas: Lubbock, Waco, San Antonio, Houston; Alaska: Juneau, Alaska, Seattle, Wash.; Delaware: Wilmington, Del., Philadelphia, Pa.; Nevada: Reno, Nev., Los Angeles, Calif.; Vermont: White River Junction, Vt., Boston, Mass.; New Hampshire: Manchester, N.H., Boston, Mass.; North Dakota: Fargo, N. Dak., St. Paul, Minn.; South Dakota: Sioux Falls, S. Dak., St. Paul, Minn.; Wyoming: Cheyenne, Wyo., Denver, Colo.

To insure that uninterrupted service will be continued at the same level, a VA office in the former regional office city will continue direct personal services to veterans, their beneficiaries, and others involved in VA program activities. A staff of employees will be retained at these offices for this purpose.

In our department of veterans benefits, for a number of years we have been adjusting our resources to the changing demand for benefits. These adjustments began soon after the peak workloads of the postwar years had passed. Initially, our actions involved the reduction of employment in regional offices and insurance activities, and in the past 10 years staffing dropped over 50 percent. In more recent years, major changes to the field organization were accomplished, reducing substantially the number and size of our offices in the local community.

In recent years, four regional offices have been merged with other offices. In each instance it was determined that the office into which the workload was consolidated could serve the VA public effectively and efficiently. This has been substantiated by actual experience.

One of the immediate benefits to be achieved by the consolidation of these offices is a substantial recurring annual salary savings. The economy factor is important, but continued provision of high quality service to veterans requires equal emphasis. Our planning considerations took this into account.

Since the VA's major objective is to provide high quality service to all veterans and their beneficiaries on a timely basis regardless of their location with respect to regional offices, we have given much thought to the important factors that contribute to provisions of service. We considered especially the factors of communications and distance as they affected service. In a recent analysis of regional offices, it was found that in fiscal year 1964 approximately 90 percent of contacts with regional offices were by mail and about 10 percent by personal contact or telephone. Further exploration to determine whether distance was a deterrent in securing benefits confirmed our belief that it has had no adverse effect. Veterans who are great distances from regional offices rely on the mails more heavily than do those who live nearby, but they obtain the same effective service.

In the scheduled consolidations, we are generally merging small offices with larger offices. This has the advantages of causing the least disruption of operations, necessitates the transfer of fewer people, and receiving stations generally have all programs.

This results in greater savings because operating cost is less per work unit produced at the larger stations.

With reference to our hospital program, the general guidelines used in determining which hospitals are marginal and necessitate closing are obsolescence of physical plant, which would be unduly costly to modernize; limited demand for hospitalization due to remote location; difficulty in attracting the number and caliber of professional staff required to assure a high quality of medical care; and the capability of surrounding VA hospitals to expand the boundaries of the geographic area served.

The domiciliary system in the Veterans' Administration has undergone gradual but profound changes from its inception dating back to the 19th century. To provide a complete spectrum of medical care, domiciliary activities must be integrated with hospital activities. In line with the general VA policy of affiliating hospitals with medical schools, or any other level of higher professional activity, the integration of hospital-domiciliary activities will result in improved care.

The relocation plan calls for offsetting a substantial portion of the total domiciliary operating bed loss by activating additional beds at most of the remaining domiciliaries pending reevaluation of nationwide domiciliary needs. A further offset will result from authority given by the Congress which permits VA to plan for nursing-type care, both in VA installations and in State or private facilities.

We expect to complete all of these actions before June 30, 1965, some of them before April 1, 1965. As stated earlier, the total savings to be realized in fiscal year 1966 will be approximately $23,500,000.

We have a high regard for the welfare of our employees and assure you that all employees who cannot be retained at their present location will be given an opportunity to follow their function to another field station, where applicable, or accept an offer of a position at another VA station. The VA is placing restrictions on hiring at its installations throughout the country. This will give maximum opportunity for placement of employees affected by these changes. The cost of moving will be paid by the Govment.

The decision to take these actions was not arrived at lightly. The feasibility of each was carefully considered. In every instance, primary consideration was given to our ability to continue to provide high quality service. I assure you this will be maintained throughout the Veterans' Administration.

Sincerely,

W. J. DRIVER,
Administrator.

FACTS RELATING TO VA HOSPITAL, MILES CITY, MONT.

The Miles City hospital was constructed by the Veterans' Administration in 1951 as a 100-bed general medical and surgical hospital. However, the average daily patient load approximates only 80 patients. By reason of its small size and isolation it is unable to provide the full spectrum of medical and rehabilitation services required by veteran patients. In addition, the hospital is costly to operate and recruitment of well trained professional staff is difficult. Hence, for reasons of better service to veterans and operating efficiency we have concluded that further operation of the Miles City hospital and the other 10 hospitals likewise situated cannot be justified and we have developed plans to close them no later than June 30, 1965.

To facilitate the closing we will stop all admissions other than emergencies to the Miles City hospital in the near future. Patients remaining will be transferred to the nearest appropriate VA hospital. The phasing out of this operation will extend over a sufficient period of time to safeguard the welfare of patients.

THE VETERANS' WELFARE
COMMISSION,
STATE OF MONTANA,
Helena, Mont., January 13, 1965.

Hon. MIKE MANSFIELD,
Senate Office Building, Washington, D.C.

DEAR MIKE: The closing of the Miles City Veterans' Administration hospital will be a terrific blow to the veterans of Montana. I wonder if the powers that be there in Washington, D.C., realize the problems we face in Montana. You have traveled and campaigned in Montana and you know our distances. Then, does anyone in the Veterans' Administration realize that there is no railroad or bus service between the northeastern part of Montana and Helena? A seriously ill veteran who cannot afford hospital care in Glasgow or Wolf Point and vicinities would have to be brought 400 miles by car. The temperatures this winter have been hovering below the zero mark for the past month. It would be at the risk of his life to bring such a veteran over snowy ice-packed roads for 8 to 10 hours to be hospitalized at Fort Harrison. It has only been a matter of a couple of hours trip to the Miles City VA hospital. Hour after hour the roads on the High Line are closed due to blizzards. A car can start from Plentywood in pleasant weather and be stalled in a blizzard between Glasgow and Malta. This is inhuman. The argument that these veterans were able to get to Fort Harrison before the Miles City hospital was built is not a valid argument, because in those days a veteran could get on the Great Northern train and ride in warmth and relative comfort to Helena. That means of transportation is gone forever. The veterans of southeastern Montana would be able to travel by means of the Northern Pacific railroad.

General Bradley and staff, after World War II when he was the VA Administrator, promised the veterans of the United States that they would have medical care second to none. This promise was kept by building and improving existing Veterans' Administration hospitals. The best possible medical doctors were recruited to staff these hospitals. Believe me, we have been proud of the Miles City hospital, and what it has accomplished. It has been appreciated by the veterans, and especially by their families. It has been a source of comfort for the family of an ill veteran that his family could travel a comparatively short distance to visit him. Can you visualize the trip of a veteran's family from Plentywood to Fort Harrison? The veteran is in the VA hospital because he has no financial means to be hospitalized in or near his hometown. Often there would be not enough money to pay his way to Fort Harrison, let alone the cost of a worried wife's roundtrip expense. The Miles City hospital is a splendid institution. In my visits there I have been impressed with the quality of medical care and attention given the veterans who are patients. This is very much true at Fort Harrison also, but the latter hospital is not being closed—yet.

Montana has suffered a very unfortunate year. There were the floods last spring; the blizzards and cold weather of this winter; the approaching closing of the Glasgow Air Base; the closing of the Radar stations, and now the closing of the Miles City VA hospital. All of the above have or will seriously affect our economy.

It is true we are not a very heavily populated State, but we do have vast distances. In the population of Montana there are approximately 80,000 veterans. Not all, by any means, will become patients in a VA hospital. Montana never failed to furnish all the manpower needed to defend our country in time of war. In fact, our record is the best in the Nation. Not all veterans upon their return from service are smiled upon by fortune. There was a pledge once that the honorable service within the Armed Forces in time of war would grant certain benefits. One of these was a medical program equivalent to the finest in civilian practice. See page 1 of the 1963 Annual Report of the Administrator of Veterans' Affairs. This, I am sure, does not mean a medical program for those who live in the immediate vicinity of a Veterans' Administration hospital. The beginning of chapter 3, of the same report, gives the mission of the VA medical program which in part states: "to provide hospital, outpatient, and domiciliary care to eligible veterans." The closing of VA hospitals is not carrying out this mission. Too much emphasis is given to the cost of these hospitals and not enough to the return for that expense. When the GI bill was being considered in 1944, the calamity howlers stated that such a program would ruin the country financially. Today the proud boast is made that those trained under this enlightened program have paid back the cost many times in the income tax from their increased income tax payments due to their economic advancement. Likewise, the VA hospitals that prevent seriously ill World War II or Korean conflict veterans from going into debt for hospital and medical care are making an investment. This man or woman, when restored to health, is returned to the employed rolls where their income tax continues to pay for their hospital care. A chronically ill, older veteran, is prevented from becoming a public charge through the hospitalization he gets in order to determine the amount of pension to which he will be entitled. Veterans as a whole are not parasites. They want help when needed, and are more than anxious to get back from an illness or injury and be returned to the employment rolls.

I have worked in the field of representing veterans in their claims before the Veterans' Administration since 1945. I believe I have gotten acquainted with them in every corner of this State. When in service I was well acquainted with the "goldbricks" and "yard birds." They came back to civilian life and are now just the same. Ninety-nine percent of the people in service were good service men and women. The same is true in civilian life. Ninety percent of them will never need or ask for VA hospitalization. As I said, there are approximately 80,000 veterans in Montana. If 10 percent of them ever will need hospital care, then 8,000 will need beds. The bed capacity at Fort Harrison is 160 beds, or at one time it can take care of one-fiftieth of the above veterans. We know this number could not be accommodated even with a rapid turnover of patients as all beds cannot be filled and emptied each week of the year. As it is, only about 1,600 or one-fifth of this 10 percent are hospitalized each year. The Miles City hospital can accommodate 96 patients regularly, or more if an emergency arises. Ordinarily the two hospitals can take care of the patient load. Yet a year ago Fort Harrison had a waiting list that became very large. What will be the effect when the 1,000 patients hospitalized each year at the Miles City VA hospital are added to the list?

Does the closing of VA hospitals mean that another economy act is contemplated by this present administration? Are nonservice-disabled veterans to be put out onto the public to die in county poor farms and jails? It happened before, and one cannot but wonder if history is to repeat itself.

The news reports state that the data were put into a computer and the 14 hospitals, including Miles City, were selected to be closed. It's a hell of a thought that a cold, unthinking machine can control the health and welfare of a sick veteran from the prai-

ries of northeastern Montana. Maybe he didn't vote right, who knows?

I know you will protest with every facility at your command this unwarranted and arbitrary closing of a needed hospital. Montana has more enormous distances, rugged winters, and less transportation than any State, other than Alaska. We are a special case because of them.

Very truly yours,

HARRY E. SAWYER,
Director.

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

Mr. MANSFIELD. I yield.

Mr. DIRKSEN. On Tuesday morning Mr. Driver, newly appointed Administrator of the Veterans' Administration, appeared before the Senate Finance Commitee. He was quizzed at length on a great many things. On the list of facilities to be closed was one at Dwight, Ill. I asked him two questions. First, Was this a proposal of the Budget Bureau and had it concerned itself with it, or had he concerned himself with it? The answer was that it was a Budget Bureau matter that came along with his participation in it. I then asked whether this was an administration program and had the approval of the President. I believe the answer was the President was very anxious to effectuate any economy he could in any activity of the Government.

I think, in order to round out the record, it should be indicated that this new Administrator, who is a career employee and who has administered the benefits program for a great many years is not entirely responsible for these actions, that we must include the Budget Bureau and likewise the President in this program.

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

Mr. MANSFIELD. I yield.

Mr. RUSSELL. I commend the Senator for his very impassioned speech protesting the closing of this institution in his State of Montana. From what he says, it will leave a hiatus in large areas where sick or injured veterans will have no hospitals and will have to be transported a considerable distance.

The same ax fell on one of the larger installations in my own State, the veterans' domiciliary institution at Thomasville, Ga., where between 700 and 800 men who have served their country in time of national danger, mostly veterans of World War I who are unable to do anything to help themselves and are incapacitated in some degree, have been receiving the benefits of the Veterans' Administration. That institution is to be closed under the present plans.

I inquired as to what would happen to the inmates, and officials expressed the hope that they would be taken care of at another veterans' hospital some 150 to 200 miles away. I investigated and found out that there were very few beds available there, and no facilities whatever for the type of care that has been afforded these men. If they find any place of refuge at all in a similiar domicilian facility it will be several hundred miles away.

In my opinion, this is poor economy. The closing down of this facility will furnish a great deal of material for the war on poverty, because these men do not own a thing on earth—they have no material wealth. Those who do, are not admitted to this institution. Thus, there will be a great deal of material there to work on with the war on poverty; but when it is all wound up, they will find it will cost just about as much to take care of them on relief as it would in this institution.

Mr. MANSFIELD. In other words, a veteran on relief, is certainly entitled to better care than that.

Mr. RUSSELL. Of course he is, especially when he is in such a pitiable condition that he is unable to fend for himself.

In my judgment, this program should be carefully examined by the appropriate committees of Congress, institution by institution, because I cannot believe that we have as much surplus space in our hospitals and other facilities for the care of veterans as this closure would indicate.

My own experience in my own area has shown it is most difficult to even get an emergency case taken care of in a veterans' institution. It has to be a desperate case. It requires the expenditure of a great deal of time and a great deal of effort. In my opinion, these closures may not effect any real economy. It will only add to complexity of the problems which confront us in this country in dealing with distress, with poverty, and those who are unable to help themselves.

I therefore hope that the appropriate committees will look carefully into this whole situation.

Mr. MANSFIELD. I thank the Senator from Georgia.

Mr. AIKEN. Mr. President, will the Senator from Montana yield?

Mr. MANSFIELD. I yield.

Mr. AIKEN. Mr. President, I am not going to take time to comment on the statement of the Senator from Montana [Mr. MANSFIELD], but I do wish to say that the people of this country, urban as well as rural, should be everlastingly thankful that the State of Montana is still permitted to be represented in the U.S. Senate, and that the State of Montana is represented in the Senate by such a courageous man as the Senator from Montana [Mr. MANSFIELD].

Mr. MANSFIELD. I thank the Senator from Vermont for his comments.

Mr. AIKEN. On the same subject, I ask unanimous consent to have printed in the RECORD a letter I wrote on January 14, 1965, to Mr. Driver, the Veterans' Administrator.

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

JANUARY 14, 1965.

Hon. W. J. DRIVER,
Administrator, Veterans' Administration, Washington, D.C.

DEAR MR. DRIVER: Your letter of January 13 advising of additional plans to consolidate VA operations has been received and is further evidence of the policy to concentrate services and power in a few large cities of this country.

The trend toward concentration of facilities in large cities not only disturbs me from a national economy point of view, but fills me with apprehension over the possible danger of such concentration to our national security.

I hope we have not reached a point when men and women who serve their country become expendable to other costly interests which project more glamour.

In administering the VA program, I am emphatically of the opinion that the first and principal objective should be service to the veteran rather than to treat the VA facilities as a commercial enterprise.

While many Government programs can and should be put on a dollars and cents basis, it is unthinkable that service to the men and women who have served their country in times of crisis should be so considered.

In view of your claims for efficiency and economies, I urge that present consolidation plans be delayed until studies can be made toward advisability of decentralizing these services from the heavily populated, high cost urban areas toward the more rural and normally lower cost areas.

Sincerely yours,

GEORGE D. AIKEN.

Mr. METCALF. Mr. President, will the Senator from Montana yield?

Mr. MANSFIELD. I am glad to yield to my colleague.

Mr. METCALF. Mr. President, I rise to concur in all the remarks that my colleague, the distinguished majority leader, has made. I wholeheartedly concur in this condemnation of the closing of the Miles City Veterans hospital.

Will the distinguished Senator from Montana yield further to me, so that I may direct a question to the senior Senator from Texas [Mr. YARBOROUGH], who is the chairman of the Veterans Affairs Subcommittee?

Mr. MANSFIELD. I am delighted to yield further to my colleague.

Mr. METCALF. The Senator from Texas, who is chairman of the Veterans Affairs Subcommittee of the Committee on Labor and Public Welfare, has jurisdiction over veterans hospitals.

Yesterday, I wrote a letter to him asking him to hold a hearing promptly on the closing down specifically of the Miles City hospital and also on the general policy of closing down veterans hospitals at this time.

I renew that request while the Senator from Texas is in the Chamber, and suggest to him that he call his committee together as soon as it is organized and hold that hearing promptly.

Mr. YARBOROUGH. Mr. President, will the Senator from Montana yield?

Mr. MANSFIELD. I yield to the Senator from Texas for a question.

Mr. YARBOROUGH. Will the Senator from Montana yield to me for an answer? I am in the Chamber on another matter, on the GI bill, and I did not know that this colloquy was going on when I came onto the floor.

Yesterday, I received a written request from the junior Senator from Montana [Mr. METCALF] for a hearing by the Veterans Subcommittee on the matter of the closing of the veterans hospital. This subject is properly under the jurisdiction of the Veterans Subcommittee of the Committee on Labor and Public Welfare according to rule XXV of the Standing Rules of the Senate. I pledge to the distinguished Senator from Montana that we will set that hearing as soon as possible.

Prior to the time the request was received, the distinguished Senator from Oregon [Mr. MORSE] had already set

hearings on the education bill before the Educational Subcommittee of the Committee on Labor and Public Welfare beginning on the 26th of January.

I am not going to wait until those hearings are over to call the hearing on the request of the distinguished Senator from Montana. I might add that we have also received protests, requests, and inquiries from other Senators, likewise suggesting the possibility of a hearing.

I believe the only formal request in writing has been the one that has been received from the distinguished junior Senator from Montana [Mr. METCALF].

I pledge to Senators that these hearings will be held. We will get the staff together as soon as I leave the floor and work out a date for these hearings that will not conflict with the hearings on the education bills and the GI bill.

I received a protest from Texas this morning, from the county judge of Collin County, at McKinney, Tex., where a veterans hospital is located. A veteran was refused admission to the veterans hospital this morning. There was a very vehement protest from that judge.

We are receiving telegrams protesting the closing of Veterans' Administration offices in certain areas, in addition to protests on the closing of hospitals.

I assure the distinguished junior Senator from Montana that the hearings will be set at an early date. I will start to work immediately with the full staff of the Committee on Labor and Public Welfare, with which the distinguished Senator from Montana is fully familiar, because he was a member of that committee in the 88th Congress. He has been a distinguished, able, and hard-working member of the Veterans' Subcommittee, and he knows what that subcommittee has done.

It is sometimes said that the Veterans' Subcommittee is not an important subcommittee of the Senate. I am proud of the fact that I have the privilege of being the chairman of that subcommittee. Before he became President, the late John F. Kennedy was a member of the Veterans' Subcommittee. Furthermore, so long as he was a Member of the Senate, the Republican candidate for the presidency last year, former Senator Goldwater, of Arizona, was also a member of the Veterans' Subcommittee.

During the past year, the Senator from Massachusetts [Mr. KENNEDY] followed in the footsteps of his older brother, the late President John F. Kennedy, as a member of that important subcommittee.

And so I assure the Senator from Montana [Mr. METCALF] that we will make as thorough a search as possible, to get at the root of this thing, to see why a veteran should be denied admission to a veterans hospital.

I remember that 2 years ago a disabled veteran did not get his check. The check did not come to him for 2 months. The veteran was starving. The veteran could not get that check from the Veterans' Administration. There was no reason why he should not have gotten that check. He was still disabled.

Finally, I phoned the Administration and said, "I want something done about this check. I want to know why it has not come through to the veteran." I told them that the veteran was still disabled.

Pretty soon the Administration phoned back to say that the machine had made an error at the computing center. The machine had kicked the veteran's card out of the machine, and that was the reason why the veteran had not received his check. Something or other went wrong and his card was kicked out of the machine. They agreed to walk the check through. People who are familiar with these machines know what is meant by walking a check around a machine. The check went to the center in Chicago, and there the check was walked around the machines, so that the veteran was finally able to get his check.

We make the mistake sometimes of thinking that everything can be done by machines. Machines are fallible. It still takes human beings to operate them. I pledge to the Senator from Montana a full and complete and expeditious investigation.

We certainly want to know which computer decided that the veteran who has been mentioned here has been kept out of a veterans hospital.

Mr. METCALF. The majority leader and I thank the Senator from Texas very much. If my colleague from Montana will yield to me further——

Mr. MANSFIELD. Certainly.

Mr. METCALF. On the first Monday in January of this year we listened to the President of the United States outline his total plan in the war against poverty. We heard him outline his total plan of war against disease, and his plans in his war against erosion.

We waited and waited and waited to hear something said by him about what he would do for the veterans.

There was not a word in the state of the Union speech as to what the Great Society would do for the veterans. We thought, "The subject will be deferred to a special message."

Some of us took heart in the health message when the President said that he would recommend a program for elder and senior citizens. I am in favor of that program. I have supported a medicare program such as the one proposed ever since I came to Congress more than 12 years ago. I thought, "There is the way in which we are going to fit into the program the medical needs of the veteran."

A day or so later we received the letter which the senior Senator from Montana has asked to have printed in the RECORD, after we were informed of it in articles in the Washington Post and the New York Times the day before. In that letter the writer said that in order to save $23.5 million as a part of the economy program the Veterans' Administration has gone to its automatic data processing machinery, utilizing the most versatile electronic computers yet devised, and has come to the conclusion that it should close the listed hospitals, regional offices, and domiciliaries.

Is there not to be anything in the Great Society for veterans? Will we in the West and in remote areas be at the mercy of machines into which the operators insert preordained answers to the questions they ask?

Should not veterans from remote and isolated areas, far from hospital centers, have the same privileges which their comrades in urban communities have? If the policy of the Veterans' Administration is to be that veterans from isolated areas, veterans from our sparsely settled population, and veterans far from the medical centers shall not have the benefits to which they are entitled, then I say that men from those areas should not be drafted. They should not have to render military service.

A veteran from Montana, Colorado, or Alaska who must go into the Army and is wounded is entitled to the same benefits, the same privileges, and the same opportunities as is a veteran from New York, Philadelphia, or Washington.

Mr. President, if the hospital in Montana is closed, it will be a 3-day trip for the loved ones of some person who is in the Fort Harrison hospital or some adjacent veterans' hospital to go to see him. A veteran in one of the metropolitan areas can have his people come in on visiting hours every day. Heartache is caused in the isolated areas, and that is a factor in addition to the actual services that are needed.

I have little to add to all that my distinguished colleague has said. I have received the same 500 telegrams. I have received the long-distance calls. I have heard about the need for the hospital.

I do not know why the Administration has said that it can get rid of a hospital that is operating to capacity and has operated to capacity since 1951. I do not know where they get those figures except from feeding questions into computers. But the day after that letter was delivered to my office telling me that the Administration would save $23.5 million by closing these veterans' hospitals, the domiciliaries and the regional offices, I received, less than 24 hours later, a statement from the President recommending that our Nation spend $3⅓ billion for foreign aid.

It does not make sense. The veterans of the State of Montana are entitled to the same assistance.

Strength for those who would be free—

Said the President—

hope for those who would otherwise despair; progress for those who would help themselves.

That is what we owe to our own veterans. Saving $23.5 million on one day and spending $3.3 billion in foreign aid on the next day cannot be justified to the veterans of a real war when we are embarking on a war against poverty and disease.

So I concur completely with the senior Senator from Montana, my distinguished colleague, the majority leader, that we cannot countenance the closing of this hospital. There is no justification for it. There is no warrant for it.

I welcome the statement of the Senator from Texas [Mr. YARBOROUGH] that there will be prompt and early hearings as to what the policy of the present administration is to be on the treatment of our veterans.

Mr. ALLOTT. Will the Senator from Montana yield?

Mr. MANSFIELD. I yield to the Senator from Colorado.

Mr. ALLOTT. Mr. President, I concur completely in what the two distinguished Senators from Montana and the Senator from Texas have said. No one could have said more eloquently or with more courage the things that the great majority leader has said.

The letter to which he referred was received by all of us involved. Back during World War II we called it a "Dear John" letter. We did so because some of the troops would receive letters addressed "Dear John" telling them that their wives had left them. We received those "Dear John" letters saying that the Veterans' Administration was about to close a hospital.

Mr. President, I wish to say one word in behalf of the Grand Junction veterans hospital in Colorado. It is in roughly the same situation as the hospital in Montana. All the computers available cannot show the heartaches and the trouble that taking one veterans' hospital away from an area like Grand Junction would cause.

Do the administrators realize that if they take away from Grand Junction the hospital which was put there to serve the veterans in that area, it will mean a 7- or 8-hour drive over two high mountain passes of 12,000 feet to go into Denver, an equivalent drive into Salt Lake City, or an even longer drive to Albuquerque?

The heartaches of people who would be involved cannot be compared. It is a 3-day trip, even in good weather, for anyone who is a veteran in that hospital, to go into Denver, make a reasonable visit, and return back home.

One hundred and sixty-eight families would be out of work when the hospital was moved.

The former Administrator of the Veterans' Administration, much to his shame, made a completely unjustified political removal from Colorado in moving the insurance division of the Veterans' Administration up to the Twin Cities. That is all on record. It is past. Nothing can be done about it.

The decision to close the Grand Junction veterans hopsital is a different case. I do not believe that Mr. Driver made that decision. I believe it was made by the Bureau of the Budget and at the insistence of the President.

If the people of our country are to be hoodwinked into believing that we are bringing economy by such measures, the President has them very badly fooled.

It is not that we mind doing the things for people that have to be done. But, I, for one, do not intend to support any of the President's pie-in-the-sky programs when we are emasculating the veterans services at the very level where they are meant to be effective.

If we followed the computers which the Veterans' Administration has, and which we should never have given them in the first place, we would put all the veterans in the United States in one hospital in Washington, D.C., because it would then be near the National Institutes of Health. We could put them all here and we could care for them in one hospital cheaper than we could perform the service in any other way.

The veterans facilities are spread out in the manner in which they are for the reason that veterans, who have earned the right for proper care from the Government—which is to say the people of this country—should have an opportunity to be hospitalized within a reasonable distance of their own homes.

I thank the Senator for his courtesy.

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

Mr. MANSFIELD. I am happy to yield to the Senator from Alaska, who has been so patient and gracious.

Mr. GRUENING. I wish to associate myself with the very moving and eloquent remarks of both the senior Senator and the junior Senator from Montana. I share the rightful indignation which the senior Senator from Montana expressed in his voice. The same press release that wiped out the Miles City hospital also wiped out the one remaining veterans' installation in Alaska. As soon as the facility in Juneau is closed, veterans in Alaska will have to travel 1,000 miles to obtain service.

They cannot very well walk that distance. They will have to expend their money for airplane fare.

Mr. President, these decisions are unjust and unwise. I doubt whether they are sound economically.

As soon as I heard of the pending proposed closing of veterans hospitals and regional offices, I called Mr. Driver, the newly appointed head of the Veterans' Administration by phone. He was not in his office, but I protested strongly the elimination of Alaska's regional office at Juneau to the Deputy Administrator, and asked that Mr. Driver come to my office as soon as he could be located. He came later in the afternoon and my colleague Senator BARTLETT and I presented as strongly as we could our opposition to this closure. He declined to budge, no doubt having orders from the Bureau of the Budget. It is my hope that pending the hearings which both the Senators from Montana and I have requested be held by the Veterans Subcommittee of the Senate Committee on Labor and Public Welfare, headed by Senator YARBOROUGH, that the proposed closing of the Juneau office be held in abeyance and that no final decision be made until all the protests can be heard and the necessity for this action, performed in the name of economy, be fully evaluated.

We have no veterans hospital in Alaska. It is a thousand miles to Seattle, the nearest place for treatment in a veterans hospital.

Alaska is an area larger than the large area served by the Miles City hospital, which is ordered closed. It is an area larger than Montana, Wyoming, and the Dakotas. From now on, if this order stands, we shall have no facility in Alaska supplied by the Federal Government for the veterans. Fortunately, Alaska has its own State veterans organization, which I sponsored as Governor toward the end of World War II, and supported wholly by State funds. But that does not relieve the Federal Government of its responsibilities.

I am hopeful that this investigation and the hearings will lead to a reversal of this policy.

I thank the Senator from Montana for his patience.

Mr. MANSFIELD. I thank the Senator from Alaska for his very great patience.

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

Mr. MANSFIELD. I yield to the Senator from Vermont.

Mr. PROUTY. First, I congratulate and commend the majority leader for the courage and objectivity which he has displayed today in discussing the question of veterans hospitalization.

Last Monday, Mr. Driver called me and said that 52 of the administrative personnel in Vermont's only veterans hospital, located at White River Junction, would be transferred to Boston.

Following the visit, Mr. Stratton, Deputy Benefits Director, was in my office with a Vermont delegation. We discussed at some length the justification for such a transfer. He said at that time that a smaller number—he was not certain of it offhand—would be transferred from White River Junction to Boston. But he did not answer our question—at least to our satisfaction—or indicate in any way that savings would be made or that services being rendered to veterans in my State would not be diminished.

I have already asked that no action be taken on the confirmation of the nomination of Mr. Driver today. I hope the majority leader will find it possible to postpone action on the nomination for a week or 10 days or until hearings have been held, so that we can ascertain exactly what the situation is in various veterans hospitals and veterans centers throughout the country. I sincerely hope the majority leader will find it possible to do that.

Mr. MANSFIELD. Mr. President, I expressed the same hope, especially so far is Miles City is concerned, but generally speaking, so far as they are all concerned, because if new hospitals are being built, as they now are, and if new hospitals are to be authorized for the future, I believe this subject could well stand a good, close examination.

Mr. PROUTY. Am I to understand that the majority leader is willing to postpone action on the confirmation of the nomination of Mr. Driver until hearings have been held?

Mr. MANSFIELD. I do not believe we ought to blame Mr. Driver for what has happened. He is new in his position. I assume that he has been acting under the orders of the Bureau of the Budget. I am sure the Senator is aware that any Senator can hold up action on the confirmation of the nomination. As a courtesy, the leadership will be glad to accommodate any Senator for that purpose. But I would hope that that would not be done in this instance, because I do not think the blame really lies with Mr. Driver.

Mr. PROUTY. That may very well be true; but I think this nomination gives

us an opportunity to explore the question far more thoroughly than might otherwise be the case. So I, for one, shall certainly ask that it go over for 1 legislative day, and, if the majority leader would agree, for 1 week.

Mr. MANSFIELD. I will agree that it go over for 1 legislative day.

Mr. PROUTY. I thank the majority leader.

Mr. YARBOROUGH. Mr. President, I do not criticize Mr. Driver for the closing of veterans hospitals. This is action by the Bureau of the Budget. The Bureau of the Budget has fought the GI bill under the last three Presidents. They have been the stumbling block in its way. I think the hearts, the aims, and the desires of the American people should be given some of the attention by the Bureau of the Budget that its computing machines receive. The Bureau of the Budget is thwarting the wills, aims, and hopes of the American people by the use of inanimate, cold computers, machinery manufactured by man out of steel. The Bureau is ignoring the hearts, aims, and ambitions of the people in deciding what legislation shall be pushed to completion.

Mr. COOPER. Mr. President, I desire to speak briefly upon the recommendations of the President's foreign aid message, but first I wish to make a few comments about the speech of the distinguished majority leader, Senator MANSFIELD.

I was much impressed by the moving speech he made, expressing, I think, justified anger at the action of the Veterans' Administration in closing a veterans hospital in Montana, but a speech also marked by his compassion for our veterans and also by his constant sense of justice.

I agree with him that the sentiments expressed during World War I, World War II, and the Korean war, that our veterans would always be cared for, is not as marked today as it was in those sad and tragic days.

I earnestly hope that this particular hospital in Montana will be retained.

But the Senator from Montana has done something more. He has brought more sharply our attention to the fact that the Veterans' Administration is closing needed hospitals. I hope the committee will look into this situation; and that a chorus will go up from Members of the Senate and House of Representatives against the closing of needed veterans hospitals. I believe that if we act, the injustices will be corrected. I am glad to associate myself with the majority leader.

Mr. McGOVERN. Mr. President, South Dakota is not among the States slated to lose a veterans hospital facility. For that I am very grateful, because the hospital in Sioux Falls, S. Dak., as well as the hospital in Hot Springs, S. Dak., serves an absolutely essential purpose for the veterans in our area. However, we were disturbed to be informed that a number of the veterans service personnel, who are connected with the center at Sioux Falls, are being transferred to a larger center in St. Paul, Minn.

I am disturbed about that for several reasons. First of all, it means an inevitable decline in services for the veterans of our area. It means that our veterans will have to travel 300 miles farther in order to discuss special problems with Veterans' Administration service personnel.

Beyond that, Mr. President, I believe the Senator from Montana touched on the very fundamental dual problem that is aggravated by moves of this kind. Our society is faced with two problems which are very closely related. One is the decline or the stagnation of populations in rural States.

In my State we have a population which is essentially the same size as it was 30 years ago. We have related problems stemming from the lack of industrial and economic activities to support an expanding economy and a growing society.

On the other side of the coin we have the growing congestion and serious traffic tangles in the great metropolitan sections of the country. We have more and more problems with the pileup of urban populations that strain recreational facilities, housing, public facilities, and the commercial life of metropolitan centers.

Both these problems, it seems to me, the blight of our rural areas, and the pileup of populations in the cities, would be aided by public policies designed to encourage, wherever feasible, the stimulation of economic activity in our more sparsely populated States.

One way we can do it is by a deliberate policy designed to hold Federal installations, wherever possible, in our smaller, less populated States, instead of following the course that is outlined in the recent Veterans' Administration move.

The net result, admittedly small, of the VA transfer, as it affects our State, is to further complicate the drain of both resources and people from South Dakota, and to concentrate them in an area where there is already a problem with population pressures, where there is already a strain on transportation, housing, and recreation facilities.

Laying aside the important consideration which is the fundamental one in this case, of providing proper services to our veterans, we should think and consider this larger dual problem to which I have referred.

I hope that some consideration will be given in meeting the whole subject of the location and the possible transfer of Federal facilities.

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

Mr. METCALF. I yield to the Senator from North Dakota.

Mr. BURDICK. Mr. President, I commend the able Senator from South Dakota for bringing this subject to the attention of the Senate. The situation at Sioux Falls, S. Dak., is almost identical with the situation that prevails in Fargo, N. Dak.

I was happy to learn yesterday that Representative TEAGUE of Texas has agreed to hold public hearings on this subject matter. Our colleague the Senator from Texas [Mr. YARBOROUGH], who is chairman of the Subcommittee on Veterans' Affairs of the Committee on Labor and Public Welfare, has also promised to hold hearings.

I am hopeful that civic leaders, employee representatives, veterans leaders, and other persons who are interested in the problem will come forward with their evidence. The question of whether we shall have adequate service for our veterans in smaller States is very much at stake.

Mr. McGOVERN. I thank the Senator for his remarks. They are very well taken. I too am pleased that hearings will be called by the Subcommittee on Veterans' Affairs. I certainly intend to appear and offer in more detail the views that I have suggested here this afternoon.

COLD WAR GI BILL—ADDITIONAL COSPONSOR

Mr. YARBOROUGH. Mr. President, I ask unanimous consent that the name of the junior Senator from Connecticut [Mr. RIBICOFF] be added to the list of cosponsors of S. 9, the cold war GI bill, and that the bill so indicate at its next printing.

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

Mr. YARBOROUGH. Mr. President, with that addition, 40 Members of this body are cosponsors of the proposed legislation and have associated themselves with the need of it. This is the largest number of cosponsors that the cold war GI bill has had in the 6 years that I have been working on the proposal. This increase in congressional support and attention is most timely, as I have also received a significantly larger response from the Nation's citizens than ever before in the history of the bill.

Mr. President, I ask unanimous consent to have printed in the RECORD an article entitled "We Need a New GI Bill," which was published in the Army, Navy, and Air Force Times of October 21, 1964. The article was distributed to 1½ million people around the globe and the response to it indicates that more people than ever are interested in correcting this injustice. I hope that Congress at this session will take the initiative in enacting the bill and correcting this great injustice to our veterans.

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

WE NEED A NEW GI BILL

(By U.S. Senator RALPH YARBOROUGH, of Texas)

Although we have become familiar with the terminology of the cold war, the daily headlines which reveal injuries, armed conflict, and fatalities, seem to belie this label and serve to inform us that by whatever term we call present military duty, many of our returning veterans have been exposed to enemy fire, wartime hazards, injury, and even death.

Despite the comfort of the cold war tag, it is apparent that the main difference between military duty during the so-called cold war and that of World War II and the Korean conflict is that we are fortunate in having many more survivors among our vet-

erans returning to civilian life today than in the past.

But military duty still takes its toll among our veterans. Today's casualties are of a different nature, as there are living unwounded battle casualties, cast back into society unprepared for the battle of civilian life and unequipped to compete with those 56 percent of men in their age group who never serve their country in uniform.

Thus they are the economically wounded, the cold war economic casualties. Since the Korean conflict these casualties have mounted to over 3 million veterans, and these ranks will swell to 5 million by 1973.

This is in sharp contrast to the treatment of survivors of World War II and the Korean conflict, who were given an opportunity for readjustment to civilian life through the greatest single piece of educational legislation in our history—the GI bill.

This law, in the words of President Franklin Delano Roosevelt as he signed the bill, gave "emphatic notice to the men and women in our Armed Forces that the American people do not intend to let them down."

The GI bill represented the belief that those who serve on the frontiers of the free world to maintain the peace should in turn have the opportunity to exchange their rifles for the arms of education to advance themselves as beneficial citizens.

The bill was an investment in the potential value of these veterans; it was a reflection of the American faith that, given the opportunity, these men would enrich the resources of our Nation and add to our national strength. In short, it changed the declaration of war from the armed front to a declaration of war on the enemies of progress, of opportunity, and of development.

This year marks the 20th anniversary of the original GI bill, and as we look at it in retrospect, we find that the singular success of this bill has marked it as one of the best investments ever made by this country.

As a strictly monetary investment, we are receiving $1 billion a year in additional taxes from the recipients of the GI benefits, and this return will increase in years to come. The Internal Revenue Service has said that these GI's have already paid back the total cost of the GI bill in additional taxes.

But the real yield of this investment cannot be measured in monetary terms; rather, it is found in the hope which it fulfilled for millions of returning veterans.

As a direct result of the World War II and the Korean GI bills, we have enriched our technological and professional skills to the tune of 625,000 more engineers, 375,000 more teachers, 165,000 more natural and physical scientists, and 220,000 more persons in medicine and related health fields.

Because of these GI bills, the unemployment rate among this educated group is much lower than among the corresponding nonveteran.

Due to almost 8 million veterans who received training under the World War II law, the median years of school for the World War II veteran is 12.2 years compared to 9.6 years for the corresponding age of nonveterans. The income of these veterans is from $2,000 to $3,000 higher per annum than the nonveterans in the same age group.

When the increment provided by 2½ million veterans who trained under the Korean GI bill is added, these two bills have indeed made an impressive impact on the economy.

If a GI bill trained veteran makes $2,000 to $3,000 higher annual earnings over others in the same age group, this means there will be a median average of $2,500 more a year for these veterans. Assuming even a very conservative average of 25 productive years from these GI bill educated veterans, this means an increased income of $62,500 in lifetime earnings.

Since about half of the eligible veterans take advantage of their educational benefits when offered, this means that we are passing up the opportunity for 2½ million veterans to benefit the national economy as much as $156 billion. The argument that "we cannot afford the GI bill" ignores the future benefits that would accrue through this additional income. And it flies in the face of all previous experience with the GI bills.

Measured in another way, the GI bill has been a large factor in providing this country with its essential leadership. Almost 10 percent of all U.S. Senators and 11.5 percent of the Members of the House of Representatives utilized their educational benefits under the GI bill. Add to this two Cabinet officers and seven Governors and this single piece of legislation has given a significant boost to the quality of leadership which we have in this country.

This impressive progress of the World War II and Korean veterans underscores the problems cold war veterans now encounter. These cold war veterans are the victims of a great inequality; only 44 percent of the draft-eligible men ever see active duty in the cold war, and they are placed at a 2- to 4-year disadvantage in their competitive standing with their peer group. These young men enter the service unskilled and upon discharge find themselves in the same plight—untrained, unemployable, and unable to compete for scarce jobs with the 56 percent of their age group who do not see military duty.

Last year there was an increase of $2 million in unemployment compensation paid to veterans—a total of $96 million, which if invested in education would have brought profits to our country. The discouraging aspect of this problem is that with the increase in automation and the continued necessity for education, this situation shows little prospect of improvement in the future.

The only solution is to provide these young veterans with the means of escaping the category of "uneducated, therefore unemployable." We must provide the arms of education before we can expect this group to take their place in the fight against unemployment and poverty.

It is essential for our Nation to provide readjustment assistance to these veterans in the pursuit of equality for all. These GI's should be leading the war on poverty, instead of being objects of it.

For these and many other good reasons, I have joined 38 other Senators in cosponsoring a cold war GI bill which would provide readjustment benefits to our veterans similar to those provided by previous GI bills. This bill would assist our cold war veterans in adjusting from military service to civilian life without the hazards of experimentation.

The bill is designed to render assistance to veterans who have served in the military for more than 180 days between January 31, 1955, and July 1, 1967. As with former GI bills, it is anticipated that the cost will be entirely self-liquidating through additional taxes paid by the veterans who benefit from the bill. Hence the bill is not a bonus bill, but it is readjustment training to help our veterans help our country in the future as they have done in the past.

Despite the fact that the cost of this bill would be only three-fifths of 1 percent of the total military budget, the Defense Department and the Bureau of the Budget have joined forces in opposition to the bill. Their objection is that the program would discourage military men from making a career out of the armed services.

Besides lacking any proof for this assertion, it fails to coincide with the fact that with increased benefits a military career becomes more attractive.

One of the major improvements of this bill over previous GI bills is that a serviceman does not lose his educational benefits because of extended service. Although that was sometimes the case under other GI bills, under the cold war GI bill a serviceman does not face this choice just because he continues to defend his country.

As this bill prepares our returning veterans for better roles in our expanding economy, it can make a major contribution for furthering the progress of our country. It is inconsistent for the United States as an international leader to boast of our defense facing the Communists around the perimeter of the free world, and then to cast our returning veterans out upon society, unskilled, uneducated, and unarmed for civilian pursuits.

In celebrating the 20th anniversary year of the original GI bill, I think that the experience and principles of our Nation demand that the cold war GI bill be written into public law by the hand of justice. I hope the Congress enacts this act of justice.

ORDER FOR ADJOURNMENT UNTIL TUESDAY NEXT

Mr. MANSFIELD. Mr. President, I ask unanimous consent that, when the Senate completes its business today, it stand in adjournment until 12 o'clock noon on Tuesday next.

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

THE PRESIDENT'S FOREIGN AID PROPOSALS

Mr. COOPER. Mr. President, I wish to comment on the President's message on foreign aid.

Our foreign aid program must be founded, first, on the interests of the United States—upon what it contributes to our security and freedom, and the security and freedom of other free countries. It embraces also our concern that developing countries will be strengthened in their independence and will be enabled to raise the living standards of their people.

I believe that the decisions and recommendations of the President in his message on foreign aid were based on these premises, and could go far in removing some of the defects of our foreign aid program—defects which have brought it to the verge of rejection.

Among his important recommendations is the President's emphasis on aid to Latin America. The security of the Western Hemisphere is essential, and the Alliance for Progress expresses our tradition of friendship for our neighbors, and our shared concern in the living standards of their people.

The President's recommendation that greater emphasis be placed on multilateral aid through the World Bank, the International Development Association, and the Inter-American Bank—to all of which we contribute—reflects the growing recognition that these professional organizations can make better judgments on the value of specific projects, and more effectively require self-help and reform on the part of recipient countries, than can our Agency for International Development.

I also hope that AID will carry out his recommendations that emphasis be placed on the development of agriculture, rather than industrial development, in many of the countries which seek our aid. For food is the first requirement

of any country in raising the living standards of its people.

Even with the important improvements that the President has recommended, I hope very much that the President will take other steps to assure that our aid program is being used effectively. For, if it is not effective, it is my belief that this program will die.

Two years ago, a committee headed by Gen. Lucius Clay made an examination of the foreign aid program in its totality, and made many valuable recommendations. But I do not believe that the effectiveness of the program can be assured until a further step is taken. That necessary step is a searching examination of the program in specific countries, by committees composed of experienced private citizens and members of the AID organization.

I recognize that such examinations could not be accomplished quickly, but they could be started with respect to the 12 or 15 countries which receive the major part of our aid, and in others where there are specific problems which I shall discuss.

Two years ago, Congress adopted an amendment which I offered to the Foreign Aid Act, recommending that these specific examinations be undertaken. The President noted his interest in this recommendation in his message to Congress last year. I have no doubt that it will be implemented.

I make one further suggestion. It is that the President shall not make available to other countries any further aid, except to fulfill commitments and for humanitarian purposes, until an assessment of the effectiveness of our aid program be made in a number of countries receiving the major part of our foreign aid. This would give an opportunity, also, to withhold aid from those countries which are using their resources, supplemented by our foreign aid, to provide weapons and supplies to others for aggressive purposes, and from those countries which condone the destruction of our property, or its seizure without provision for payment.

To withhold aid for a time, and I mean a considerable time, until this assessment is made, would not, as some countries claim, be an interference in their internal affairs, or the offer of aid "with strings." It is our program, and the resources of our people that are extended.

We have the right to insist that our aid be used properly, and that the United States be treated with respect. Withholding aid to all countries for a time, until we know that it is being used effectively, would let all countries know that our aid program, established for good purposes, is our program, and not theirs; that it is not fair to our people who must pay the bill, or to their people whose welfare is its object, unless it is used effectively; and as a nation which has shown restraint and decency in its international relations, that we have the right to expect the same treatment and respect.

I have always believed that a President, at the beginning of his administration, has the great opportunity to break away from old molds and establish policies that will be more effective and will assert the dignity as well as the good purposes of our policy. I shall never forget the statement made to me years ago by the former Premier of Italy, Mr. DeGasperi, who, in speaking of our foreign aid program, said:

> No other country in all the history of the world could do, or would do, what the United States is doing.

I have confidence that the President is moving to make our foreign aid program effective and consonant with its purposes and with the dignity of the United States.

I repeat my chief recommendation: that, with the exception of commitments which we have made, and for humanitarian purposes, we should not extend any further aid to any country until an assessment is made of the effectiveness of the program in the countries which are receiving the major part of this aid, and in those countries which are condoning the destruction of our property, and which will not adhere to the international standards of conduct and decency to which our country adheres.

I thank the Senator from South Dakota [Mr. McGOVERN] for his courtesy in yielding to me.

The PRESIDING OFFICER (Mr. BURDICK in the chair). The Senator from South Dakota is recognized.

THE SITUATION IN VIETNAM

Mr. McGOVERN. Mr. President, I want to take a hardheaded, realistic look at the situation in South Vietnam. It is somewhat puzzling to me that the terms "hard line" and "soft line" seem to be reversed when we get over to the other side of the world. Those who discount the present and offer only hopes for the future are considered "hard" whereas those who look at the actual situation and point to the present map of Communist-controlled areas of Vietnam are accused of following a "soft line."

So far as I am concerned, it is both hard—in the sense of being difficult—and hardheaded—in the sense of being realistic—to admit honestly to ourselves what the facts are in Vietnam.

We are not winning in South Vietnam. We are backing a Government there that is incapable either of winning a military struggle or governing its people. We are fighting a determined army of guerrillas that seems to enjoy the cooperation of the countryside and that grows stronger in the face of foreign intervention, whether it be from the Japanese, some 20 years ago, the French, in the 1940's and 1950's, or from the United States.

In this circumstance, expanding the American military involvement is an act of folly designed in the end to create simply a larger, more inglorious debacle.

For nearly a quarter of a century, southeast Asia has been torn by military and political conflict. First was the Japanese invasion of World War II. Then came nearly a decade of struggle with the French, culminating in the collapse of the French Army at Dienbienphu in 1954.

The French lost the cream of their army—a force which reached 400,000 men—in an unsuccessful effort to reestablish French control over Indochina. U.S. aid to the tune of $2 billion financed 80 percent of the French war effort.

Then came the gradually deepening American involvement in southeast Asia in the 10 years after 1954 following defeat of the French.

American expenditures in Vietnam in addition to $2 billion in aid to the French, now approach $4 billion and, according to Defense Department figures, 248, and perhaps a total of over 300 Americans have died since 1964 trying to counsel and assist the Vietnamese forces.

It should be recognized, in the interest of truth, that, unlike the Japanese, who came to conquer southeast Asia, and the French, who set out to reestablish colonial control, we seek neither conquest nor colonies.

Yet we are further away from victory over the guerrilla forces in Vietnam today than we were a decade ago. The recent confrontation of the Vietcong Communist guerrillas and the South Vietnamese Army at Bhin Gia was a painful, dramatic demonstration that the struggle is going badly for our side. Government prestige was hurt seriously in that battle. Communist stock has gone up. Concerned Americans are asking, "What has gone wrong?" and it seems a fair question.

In my judgment, the first answer is that South Vietnam is not basically a military problem but a political one. Neither the Diem regime nor its successors has won the political loyalty and active support of the people of South Vietnam, especially those who live outside town and city limits.

There are rarely military answers to political dilemmas of this nature. Just as the multilateral force plan in Europe—a military gimmick designed to create closer political unity in nuclear policy—has not achieved its objective—in the last few days the Turks have announced their withdrawal from participation in any such scheme—so military proposals in South Vietnam, whether for special forces, strategic hamlets, insurgency programs, or more suitably designed airplanes are not likely to overcome the political weaknesses of the existing South Vietnamese Government. Even the sophisticated weapons of the nuclear age cannot overrule the basic precepts of successful government.

This is a political problem, and it is a South Vietnamese problem. The United States can accomplish much through foreign aid and military support, but we cannot create strong, effective, and popular national leadership where that leadership either does not exist or does not exert itself. That is not only expensive and impractical, it is just plain impossible.

For 9 years the United States helped the Diem government, to the tune of $3 billion.

I will not chronicle in detail the years of Diem's rule, the achievement of some measure of economic stability, but the increasing political disaffection. That disaffection was encouraged, of course, by

North Vietnam but basically Diem's own arbitrary rule made possible Vietcong gains. The very fact that Vietcong strength was and still is greatest in the Mekong Delta and around Saigon—more than a thousand miles away from North Vietnam—indicates that there is basic popular support for the guerrillas among the South Vietnamese peasants.

It is not isolationism, either of the old variety or the new, to recognize that U.S. advisers, however able, are simply no substitute for a competent and popular indigenous government. It is not idealism either; it is simply realism.

Only the Vietnamese themselves can provide the leaders and the sustained support to defeat the Vietcong. The United States can at most only hold a finger in the dike until the South Vietnamese find themselves.

Therefore, even at this 11th hour, when there is mounting pressure to increase U.S. troops in South Vietnam and step up aid policies, we must be hardheaded realists.

Americans in Asia are basically aliens, of a different race, religion, and culture. Moreover, the Vietnamese are nationalistic and race-conscious in their outlook. As one on-the-scene observer pointed out, "If you imagine a Chinese sheriff speaking Cantonese and trying to keep order in Tombstone, Ariz., in its heyday, you will begin to get the problem."

More Americans, over and above the 25,000 now in South Vietnam, would not mean more success because victory in the Vietnam countryside depends on accurate intelligence information, peasant support and quick action by Vietnamese troops. These factors cannot be controlled by Americans. They must depend on the South Vietnamese. We must recognize that fact.

I recently spent a long and interesting evening with an astute observer of the Vietnam struggle who argued that victory is possible with a proper military formula. American military advisers in South Vietnam, he said, are highly able men who know how to win a guerrilla war. They have tried without success to persuade the South Vietnamese army to engage in night patrols against the Vietcong. They have urged small, fast moving units to attack the enemy directly with small arms rather than relying so heavy on artillery, airpower, and large, cumbersome forces. But, said my friend, the South Vietnamese leaders and military forces will not accept this formula for victory.

Granted that my friend's analysis may be correct, this is still basically a political problem. If we are unable to persuade the Vietnamese to take either the military or nonmilitary steps necessary to insure the defeat of the Vietcong, we are indeed confronted by a dilemma that will not respond to larger imports of arms and advisers.

The more Americans are brought in to do what should be the responsibility of the Vietnamese Government, the greater one can predict, will be the tendency of the Government to rely on U.S. advisers rather than on able Vietnamese, the greater will be the prestige of the Vietcong and North Vietnamese for holding at bay not merely their own countrymen but also the gathered might of the United States and, finally, the greater will be the grassroots reaction against Americans. In theory, our Government has recognized that the South Vietnamese bear primary responsibility for the war and civilian policies. In practice, Americans have assumed roles of increasing influence and leadership with slight military gains but disturbing deterioration on the local political level.

Personally, I am very much opposed to the policy, now gaining support in Washington, of extending the war to the North. I am disturbed by the recent reports of American air strikes in Laos and North Vietnam.

Attacks on North Vietnam will not seriously weaken guerrilla fighters a thousand miles away, fighters who depend for 80 percent of their weapons on captured U.S. equipment and for food on a sympathetic local peasantry. The principal foe is not the limited industrial capacity of North Vietnam, nor the North Vietnamese who have remained at home, and have not become involved in the conflict in the south, nor even their training camps and trails. The target is the 30,000 individual guerrilla fighters from North and South who have no trouble, apparently, finding sanctuary within South Vietnam or the neighboring states of Laos and Cambodia. Bombing North Vietnam is not calculated to reduce their determination, but undoubtedly it would antagonize many other Asians and could easily lead to increased Red Chinese involvement in the whole Indochinese peninsula.

We might easily be confronted by the large and well-trained forces of North Vietnam, and perhaps the legions of Red China that took such a heavy toll of lives in the Korean conflict.

The present strength of the North Vietnamese army, an army that is thus far not involved in the conflict in the south, is twice that of the Japanese forces which overran all of southeast Asia during World War II. These are tough, disciplined fighters—tough divisions which defeated the large veteran French army at Dienbienphu over 10 years ago.

So, Mr. President, it seems to me that the most practical way, if we are to take further action in Vietnam, is to put pressure on North Vietnam quietly through infiltration and subversion by South Vietnamese units. The aim of any such infiltration should not be military victory, but bringing Ho Chi Minh to the negotiating table.

The most viable and practical policy for the United States in Vietnam is negotiation and a political settlement. Until such time as negotiation is possible and settlement can be devised which will not surrender South Vietnam to communism, the United States would doubtless not find it feasible or desirable to withdraw. If necessary, we can maintain our military position in Vietnam indefinitely, since it is essentially a policy of holding the cities while taking whatever attrition is possible of the guerrillas in the countryside. But the aim of that policy must be seen as a prelude to diplomatic settlement and not an occasion for war against North Vietnam, or even worse, against Red China, with all the dangers that holds for our own security and for the peace of the world.

There are many ways to approach such a diplomatic settlement. Last August, during the Bay of Tonkin crisis, I suggested that we might take up French President de Gaulle's proposal for a 14-nation conference, including the United States, the Soviet Union, Britain, France, China, Malaya, Thailand, Laos, Cambodia, Burma, Canada, Poland, India, and North and South Vietnam. More recently, the noted columnist, Walter Lippmann, raised the possibility of a Congress of Asia, dealing not only with Vietnam, but also with other problems relating to the stability and progress of Asia. The groundwork for any such gathering would have to be carefully laid, of course. Therefore, for the present, it would seem that the first step should probably be informal approaches to the interested nations and preliminary private talks. It is my understanding that it was in some such fashion that the conference of 1954 was created.

What are the objectives or terms on which we might be willing to put an end to fighting in South Vietnam? If military victory is impossible—and I am not talking about the stalemate in which we are presently involved, that we could probably continue for some time to come—but if a clear-cut military victory is impossible, we can only settle on the kind of terms that would be generally acceptable to ourselves to North Vietnam, and to other countries which have an interest in this area. We cannot simply walk out and permit the Vietcong to march into Saigon.

The minimum terms which might be acceptable on both sides would probably include:

First. Closer association or confederation between North and South Vietnam, not under a unitary Communist government from the North, but with local autonomy for the South as well as the North.

Second. Renewed trade and rail links between North and South Vietnam, which admittedly would be most useful to the North where there is a pressing need for the food grown in South Vietnam.

Third. Cooperative planning to benefit North and South Vietnam from the Mekong River development. For the South, it would mean primarily flood control. For the North, now outside of this promising Mekong watershed, it could mean valuable hydroelectric power for the industrial sector of the North.

Fourth. Neutralization of North and South Vietnam, meaning specifically guarantees that foreign troops and military advisers would gradually be eliminated as the situation permits.

Although this is a key point, it would not by any means eliminate all U.S. military forces from Asia nor would it bar AID and other civilian advisers. At the same time it would represent some protection to North Vietnam from the North as well as the South, which should be attractive to them.

Fifth. Establishment of a United Nations presence or unit in southeast Asia

with the right to enter every country in the area to guarantee national borders, to offer protection against external aggression, and insofar as possible to insure fair treatment of tribal and other minority groups within the boundaries of a given state.

Would such terms be acceptable to North Vietnam? Why, someone might ask, should Ho Chi Minh settle for even half a loaf if he sees the prospect for ultimate victory or thinks the United States might soon be ready to pull out, if he resists any efforts at all toward a negotiated settlement?

Actually, North Vietnam cannot benefit, any more than South Vietnam, from a prolonged conflict. I would hope that we would be prepared to wage such a conflict rather than to surrender the area to communism. The North has much to fear from any spread of the war, even subversion or infiltration. The North Vietnamese know very well what happened to the people and resources of North Korea during that war. Even though the fighting was not on their territory, neither was the subsequent U.S. assistance which helped rebuild the war torn areas in the South. The economic burden was devastating both in North Korea and in North Vietnam.

Moreover, although Ho Chi Minh of North Vietnam is closely allied to Red China in what probably amounts to a marriage of convenience, the Vietnamese have for centuries regarded the Chinese with suspicion and even outright hostility and strong resistance.

Obviously, Peiping's desire to exert control over Indochina runs directly contrary to all Vietnamese ambitions.

Escalation of the war by the United States, on the other hand, would make North Vietnam increasingly dependent on Red China and would strengthen, not Ho Chi Minh's influence, but, rather, would strengthen the influence of Mao Tse-tung in southeast Asia.

In fact, apart from Red China, no nation, North Vietnam included, has anything to gain from a long drawn out and inconclusive, struggle in Vietnam. Only Red China gains from continuing the present confusion and weakness in Vietnam. Only Red China gains, in time and resources, so that it will be better able at some future time to exert its influence in southeast Asia.

France, for example, with considerable property and economic investment in North Vietnam, is eager for peace, putting economic stability ahead of almost any political consideration.

Great Britain, with a conflict looming between Malaysia and Indonesia, has never really endorsed U.S. policies in South Vietnam.

Even the Soviet Union can be expected to give quiet support to policies designed to prevent expansion of fighting and to reduce Peiping's influence in southeast Asia. New links, both economic and diplomatic, between Moscow and Hanoi in North Vietnam are now being forged. Moscow's influence could well be thrown, as it was in 1954, at the time the French left Vietnam, toward a negotiated settlement in southeast Asia.

The United States certainly is not anxious for broader commitments on the Asian mainland, but the key element in U.S. thinking is whether such a settlement would pave the way for Communist takeover in South Vietnam or elsewhere.

To that question, I recognize, there can be no simple answer, for the answer would depend on the abilities of the South Vietnamese to form a government with popular support and with the ability to cooperate in some fields with the North Vietnamese without losing their own independence.

To be realistic, any settlement in the foreseeable future will have to replace the present hostility between the North and the South, with greater economic cooperation and more political acceptance.

The policies and directions that Vietnam takes will depend on the character of the leadership from Saigon as well as Hanoi. The United States can help that leadership in a number of ways, but in this nationalistic day and age, the United States cannot offer American leadership or American soldiers as a substitute for popular and effective government from Saigon.

THE MESS IN VIETNAM WORSENS STEADILY—IT IS HIGH TIME THAT WE WAGED PEACE

Mr. GRUENING. Mr. President, since I first spoke in this Chamber on March 10, 1964, analyzing in detail the U.S. position in South Vietnam, the situation there and our position there has steadily deteriorated.

I said at that time, as I said repeatedly since that time and as I repeat now, the United States should take the most honorable route and employ the most effective means from the standpoint of U.S. prestige to disengage ourselves from our unilateral military foray in South Vietnam and withdraw our so-called advisory but actually combat troops there. But, in any event, get out we should and must, and stop both our killing and the killing of our American boys.

In my speech on March 10, 1964—10 months ago almost to the day—I pointed out:

> President Johnson, let me repeat, inherited this mess. It was not of his making. As he approaches the difficult task of making the necessarily hard decisions with respect to the problems in South Vietnam, problems created long before he was President, he should feel no compunction to act in such a way as to justify past actions, past decisions and past mistakes. He should feel entirely free to act in such a manner and to make such decisions as are calculated best to serve the interests of the United States and the free world—a world changed greatly from the time President Eisenhower and Secretary Dulles initiated our southeast Asia policies.

From March 10, 1964, until the close of the 2d session of the 88th Congress, I repeated my admonitions on the floor of the Senate with respect to our steadily deteriorating legal, military, and moral position in South Vietnam.

I pointed out that we were "going it alone" there with our SEATO allies conspicuous by their absence. I pointed out repeatedly that Australia, France, New Zealand, Pakistan, the Republic of the Philippines, Thailand, and the United Kingdom had no fighting forces in South Vietnam—as we had—as thinly disguised "advisers." I emphasized the fact that many of our growing number of so-called advisers were right in the thick of battle fighting and being wounded and being killed in unfortunately growing numbers.

I have stated repeatedly that the legal position of the United States supporting our being in South Vietnam lacked substance and foundation. Our claim has been that we are in South Vietnam at the behest of the legally constituted Government of South Vietnam, irrespective of the fact that that Government has owed its continued existence on U.S. support and despite the fact that we have been actively taking sides in what is in reality a civil war. Of course, events of the last few weeks raise serious doubts as to whether we are actually in South Vietnam with our arms and military equipment at the invitation of the duly constituted Government of South Vietnam since we cannot tell, from day to day and from hour to hour who or what is the duly constituted legal Government of South Vietnam. As a matter of fact we now seem to be engaged in heated discussions controverting the claims of highly placed Vietnamese as to what constitutes their legal government. In fact we seem unable to get along with the various governments that we help install despite lavish aid and blandishments.

I have repeatedly referred to our obligations under the Charter of the United Nations to bring the South Vietnamese situation to the attention of that body. Thus I stated:

> There are ways to a peaceful solution in Vietnam and in all southeast Asia if we would but pursue them.

Last fall, when there was before this body a broad, blank check resolution on the crisis in southeast Asia, I voted against that resolution, explaining my position, in part, in the following words:

> By long established practice, the Executive conducts the Nation's foreign policy. But the Congress and particularly, by constitutional mandate, the Senate has a right and duty in these premises to "advise and consent." Especially is this true when it is specifically called upon by the Executive as is the case now, for its participation in momentous decisions of foreign policy. Therefore we in the Senate would be derelict in our duty if we did not individually express our views if those views embody doubt or dissent, and where a vote is called for, to cast that vote as our conscience directs.
>
> As early as March 10, nearly 5 months ago, I took the floor and in an address of considerable length urged that the United States get out of South Vietnam, at least to the extent of participation by our soldiery. Since that time, I have discussed U.S. participation in this area of the world repeatedly. I have stated and restated my view that this was not our war; that we were wholly misguided in picking up the burden abandoned by France 10 years ago after the French had suffered staggering losses running into tens of thousands of French young lives and vast sums of money to which the United States contributed heavily, and thereupon entering upon a policy which would be bound to result, as it has resulted, in the sacrificing of the lives of our young Americans in an area, and in a cause that in my reasoned

judgment poses no threat to our national security.

Mr. President, since the Congress approved the southeast Asia resolution, the situation in South Vietnam has gone not only from bad to worse, but from worse to still worse.

In an excellent summary of the present "Shameful Mess" in South Vietnam, Richard Starnes, writing in the Washington Daily News on January 4, 1965, states:

There are, sadly, times when such terrible risks must be taken. The Cuban missile crisis was one such time, for it threatened the very existence of the American Nation.

No such threat exists in South Vietnam. The fact that the Vietcong are Communists does not make the war any less a civil war. Talk that we are fighting to keep a foothold on the Asian mainland makes no more sense than the Soviet gibberish that it was installing defensive missiles in Cuba. It is equally indefensible.

American interests in the Western Pacific can be handsomely garrisoned from Okinawa, the Philippines, and South Korea. There is no more military rationale for risking war over South Vietnam than there is moral or legal justification.

President Johnson needs to remind himself of Clemenceau's dictum that war is too important a concern to be left in the hands of generals, and he needs to find the courage and statecraft to extricate us from the shameful mess we are in in southeast Asia.

I ask unanimous consent that the entire article by Mr. Starnes be printed at the conclusion of my remarks.

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

(See exhibit 1.)

Mr. GRUENING. Mr. President, our strained situation in South Vietnam causes us to assume a strained posture with respect to our allies and to make requests of them which are not to their advantage and which will ultimately prove to be to our disadvantage.

Those able political observers and commentators, Robert S. Allen and Paul Scott, writing in the Anchorage Daily Times on January 2, 1965, report:

At least five Latin American countries are being strongly urged by the United States to send token military or economic units to strife-lacerated South Vietnam.

The article goes on to name the countries being strongly urged by the United States to send military or economic aid to South Vietnam as Brazil, Chile, Colombia, Peru, and Venezuela.

That list is obviously incomplete, since earlier this week I read where Uruguay was sending a token force to South Vietnam, so obviously that country had also been strongly urged by the United States to show the flag in South Vietnam.

Yesterday's Washington News carried a report that Argentina, at the request of the United States has agreed to send a medical team, medicine, sanitary equipment, and food to South Vietnam. It should be noted that the report specifically states that this contribution was made at the request of the Government of the United States not the Government of South Vietnam, whatever that may be.

I ask unanimous consent that the entire column by Allen and Scott be printed at the conclusion of my remarks, since what they report is highly significant.

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

(See exhibit 2.)

Mr. GRUENING. Mr. President, in the first place it should be noted that they report that it was the Government of the United States and not the Government of South Vietnam that was "strongly urging" our Latin American neighbors to send the flag to South Vietnam. It is difficult to understand the legal right which the United States professes to exercise in extending an invitation to the Latin American countries to join us in the fighting in South Vietnam. Even the fact that the U.S. representatives in South Vietnam could not determine which was the legally constituted Government in South Vietnam when it was determined to approach the Latin American countries does not clothe us with any legal right to extend such an invitation, unless we are publicly proclaiming that the United States is in fact the Government of South Vietnam.

We should at least have kept up the pretense and made certain that the invitation to the Latin American countries to participate in the civil war in South Vietnam was issued in the name of the Government of South Vietnam.

In the second place, the pressures exerted by the United States on our partners in the Alliance for Progress will seriously retard the Alliance and will cast doubt upon its very objectives.

Our neighbors to the south need to devote all their energies and resources to their economic development. They have a long way to go in correcting the social and economic inequalities with which they are beset. Our efforts should be devoted to convincing them that they should begrudge every single dollar spent in their military budgets since such expenditures are economically unproductive. We should not be encouraging them to spend additional funds in the empty gesture of "showing the flag" in a war not of their concern waged thousands of miles away. Such activities are counterproductive even if the United States offers to pay the cost of such a "token" show of force. The money could better be spent on the construction of a new school or a new clinic, both of which are sorely needed in every country.

There is much which we must expect our partners in the Alliance for Progress to do to aid in their economic development. We cannot and should not add to the burden of the obligations which they must assume by calling upon them, in however small a way, to engage in extraneous and unnecessary military activities.

In his state of the Union message, President Johnson pledged that he would "steadily enlarge our commitment to the Alliance for Progress as the instrument of our war against poverty and injustice in the hemisphere." It is difficult for me to see how embroiling our partners under the Alliance can in any way further our commitment to help them wage war against "poverty and injustice in the hemisphere."

But, Mr. President, we are dealing in South Vietnam with more than U.S. dollars and U.S. military equipment. The war in Vietnam is costing the United States dearly in killed and wounded American military men, for, despite whatever labels may be attached to them, they are in the frontlines fighting the Vietcong.

According to an Associated Press dispatch from Saigon appearing in the January 6, 1965, Washington Star:

The United States suffered nearly twice as many battle casualties in South Vietnam in 1964 as in the 3 previous years combined, official sources announced today.

I ask unanimous consent that the entire item as it appeared in the paper be printed at the conclusion of my remarks.

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

(See exhibit 3.)

Mr. GRUENING. Mr. President, translated into concrete figures, in the 3-year period from 1961 through 1963, 107 American servicemen were killed in the war in South Vietnam. In the last year alone, more men were killed—136—than in the previous 3 years. The ratio for men injured last year was even worse. In the 3 previous years, 615 men were injured. Last year, 1,037 American fighting men were injured.

It is extremely unfortunate when a single American military man is killed in the steamy jungles of South Vietnam fighting in a civil war for a people most reluctant to fight in a cause which cannot be settled by arms, but can only be settled politically, and cannot in any event be settled by the United States acting unilaterally.

But to suffer almost 1,800 casualties there is a national disgrace.

Even worse, the killings and the woundings continue almost daily. To what end?

Consider the lives that would have been saved and the number of men who could have been saved from battle wounds if the advice I have given over the past several months had been heeded and the South Vietnam mess had been taken to the conference table.

In his state of the Union message, President Johnson—explaining why we are fighting South Vietnam—stated:

We are there, first, because a friendly nation has asked us for help against Communist aggression. Ten years ago we pledged our help. Three Presidents have supported that pledge. We will not break it.

I will not at this point discuss this interpretation of the pledge given 10 years ago or the implications of our being put in a position of agreeing to fight communism at the time and on the battlefield of their choosing anywhere in the world.

I will say that there is nothing inconsistent with this pledge—even as interpreted by President Johnson—and the course of action I have strongly advocated of taking the conflict in South Vietnam to the conference table. Even if our pledge of assistance to South Vietnam is interpreted as meaning that we agreed to send our fighting men to die in South Vietnam, even if we overlook the

fact that the conflict is a civil war, nevertheless our pledge cannot and must not be interpreted as meaning that we agreed to continue a futile military effort until the United States had conquered South Vietnam and the last Vietcong had been wiped out.

We can keep our pledge to South Vietnam by seeking to bring peace to that beleaguered country via the conference route as well as by force of arms. This we should do without delay. I can well see the U.S. military forces taking part in peacekeeping efforts in South Vietnam under the aegis of the United Nations. That is the only way American men and American arms should be used there.

Since I first spoke out on this issue, my mail has been exceedingly heavy on this subject. The astonishing thing is that this heavy mail is running well over 100 to 1 in favor of my stand. The mail has come from all over the United States and from people in all walks of life.

I ask unanimous consent that a sampling of these letters be printed at the conclusion of my remarks, together with certain selected articles and editorials from various newspapers and periodicals.

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

(See exhibit 4.)

Mr. GRUENING. Mr. President, earlier in my remarks, I quoted from an article by Richard Starnes, entitled "Shameful Mess," but I did not quote the first four paragraphs which now have assumed a new pertinence which they did not have when the article was printed 10 days ago.

The four paragraphs read:

The pretense of legality cloaking American intervention in southeast Asia grows more threadbare with every passing hour.

U.S. aircraft are preparing to launch strikes against parts of the miscalled Ho Chi Minh Trail that cross Laos, in clear violation of the Geneva accord of 1962, which we signed.

The 1962 pact, which undertook to neutralize Laos, prohibits introduction of foreign regular and irregular troops, foreign paramilitary formations, and foreign military personnel into Laos.

Our excuse for this calculated violation of a solemn covenant is that North Vietnam violated it first. Even if this is true, it reveals a corrosive cynicism on the part of the one nation on earth that has always preached the rule of law in international affairs.

Mr. President, the disastrous consequences of the escalation of the war, which is only now revealed to the American people because of the loss of our jet planes, as well as its futility, is further discussed in another article by Richard Starnes in the Washington News of January 15, entitled "Raising the Ante." I ask unanimous consent that it be inserted in the RECORD at this point.

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

RAISING THE ANTE

(By Richard Starnes)

Whatever else may be said about the U.S. twilight war in Laos, it needs to be pointed out that it has conspicuously failed to fulfill its announced mission.

Bombing of Communist supply trails and depots in Laos was proposed (proposed after it was already underway, as it turns out) as a means of stifling the flow of arms to the Vietcong. This in turn was to reduce their ability to fight, and thus make them receptive to some species of negotiated settlement.

It has been revealed now that raids against Vietcong supply lines have been in progress since June. There has been no diminution of the Communist guerilla war potential during that time. Indeed, even the eternally optimistic Pentagon line has been modified to admit now what every honest correspondent has known for 2 years—that the war is going very bady indeed for our side.

As a consequence it is not even possible to argue that this extension of war in southeast Asia has the virtue of success. Raids in Laos apparently have been on a small scale, but experience in Korea taught that even large-scale air bombardment did not significantly reduct the enemy's ability to supply his troops.

This was understood, of course, before the first sortie was flown. Why, then, take the risks inherent in extending the war? And why further mortgage American prestige by an act that is clearly in violation of the 1962 Geneva accord on the neutralization of Laos, which the United States and 13 other nations signed? The agreement spells out a clear prohibition against warlike acts based in or carried out against Laos, and we are in clear violation of it.

The argument cannot be advanced that we have had to meet new aggression; the Laos supply routes were in use in 1962, when we signed, just as they are now. The only thing that has changed is the United States willingness to honor a solemn covenant.

The reason for this extraordinary—and extraordinarily dangerous—move is not hard to find. It is a manifestation of the growing mood of frustration in the Nation's $50 billion a year Defense Establishment. We cannot endure the knowledge that our costly war machine may be defeated by barefooted irregulars. We will, in the phase currently favor in the Pentagon, raise the ante. Make it tough and expensive enough, this reasoning goes, and the enemy will quit.

Unfortunately for our side, the lessons of history do not support this rationale any more than they support the efficacy of aerial interdiction of supply. We made it expensive in Korea, and the enemy saw our raise. It appears that half a year of raising the ante in Laos has had the same effect, since it has been half a year of almost unbroken Vietcong successes.

The trouble with raising the ante, to continue the poker analogy, is that the game stands in serious danger of turning into table stakes—that is, the players bet everything they can lay hand to. What is our response to be 6 months hence when it becomes clear that we have been called and we will have raise again or get out of the game?

Mr. GRUENING. Mr. President, I hope that President Johnson and his advisers will read these paragraphs, take them to heart and move, instead of in the direction of escalating or even maintaining the war, in the direction of all-out effort to promote peace by negotiating. Why not enlist the United Nations?

We have not yet made that effort. We have not tried to take the matter to the conference table. We have not used the provisions in the United Nations Charter which spell out clearly half a dozen methods which are the legal and moral obligation of the signatories of that charter. It is high time that we use them and stop the killing of Vietnamese men, women, and children and of American boys.

EXHIBIT 1

[From the Washington Daily News, Jan. 4, 1965]

SHAMEFUL MESS

(By Richard Starnes)

The pretense of legality cloaking American intervention in southeast Asia grows more threadbare with every passing hour.

U.S. aircraft are preparing to launch strikes against parts of the miscalled Ho Chi Minh Trail that cross Laos, in clear violation of the Geneva accord of 1962, which we signed.

The 1962 pact, which undertook to neutralize Laos, prohibits introduction of foreign regular and irregular troops, foreign paramilitary formations, and foreign military personnel into Laos.

Our excuse for this calculated violation of a solemn covenant is that North Vietnam violated it first. Even if this is true, it reveals a corrosive cynicism on the part of the one nation on earth that has always preached the rule of law in international affairs.

Leaving for the moment the moral and legal character of our resolve to enlarge the war, we find that the more practical aspects of the decision are no more durable. The theory (which even our most ardent war hawks cannot really believe) is that bombing the Ho Chi Minh Trail will somehow persuade North Vietnam and Communist China to withdraw support from the Vietcong insurgency that is winning South Vietnam.

There are three tragically dangerous fallacies involved here—fallacies that could cost a great many young American lives.

Fallacy No. 1: That any amount of bombing (short of laying a massive radioactive carpet across the waist of the peninsula) would be effective. Korea proved that no amount of conventional bombing could diminish the enemy's ability to supply his troops. There is, moreover, not one shred of credible evidence that the bulk of munitions used by the Vietcong originate in the north. At the outset, the Vietcong used crude homemade weapons, but the bulk of their arms now are captured or otherwise acquired from the woefully inept defenders of South Vietnam.

Fallacy No. 2: On no evidence at all, the proponents of escalation insist that this demonstration of Western armed power would create an atmosphere in which negotiations for peace could be undertaken from a position of strength. This reasoning simply won't float, for it assumes that North Vietnam and Red China would be willing to do what we ourselves are so unwilling to do—that is, negotiate from a position of weakness.

Underlying all else is fallacy No. 3: That the insurgency in South Vietnam is primarily an external war of aggression. Again, there is no real evidence of this. The war is nurtured and encouraged by North Vietnam, to be sure, but there is no assurance that Hanoi could stop the war even if it so willed.

In Korea we hypnotized ourselves into believing that Communist China would not enter the war. We are now in the process of repeating this catastrophic piece of self-deception. On past performance, Red China is calculated to respond in kind if the United States falls into the trap of stepping up the war in southeast Asia. It is a mistake to assume that this would simply result in another Korea. It would result in something infinitely worse, for we are now dealing with a Communist China that has the bomb.

Thus the smallest increment in the war contains the frightful seeds of nuclear holocaust.

There are, sadly, times when such terrible risks must be taken. The Cuban missile crisis was one such time, for it threatened the very existence of the American Nation.

No such threat exists in South Vietnam. The fact that the Vietcong are Communists

does not make the war any less a civil war. Talk that we are fighting to keep a foothold on the Asian mainland makes no more sense than the Soviet gibberish that it was installing defensive missiles in Cuba. It is equally indefensible.

American interests in the western Pacific can be handsomely garrisoned from Okinawa, the Philippines, and South Korea. There is no more military rationale for risking war over South Vietnam than there is moral or legal justification.

President Johnson needs to remind himself of Clemenceau's dictum that war is too important a concern to be left in the hands of generals, and he needs to find the courage and statecraft to extricate us from the shameful mess we are in in southeast Asia.

EXHIBIT 2

[From the Anchorage Daily Times, Jan. 2, 1965]

SOUTH VIETNAM PUZZLE

(By Robert S. Allen and Paul Scott)

WASHINGTON.—At least five Latin American countries are being strongly urged by the United States to send token military or economic units to strife-lacerated South Vietnam.

They are Brazil, Chile, Colombia, Peru, and Venezuela.

Other South American nations reputedly are under similar backstage pressure, but this has not yet been positively established.

The five definitely known to be importuned are among the leading beneficiaries of U.S. aid. Latest available official figures show that since 1946 they have received the following huge totals:

Brazil, more than $2.25 billion. This does not include $1 billion in new credits the United States took the lead in arranging last month, with several other NATO countries, to enable the reform regime of President Humberto Branco to combat soaring inflation and other grave economic disorders.

Chile, upwards of $850 million, with new large-scale aid proposals pending.

Colombia, more than $550 million, with additional grants and loans under consideration.

Peru, upwards of $500 million, and like the others seeking more funds.

Venezuela, around $350 million, of which more than $317 million has been in loans and only $18 million in outright grants. Since 1962 this oil-rich nation has received less than $10 million in U.S. aid.

All these countries are markedly cool to getting involved in the increasingly chaotic and unpredictable South Vietnam conflict.

They are displaying distinct reluctance to dispatching even token forces, such as medical or logistic units, or teachers, agricultural experts, and technicians—as the State Department has pointedly "suggested."

Various objections are being raised, foremost among them lack of funds to meet the considerable cost of "showing the flag" in distant southeast Asia.

The United States countered by offering to foot the bill.

Presumably that would include financing transportation, pay, maintenance, and other charges.

These urgent backstage exhortations and proposals are in striking contrast to the administration's cold shouldering of offers from three U.S. Allies in the Far East to send thousands of combat troops to South Vietnam.

South Korea, National China, and the Philippines expressed readiness to send some 50,000 fully equipped and trained fighting men.

In each instance, they were turned down.

The official explanation was that employment of these Asian battle forces would seriously risk escalating the conflict into a major war. Secretary Rusk asked the three allies to dispatch instead noncombat elements, such as medical and logistic units.

All three have complied.

Another baffling South Vietnam enigma is the role of Thrich Tri Quang, leading Buddhist who was given refuge in the U.S. Embassy in the 1963 struggle with the late President Ngo Dinh Diem.

U.S. Intelligence has flatly tagged Quang as an agent of Communist North Vietnam acting on instructions from the Hanoi regime.

Yet Quang is a key adviser of both Maj. Gen. Nguyen Khanh and Buddhist members of the civilian council that was abolished by the so-called young turk generals with Khanh's backing.

Quang also has been consulted by Deputy Ambassador U. Alexis Johnson on establishing a stable government in Saigon.

Early last fall former Ambassador Henry Cabot Lodge visited a number of NATO capitals seeking assistance for South Vietnam. He undertook this mission as the personal emissary of President Johnson.

Lodge's results were virtually nil.

None of the European allies offered any personnel. The only contribution was a small amount of economic aid from the Erhard regime in West Germany.

In the Washington diplomatic corps, one explanation being discussed for the administration's apparent strong desire for Latin American representation in South Vietnam is to broaden the Western base in preparation for shifting this tortuous problem to the United Nations.

Such a move, it is pointed out, could be the prelude to negotiations to neturalize not only South Vietnam, but Laos, Cambodia, and Thailand under "U.N. guarantees."

Secretary Rusk and Under Secretary Averill Harriman reputedly favor such a solution of the whole southeast Asian problem.

Rusk is credited as having discussed this with Foreign Minister Andrei Gromyko in their series of Washington and New York talks last month. Rusk is said to have stressed the administration is willing to agree to coalition governments in these countries in which Communists would participate.

Also to allow Soviet economic missions and advisers to operate in these countries.

EXHIBIT 3

[From the Washington Star, Jan. 6, 1965]

U.S. CASUALTIES IN VIETNAM RISE

SAIGON.—The United States suffered nearly twice as many battle casualties in South Vietnam in 1964 as in the three previous years combined, official sources announced today.

A total of 1,173 U.S. battle casualties were reported for 1964, including 136 killed. The combined figure for 1961, 1962, and 1963 was 615 casualties, including 107 killed.

During the last year, the U.S. Army suffered 1,009 casualties, the Navy 25, the Marine Corps 39 and the Air Force 100.

Fourteen American servicemen were listed as missing in action for 1964.

EXHIBIT 4

CORNELL UNIVERSITY,
Ithaca, N.Y., August 9, 1964.

Senator ERNEST GRUENING,
U.S. Senate,
Washington, D.C.

DEAR SENATOR GRUENING: Please accept my sincere congratulations and my strong support for your vote against the southeast Asia resolution.

I am not at all sure that the interests of our country are best served by our being involved in Vietnam. Your vote, expressing some serious doubts about this entire military enterprise, was extremely heartening. What is it that makes so many of the denizens of Capitol Hill so bellicose? Nowadays I find myself worrying less about the military and more about the military-minded civilians—who rattle their paper sabers with such frightening displays of toughness. I am fully persuaded that it takes a lot more courage not to be "tough" nowadays.

Your vote represented more than your Alaska constituents last week.

Sincerely yours,

ANDREW HACKER,
Associate Professor.

BEVERLY HILLS, CALIF.,
August 11, 1964.

Senator ERNEST GRUENING,
Senate Office Building,
Washington, D.C.

DEAR SENATOR GRUENING: I am writing this letter to you to commend you on your thoughtful and sensible comments on the threatening situation in southeast Asia.

Though extremists may criticize your point of view, time will prove that your recommendations for a peaceful solution are the only course to follow if mankind is to survive.

Sincerely yours,

WALTER BRIEHL, M.D.,
Lieutenant Colonel, Medical Corps, U.S. Army Air Force (Inactive).

BERKELEY, CALIF.,
August 8, 1964.

Senator ERNEST GRUENING, of Alaska,
Senate Office Building,
Washington, D.C.:

Applaud courage and good sense in position against Vietnam resolution.

Mr. and Mrs. WILLIAM PITT,
Department of Mathematics,
University of California.

MINNEAPOLIS, MINN.,
August 8, 1964.

DEAR SENATOR GRUENING: Although I am not one of your constituents, I would like to commend you for your courageous stand in voting against the recent resolution on Vietnam. I am not a pacifist (absolute style, I mean) nor am I a Communist sympathizer. But everything I read (e.g., your fine article in Fact) leads me to conclude that we are acting stupidly and dangerously over there.

Cordially,

PAUL E. MEEHL.

Same to Senator MORSE.

WILLAMINA, OREG.,
November 28, 1964.

DEAR SENATOR GRUENING: We were glad to receive your reply and learn that you received many letters in support of your opposition to our policy in Vietnam.

I do not know when this will reach you or if you will be in a position to act upon it when it does, but in any case I feel I must write. The point is that with Maxwell Taylor in Washington, D.C., and conferences scheduled, it would seem that in all probability important decisions will be made this week concerning our war in Vietnam. If there is anything you can do to influence our turning the whole thing over to the U.N., I am writing to urge you to do so.

Respectfully yours,

FRITZ MISHLER.

TACOMA, WASH.

DEAR SENATOR GRUENING: Keep up the fight on double standard of assistance. I hope the new Congress heeds your advice and cuts most of this foolish foreign aid.

As for the Vietnam war, I'm totally on your side. I think we have no business there at all especially losing American lives. I agree with you completely that the Vietnam affair is an internal affair of that nation. Let the Communist have it, and let us use the funds wasted there to rebuild and develop Alaska, further education throughout the United States, and the other so much more worthy and necessary causes—checking mental retardation, juvenile delinquency, etc.

ANDREW WM. VACHON, S.J.

DULUTH, MINN.

DEAR SIR: I understand you voted against the recent Vietnam resolution. Thank you. I agree that it's not worth our lives and money.

J. STEPHENS.

AUGUST 19, 1964.

Hon. ERNEST GRUENING,
U.S. Senate, Washington, D.C.

DEAR SENATOR GRUENING: I am writing to commend you for your lonely struggle against the horrors and imbecilities of America's current military program in Vietnam. It is indeed a lamentable fact that men in your position must deal with a public opinion that, for the most part, is dreadfully mal-, mis-, and downright un-informed about the events and issues in question. Following its present course, this American military program seems inexorably destined to result in another unfortunate (and eventually highly unpopular) war with China. If that should happen, your present stand will, of course, be vindicated and this same public opinion will (just as monolithically, no doubt) howl for an end to the slaughter. Even if you happen to be "wrong" in regard to Vietnam, and this does not appear to be the case, I salute you for your courage.

Very truly yours,

T. G. POWELL.

BROOKLINE, MASS.

DEAR SENATOR GRUENING: I want to commend you for your good stand for the withdrawal of troops from Vietnam. I have already written to the Senators and Congressmen from my State to use their influence for such withdrawal.

Yours truly,

CELIA BARAP.

SAN DIEGO, CALIF.,
August 12, 1964.

Senator ERNEST GRUENING,
Senate Office Building,
Washington, D.C.

DEAR SENATOR GRUENING: Although your vote against the President's plan for retaliatory action in Vietnam was in a pitiful, and to me strange, minority, you were, in a manner of speaking, voting for me, even though I be a Californian, and I am writing to thank you for that vote, and to assure you that there are many others who are not your constituents who are grateful to you for your stand.

Sincerely yours,

ZIKA HERZ.

ST. MATTHEW'S EPISCOPAL CHURCH,
Louisville, Ky., August 5, 1964.

Hon. ERNEST GRUENING,
Senate Office Building,
Washington, D.C.

DEAR SENATOR GRUENING: I have just read your article in the recent issue of Fact magazine. It is one of the few stories about Vietnam which I have read which makes any sense to me.

Now we are having a flareup on account of attacks on our destroyers. It is inevitable that there should be such crises as this from time to time as long as we are messing around over in South Vietnam.

I am writing Senators COOPER and MORTON today to tell them that I, for one, am in hearty agreement with the thoughts which you expressed.

Gratefully yours,

WILFRED MYLL.

BAYSIDE, N.Y.,
August 8, 1964.

Hon. ERNEST GRUENING,
Senate Office Building,
Washington, D.C.

DEAR SENATOR GRUENING: I read in the New York Times that you were one of the two Senators voting against the joint resolution approving President Johnson's actions in the Vietnam crisis.

While the voice of wisdom is thus reduced to a small whisper, I believe, nevertheless, that it will be heard throughout the land. If, by some miracle, we are spared the dread horrors of universal atomic war, the credit should, in a large measure, go to you and Senator MORSE who have been consistent in counseling moderation.

Geographically, you are thousands of miles away from me and I will never be able to express my thanks for your refusal to be bulldozed into conformity by voting for your reelection. However, I am proud that in the Senate there are, even now in the time of hysteria, two men who think independently and vote according to their conscience. This, I am sure, is a good omen for our future and that of the world.

Respectfully yours,

JOHN STRAUSS.

MOUNT RAINIER, MD.,
August 13, 1964.

Hon. ERNEST GRUENING,
U.S. Senate,
Washington, D.C.

DEAR SENATOR GRUENING: Your courageous vote on the President's declaration concerning Vietnam is appreciated by every American citizen who is concerned with the moral basis of U.S. policy. Your action in this matter is what true patriotism is all about.

Sincerely,

Mrs. MARIE G. ALI.

OAK PARK, ILL.,
August 11, 1964.

Senator GRUENING of Alaska,
Senate Office Building,
Washington, D.C.

DEAR SENATOR GRUENING: I want to thank you and praise you for voting against President Johnson's resolution last Friday.

I have recently visited Taiwan, Malaysia, Thailand, Burma and other spots in the Far East and Middle East and I feel very deeply that we are following a precarious and provocative course in that part of the world. It is tragic that a great Nation such as the United States of America could be so misled as to accept and approve such a resolution with only two dissenting votes. You should be proud to be one of the dissenters. I would like to join you.

May your reward be great as I am sure it will—if not in this life and time, in some future life.

Best wishes for your continued success and your good influence.

Sincerely,

HELEN R. LAUGHLIN.

THE WISCASSET INN,
Wiscasset, Maine, August 9, 1964.

DEAR SENATOR GRUENING: This is a short note to say bravo for your stand against gunboat diplomacy in southeast Asia.

May you win over many to your cause.

Sincerely,

FANNY VENTADOUR.

DENVER, COLO.,
August 11, 1964.

DEAR SENATOR GRUENING: We wish to commend you for voting against supporting the President in the southeast Asia situation. Your forthright stand on important issues is very much appreciated.

We are very much alarmed at the possibility of spreading nuclear weapons and urge you to do all possible to get a full debate in the Senate on a concurrent resolution disapproving the agreement to permit NATO countries to share nuclear information.

Sincerely yours,

Mrs. DOROTHY JACOB.
Mrs. ANN BEATTY.
Mrs. ANNE R. ROBNETT.
Miss SONIA GINSBURG.

NORTH WHITE PLAINS, N.Y.,
May 7, 1964.

Senator ERNEST GRUENING,
Senate Office Building,
Washington, D.C.

DEAR SENATOR GRUENING: I wish to let you know that I support your efforts to find a peaceful solution to the costly and unjust war in Vietnam. I urge you to use your influence to set up procedure for negotiations to enable the termination of U.S. military involvement.

Respectfully yours,

EVELYN MALKIN.

RADBURN, FAIR LAWN, N.J.,
August 7, 1964.

DEAR SENATOR GRUENING: Good for you. That was a brave vote against warmaking power for President Johnson. I hope you keep on fighting against the dirty business in southeast Asia, which can result only in disaster for us. Honest history will vindicate you.

Sincerely yours,

JOHN ACKERSON.

BURLINGTON, VT.,
August 10, 1964.

Senator ERNEST GRUENING,
Senate Office Building,
Washington, D.C.

SIR: This is to express sympathy with your stand on Vietnam and admiration for your courage in opposing endorsement of the President's actions.

With every good wish.

Yours sincerely,

ROWENA P. ANSBACHER,
H. L. ANSBACHER.

PHILADELPHIA, PA.

Hon. ERNEST GRUENING,
U.S. Senate, Washington, D.C.

DEAR SENATOR GRUENING: Please keep up your valiant opposition to further U.S. military involvement in Vietnam.

With gratitude and respect,

LUCY P. CARNER.

LOS ANGLES, CALIF.,
August 8, 1965.

Senator ERNEST GRUENING,
Senate Office Building,
Washington, D.C.

DEAR SENATOR GRUENING: I wish to commend you for your courage in voting against the resolution giving war powers to the President in Vietnam.

I know it was not easy to go against the tide of hysteria on this issue, but I am glad you did, and I am sure that someday the historians will say you were right.

Best wishes.

Sincerely,

DUANE MAGILL.

MARION, IOWA,
August 5, 1964.

Hon. ERNEST GRUENING,
Senate Office Building,
Washington, D.C.

DEAR SENATOR GRUENING: I read your article on Vietnam in the July-August issue of Fact, and so glad you wrote it. Am so afraid this war will continue in the north of Vietnam and on into China. This dirty war could easily get us into nuclear world war III.

Am sorry there is not more debate as to the advisability of continuing this war which was never declared.

Thanking you for the article.

Sincerely,

IRENE G. COONEBES.

PORTLAND, OREG.,
September 24, 1964.

Senator ERNEST GRUENING,
Washington, D.C.

DEAR SENATOR GRUENING: Thank you for your stand on Vietnam, calling for negotiations instead of military force.

Sincerely,

Mrs. MILDRED MONROE.

EMBARRASS, MINN.,
August 8, 1964.

Senator ERNEST GRUENING,
Senate Building,
Washington, D.C.

DEAR SIR: I am glad to see that the gentleman from our newest State expressed reason and a value for human life in the vote on the resolution regarding the President's action in Vietnam.

One voice may no longer matter in affecting the policies of this country, but I wish you to know that I admire your courage, and support your stand.

Sincerely,

KAREN R. KIVELA.

AUGUST 10, 1964.

SENATOR GRUENING: We feel thankful for your stand against American aggression in Vietnam.

MICHAEL LURIE.

CANANDAIGUA, N.Y.,
July 28, 1964.

Hon. SENATOR GRUENING,
Senate Office Building,
Washington, D.C.

DEAR SENATOR GRUENING: We commend the efforts you are making by speaking out aganist the consequences of our U.S. policy in Vietnam. We agree that there can be no winning of this kind of war, and that there are terrible dangers from the possibility of its escalating into something that no one, including the Chinese and the North Vietnamese, would want, but might be forced into. The more weapons we send to Vietnam, the more we are outfitting the guerrillas; they seem to have captured so many of our modern weapons—in fact, seem to get few from other sources in comparison.

If you and others can put pressure on our Government to stop wasting our money in this fashion, and to make a big, sincere effort to influence other countries in finding some way to work toward neutralizing the area, we will find our prestige in the eyes of the underdeveloped countries but also Russia, France and others will be increased. And the South Vietnamese people will fight harder with us if they know there is a goal—a possibility of peace—before they are annihilated or decide to join the Communists.

Yours very sincerely,

Mrs. WALTER GRUEN.

LANESBORO, MASS.,
August 8, 1964.

Hon. ERNEST GRUENING,
Senate Office Building,
Washington, D.C.

DEAR SENATOR GRUENING: Your forthright stand against the extension of the U.S. military involvement in southeast Asia has been repeatedly noted and appreciated in the last several years. I am indeed impressed by the simple clarity of your statements in this regard. You show an ability, all too rare these days, to rise about parties politics and sectional interests and even above selfish nationalism to see what is right. This is statesmanship and I commend you for it.

We are waging a losing battle for a lost cause, even a wrong cause, in southeast Asia. I am heartsick that there are so few voices courageous enough to speak out against this latest form of economic imperialism—but proud indeed that there are these few.

Congratulations and thank you—you speak for many of us.

Respectfully yours,

Mrs. ROBERT M. POLLOCK.

HUBBARD WOODS, ILL.,
August 7, 1964.

Senator GRUENING,
Washington, D.C.

MY DEAR SENATOR: Thank you for your courageous stand. Would we had many more like you.

Sincerely,

ATLANTIS MARSHALL.

ST. PETERSBURG, FLA.,
July 27, 1964.

Senator ERNEST GRUENING,
Senate Office Building,
Washington, D.C.

DEAR MR. SENATOR: Permit me to commend you for your forceful, forthright opposition to our part in the "dirty war" in South Vietnam. I, too, am opposed to our intervention in that country's internal affairs. It is bound to hurt our prestige in southeast Asia as well as in the United Nations. I have received documents regarding this matter from other Members in Congress. After reading them, I have passed them on to other voters in this area. I never throw anything in my wastepaper basket like that, and find that most Americans are glad to read about the war in South Vietnam. I hope that our Government will find ways to withdraw our Armed Forces from South Vietnam without losing too much "face." Thank you again for your opposition to the "dirty war" in South Vietnam. I hope your efforts will be successful, at least in educating the citizens of the United States. Good luck and best wishes to you.

I am,

Very truly yours,

EDWARD K. FIELD.

WASHINGTON, D.C.,
May 23, 1964.

Hon. ERNEST GRUENING: We fully support your stand on nonexpansion of the fighting in southeast Asia and particularly South Vietnam.

It now seems that the United States will soon commit itself to even more extensive military action in this area. Continued involvement can only lead to further unjustified killings of women and children, as in the recent attack on Cambodian villages. In such cases, the United States will always be blamed, regardless of how much control our advisers have of the situation. This distresses us very much.

We strongly urge and hope that you will speak out for the removal of U.S. advisers.

Now is the time to start building a lasting peace in this area—by such means as another Geneva conference or neutralization of the area—in which foreign powers (from both sides) will not dominate.

Sincerely,

Mr. and Mrs. PETER HUNT.

WASHINGTON, D.C.,
August 9, 1964.

Senator ERNEST GRUENING,
Senate Office Building,
Washington, D.C.

DEAR SENATOR GRUENING: Thank you for your honesty and courage in taking a stand against extending the conflict in southeast Asia. I believe that a negotiated settlement of the issues is the only way to achieve a lasting peace.

Sincerely yours,

EDMOND S. HARRIS.

HAYWARD, CALIF.,
August 13, 1964.

Senator ERNEST GRUENING,
Senate Office Building,
Washington, D.C.

HON. SENATOR GRUENING: We wish to let you know that we appreciate and support the statement you made concerning southeast Asia.

Our country has abrogated its agreement to the decisions made at the SEATO Conference in 1954 with its military involvement in Vietnam. We share with you the attitude that in order to preserve the peace, the problem must be handled around the conference table. Otherwise, we are in grave danger of igniting a worldwide nuclear war, and of course, the destruction of mankind.

We cannot let ourselves be guided only by the militarists.

Sincerely,

Mr. and Mrs. ALEX S. TRESKIN.

MADISON, WIS.

DEAR SENATOR GRUENING: Just a note to affirm my support for your statements on South Vietnam. Keep it up, we cannot permit this war to continue.

Very truly yours,

RUSSELL JACOBY.

LIVINGSTON, N.J.,
August 15, 1964.

DEAR SENATOR GRUENING: I wish to congratulate you for the position that you took with reference to the President's order for the bombing of North Vietnam.

It is unfortunate that there are only two voices of moderation in Congress. The use of the United Nations is bypassed. Our Constitution is worthless and a hollow mockery. The incident smacks of the *Maine* in Havana Harbor and such conduct on our part makes the Japanese at Pearl Harbor look like Sunday school children.

If there is any way I can help, please let me know. Just as in pre-Hitlerite Germany, to hold an unpopular view which is against that painted in the press makes one suspect I am fearful for my country, my family, and myself.

Respectfully,

LEON M. MOSNER.

BURLINGTON, VT.

DEAR SENATOR GRUENING: May I commend you for your courageous stand against U.S. policy in Vietnam.

Sincerely,

DAVID S. MOE.

PHILADELPHIA, PA.,
January 5, 1965.

Senator ERNEST GRUENING,
Washington, D.C.

DEAR SENATOR GRUENING: Thank you for your unrelenting stand against the disastrous position which our country has taken in southeast Asia. Many stubbornly ignorant men oppose you. We are sure that you will keep on fighting interventionism in Asia, and must finally win, and we hope that it will be soon.

Very sincerely yours,

HELEN and ARTHUR BERTHOLF.

SAN ANSELMO, CALIF.

Senator ERNEST GRUENING,
Senate Office Building,
Washington, D.C.

MY DEAR SENATOR: I want you to know that your statements on U.S. foreign policy, particularly Vietnam, are greatly appreciated. Men like you, holding a responsible office, who speak out for a more intelligent policy are very important in these dangerous times. Please keep the fight up.

Sincerely,

CLARE MCKEAGE.

INDIANAPOLIS, IND.,
August 11, 1964.

DEAR SENATOR GRUENING: This is to express appreciation for your vote against the extension of operations in Vietnam. Our people are confused on what is taking place there and it is to be hoped that your courageous and realistic stand will win many adherents.

Sincerely,

GORDON H. GRAVES.

AMHERST, MASS.,
August 9, 1964.

Senator ERNEST GRUENING,
Senate Office Building,
Washington, D.C.

DEAR SENATOR GRUENING: I support your position on the Vietnam resolution, and I wish to express my respect for your willingness to stand almost alone in this serious matter.

I have had occasion to sit in on a few of the sessions of the World Assembly of Youth, now meeting here at the University of Massachusetts. Delegates and observers from over 100 countries are present. For the most part they are opposed to military action in Vietnam. They favor U.N. intervention and a return to the 1954 Geneva agreements, including withdrawal of foreign troops. I wish that our Senate might have had the opportunity, as I have had, to listen to articulate foreign opinion. And I wonder how much the ugly shadow of Goldwaterism may be already influencing U.S. foreign policy.

With best wishes.

Sincerely yours,

DEAN A. ALLEN.

BRONX, N.Y.

Hon. Senator GRUENING,
U.S. Senator,
Washington, D.C.

DEAR SENATOR: Your declaration that "All Vietnam is not worth the life of a single American" has my 100 percent approval.

Although, being just a poor physician, I know what it means for a mother to bear a child.

Just keep on opposing and try your best to uphold peace.

May God bless you always.

Very cordially yours,

JOSEPH S. FERACA, M.D.

SAN ANSELMO, CALIF.

Senator GRUENING.

DEAR SIR: I support your stand and vote on Vietnam.

Keep it up.

Sincerely,

J. BUCHWALD.

BETHESDA, MD.,
August 7, 1964.

DEAR SENATOR GRUENING: I wish to express my thanks to you for your sensible and courageous stand on the Vietnam resolution.

Sincerely,

EDWIN A. WEINSTEIN.

ANCHORAGE, ALASKA,
September 20, 1964.

Senator ERNEST GRUENING,
U.S. Senate,
Washington, D.C.

DEAR SENATOR GRUENING: Our support and sincere respect goes with you on your stand on U.S. policy in southeast Asia.

Thank you for sending the very complete and informative CONGRESSIONAL RECORD of March 10 and August 7. The receipt of any future proceedings along this subject will be appreciated.

Sincerely,

Mr. and Mrs. C. S. SPARKS.

THE SOUTH PARK METHODIST CHURCH,
Hartford, Conn, December 29, 1964.

Senator ERNEST GRUENING,
Senate Office Building,
U.S. Government, Washington, D.C.

DEAR SENATOR GRUENING: I want to express my support for a change in our Vietnam policy. I am glad to read in a recent New York Times story that you too feel that a change is in order.

Enclosed are two statements on Vietnam which I have recently distributed to our church members and to others. The response has been such as to convince me that the public would support an intelligent policy toward southeast Asia if such policy was forthrightly and persuasively presented.

Yours truly,

GEORGE G. HILL,
Minister.

Senator GRUENING,
Senate Office Building,
Washington, D.C.

MY DEAR SENATOR GRUENING: I want to write this line of strong support and very real gratitude for your stand in regard to the war in South Vietnam.

I, too, am disturbed by the actions of the U.S. Government in the choice of the Ambassador to replace Lodge, the overflights and bombings in Laos by U.S. planes, and the statements of Secretary Dean Rusk.

More power to you.

Yours gratefully,

Rt. Rev. W. APPLETON LAWRENCE,
Retired Bishop of the Episcopal Diocese of Western Massachusetts.

HUMANITIES AND SOCIAL SCIENCE,
DEPARTMENT, MICHIGAN COLLEGE
OF SCIENCE AND TECHNOLOGY,
Sault Ste. Marie, Mich., August 3, 1964.

Hon. ERNEST GRUENING,
U.S. Senate,
Washington, D.C.

DEAR SENATOR GRUENING: Please accept my strong and sincere support of your position taken on southeast Asia and Vietnam—on the floor of the Senate, in press interviews, and volume, I, issue 4, Fact, July–August 1964 issue.

Keep up the good work.

MILTON E. SCHERER.

P.S.—I'm a Demo too. Best.

SILVER SPRING, MD.,
August 7, 1964.

Senator GRUENING,
Senate Office Building,
Washington, D.C.:

Wholeheartedly support your endeavors to have Vietnam problem negotiated.

Mrs. J. WEICHBROD.

CRESCENT CITY, FLA.,
January 5, 1965.

MY DEAR MR. GRUENING: Now that a few more people in Washington seem to be awaking to the insanity of our southeast Asia policy I hope that you will again tell the American people that we have no business in Vietnam and that all military aid and all armies should be withdrawn, and southeast Asia made a neutral zone.

Sincerely,

EVELYN TEILLOS.

WASHINGTON, D.C.,
August 12, 1964.

Hon. ERNEST GRUENING,
U.S. Senate.

DEAR SENATOR: I support your stand on Vietnam and hope that disaster can be averted—total disaser, that is. It is already disaster. How can the American people follow such an evil course? If we continue there is no way to predict the results of our folly.

Respectfully yours,

LOLA BOSWELL.

LOS ANGELES, CALIF.,

DEAR SENATOR GRUENING: I wish to thank you for the position which you have taken on our military presence in South Vietnam. I have urged my friends to write to the President supporting your arguments to withdraw troops from the area and encourage a peaceful settlement in Vietnam. We are not supporting a free government nor adhering to the wishes of the Vietnamese people by fighting an unjust war.

Sincerely,

Mrs. LILLIAN MOED.

RIDGEFIELD, N.J.,
August 11, 1964.

Senator ERNEST GRUENING,
Senate Building,
Washington, D.C.

DEAR SIR: Want you to know how much I appreciate your continuing to fight for a peaceful solution to the situation in Vietnam. Reconvening the 14 nations for a conference seems to be the only rational way to stop the war from escalating into a world holocaust.

It has been very evident that the Vietnamese people have no will to fight and only want an opportunity to solve their own affairs without interference.

By bringing devastation to their land and continuing to send more and more American boys to die there will not solve the problem.

Thanks again for your forthright position in calling for our withdrawal of troops and a peaceful solution around the conference table.

Sincerely yours,

MORRIS BRAUNSTEIN.

ALBUQUERQUE, N. MEX.,
August 8, 1964.

DEAR SENATOR GRUENING: Thanks sincerely for voting against the Vietnam resolution. History well may make you a prophet. Please send any of your speeches.

Appreciatively,

BILL RENKEL.

PHILADELPHIA, PA.,
September 17, 1964.

Hon. ERNEST GRUENING,
Senate Office Building,
Washington, D.C.

DEAR SENATOR GRUENING: May I hail you on the good sense, courage, and humanity which you demonstrated in your stand against the present policy of Vietnam (Fact magazine).

I support your position 100 percent and have written to my Congressmen and to President Johnson urging them to pull us out of Vietnam.

Very truly yours,

Mrs. PENNY ARONSON.

LEMON GROVE, CALIF.,
August 11, 1964.

DEAR SENATOR GRUENING: I want to express the appreciation we feel in your forthright expression of concern about President Johnson's recent action in South Vietnam. We need people like you in the Senate—people who look at situations clearly and freshly and who have the courage to stand.

Thank you.

OLIVIA W. DAVIS.

JUNEAU, ALASKA,
August 10, 1964.

Senator ERNEST GRUENING,
Senate Office Building,
Washington, D.C.

DEAR SENATOR GRUENING: Three cheers for your recent vote against the war in Vietnam. I wish more Senators had the courage and commonsense to vote against sending American men and money into an area which is none of our business. The fact we have been pouring billions into Vietnam for years and have got nowhere should prove that a military solution is not the answer. The Vietnamese didn't want the Japanese or the French, so why should they want the Americans telling them what to do? This is a problem for the United Nations.

I hope your voice continues to be heard on this subject.

Yours sincerely,

RUTH M. POPEJOY.

MODESTO, CALIF.,
August 12, 1964.

Senator ERNEST GRUENING,
Senate Office Building,
Washington, D.C.

DEAR SENATOR GRUENING: It was with heartfelt thanks that we noted your vote

on the recent congressional support of President Johnson's actions in southeast Asia. As Quakers we have a high regard for unanimity, but we are well aware that truth often stands alone, shunned by the raucus cries of the multitude. Sir, persist in the best lights God has given you.

Our best religious insights tell us that war and violence never achieve good ends, though it does, at times, seem to bring some resolutions in man's affairs. Truly, the ends never justify the means when viewed dispassionately in the wider reaches of time and space.

As rationalists and humanitarians there are reasons enough to question the attitudes and acts of our national leaders in this and other areas of world conflict. If the United States is to continue its leadership of the free world, we desperately need a sober and mature voice; for we are dealing in areas where mankind is at stake.

Once again, may we thank you for your good services to our Nation as well as the world.

Sincerely,

RUDY POTOCHNIK,
Acting Clerk, Delta Monthly Meeting of the Religious Society of Friends.

CUMBERLAND HOSPITAL,
Brooklyn, August 12, 1964.

Senator ERNEST GRUENING,
Washington, D.C.

DEAR SENATOR: We all—although some of us don't know it—owe you a debt of gratitude for your wish to keep us from sinking into the quicksands of war in South Vietnam, and for your courage in taking a stand publicly.

Respectfully,

HARLEY GERDEN, M.D.

BROOKLYN, N.Y.,
January 11, 1965.

Hon. ERNEST GRUENING,
Washington, D.C.

DEAR SIR: We would like to commend you for speaking out so strongly on the unhappy situation in South Vietnam and to support your efforts to bring about a negotiated peace.

Sincerely,

Mr. and Mrs. MAXWELL NURNBERG.

COLUMBUS, OHIO,
May 4, 1964.

Senator ERNEST GRUENING,
Senate Office Building,
Washington, D.C.

DEAR SENATOR GRUENING: I very much admire your stand on the war in Vietnam. I hope you will continue to express your views on this vital subject.

Please know that you have the support of many Americans in your effort to save us from this folly.

Yours truly,

BENJAMIN B. SHERWIN.

COLOMA, MICH., *August 8, 1964.*

Senator ERNEST GRUENING,
Senate Office Building,
Washington, D.C.:

Congratulations for your courageous stand on Vietnam. We need more statesmen like you.

Mrs. C. E. KILLEBREW.

FLUSHING, N.Y., *January 1, 1965.*

Senator GRUENING, of Alaska,
Washington, D.C.

DEAR SENATOR GRUENING: We want to thank you for your courageous stand in opposition to our present course of action in Vietnam.

It seems to us that our policy in Vietnam involves us in needless risk in an area where our national well-being is not threatened.

Sincerely,

ANDREW L. JOHNSON.
DOROTHY M. JOHNSON.
GRACE H. HINMAN.

BAYSIDE, N.Y., *August 10, 1964.*

DEAR SENATOR GRUENING: I support your principled stand in opposition to the reckless bombing of North Vietnam and to the congressional resolution. You are not alone.

Yours truly,

LAWRENCE D. HOCHMAN.

CAMBRIDGE, MASS.,
January 8, 1965.

DEAR SENATOR GRUENING: Congratulations to you for the courage you have displayed in condemning U.S. support to the war of atrocities taking place in Vietnam.

Yours truly,

MARK SMITH.

NORTH CHEVY CHASE, MD.,
August 8, 1964.

HON. ERNEST GRUENING,
U.S. Senate,
Washington, D.C.

DEAR SENATOR GRUENING: Congratulations on your independent position regarding our bombings of North Vietnam. The Nation owes Alaska a debt of gratitude for sending to the Senate a man who does his own thinking and who holds the welfare of men in greater esteem than the traditions of narrow nationalism so dear to many of our mercantilist hearts.

Cordially,

ROBERT O. LINK.

CHICAGO, ILL.,
August 8, 1964.

Hon. ERNEST GRUENING,
Senate Office Building,
Washington, D.C.

DEAR SENATOR: I wish to express my approval and admiration for your stand on Vietnam. Your voice is practically alone and therefore you deserve a lot of credit for having the courage of your convictions. Let me assure you that I share your convictions, and hope the present situation will be settled not by guns or bombs, but through negotiations.

Sincerely yours,

SAM L. TALMY.

ST. PETERSBURG, FLA.

Senator GRUENING.

DEAR SIR: I certainly do think we should pull our boys out of Vietnam. Where are the United Nations troops?

Mrs. WM. LONG.

WASHINGTON, D.C.,
August 12, 1964.

DEAR SENATOR GRUENING: I thank my Heavenly Father for your humanitarian and statesmanlike stand concerning Vietnam.

Respectfully yours,

Miss CATHERINE POWELL.

SAN PEDRO, CALIF.,
June 25, 1964.

DEAR SENATOR GRUENING: My heartfelt approval of your statement on the untenable position the United States has taken in southeast Asia.

I hope you continue to make your viewpoint heard on this explosive situation.

Sincerely,

W. I. GEISMON.

CRANFORD, N.J.

Senator ERNEST GRUENING,
Senate Office Building,
Washington, D.C.

DEAR SENATOR GRUENING: My sincerest best wishes and deepest respect go out to you for your vote in the Senate against President Johnson's carte blanche resolution on Vietnam.

Your voice has been heard in New Jersey. You have consistently made sense.

If only a few others would show similar courage and good sense. Again, thank you.

LESTER GOLDBERG.

MADISON, WIS.,
January 7, 1965.

Senator ERNEST GRUENING,
U.S. Senate,
Washington, D.C.

DEAR SIR: In the past several months, I and all other Americans have been concerned with events involving the United States in South Vietnam. I heartily congratulate you on your courageous stand on this question. As you know, the American press has hardly given your statements on the subject wide coverage. I would greatly appreciate it if you could send me a copy of your Senate speeches concerning American involvement in Vietnam, and any other information which you deem pertinent.

Thank you very much.

Sincerely,

JOSEPH M. GORRELL.

PHILADELPHIA, PA.,
November 24, 1964.

Senator ERNEST GRUENING.

DEAR SIR: We are grateful to you for your fight for U.S. policy in southeast Asia based on commonsense and responsibility. Please do not get discouraged.

We would like to know the name of a newspaper in Alaska and address. Perhaps they need to be told what your patriotic stand means to the country and world.

Sincerely yours,

ARTHUR BERTHOLF.
HELEN BERTHOLF.

SAN FRANCISCO, CALIF.,
August 11, 1964.

DEAR SENATOR GRUENING: I want to thank you for having the principle and courage to vote against the sheeplike resolution backing the military action in southeast Asia.

Many, many people deplore this situation and fear the consequences. Yet they have been intimidated to the point of remaining silent. An influential voice raised against madness in a time of hysteria goes a long way to give heart and backbone to the silent millions. May you have the strength to speak the truth and uphold your convictions if the going gets rougher.

Sincerely,

Mrs. C. H. DORSEY.

COPPER CENTER, ALASKA,
September 10, 1964.

Senator GRUENING.

DEAR SIR: I admire the stand you have taken in regard to withdrawing from Vietnam. Keep up the good work.

SAMUEL J. N. LIGHTWOOD.

SANTA MONICA, CALIF.,
August 8, 1964.

Senator ERNEST GRUENING,
Washington, D.C.

HONORABLE SIR: Permit me to express my admiration for your courage in expressing your negative attitude to President Johnson's stand in the South Vietnam affair.

Sincerely,

ZACHARY SAGAL, M.D.

THE FELLOWSHIP OF RECONCILIATION,
Nyack, N.Y., January 8, 1965.

Hon. ERNEST GRUENING,
Senate Office Building,
Washington, D.C.

DEAR MR. GRUENING: We would like to bring to your personal attention a copy of the letter we sent to President Johnson in November because of the increasing importance of its message. We cannot agree with the view expressed by the President on Monday evening that because we committed ourselves to a certain policy under President Eisenhower, we must continue it under subsequent administrations regardless of how wrong it is proven to be, how many thousands of human lives are lost or maimed every

week, or how much anti-American feeling it generates.

We deeply appreciate what you are trying to do to bring about a realistic and constructive policy on Vietnam.

Sincerely,

GLENN E. SMILEY,
Acting Executive Secretary.

FELLOWSHIP OF RECONCILIATION,
Nyack, N.Y.

DEAR MR. PRESIDENT: Expansion of the war into North Vietnam appears to be a unilateral decision that would scrap previous agreements, flout the United Nations and brand the United States as aggressor in the eyes of uncommitted peoples. It would be an act of incredible folly that could easily serve to solidify the determination of the opposition to fight to the last survivor in this hapless peninsula as in the case of France's long and tragic struggle there.

It is a strange paradox that in southeast Asia we seem to be led by military advisers into a policy closer to that advocated by Mr. Goldwater than to that faith so well enunciated by you just a year ago which so endeared you to the American people. To us, this appears a blind and immoral policy that can end only in the most terrible tragedy because it considers the situation only in military terms. Considerations of human suffering and compassion are lost when a small nation whose people have apparently little interest in political doctrines, whether Communist or anti-Communist, is made the unwilling pawn in a cold or hot war struggle between these doctrines. In the past, Government and military personnel have erred in practically every judgment they have made on Vietnam because they have been insensitive to the heartbeat of these people. Their sources of contact and information come largely from a group enticed by the prospects of receiving some of the immense wealth we are pouring into that area in return for their "loyalty" to the United States in its war against the Communists. The pleas of the great masses go unheeded while bitterness against the United States mounts.

The Nation will never forget the way, 1 year ago, you lifted up and unified a sorrowing people, calling for a new sense of common responsibility: a morality based on consideration, mutual respect and compassion. Your sweeping victory in the recent election may be attributed in large measure to the widespread support of this policy as opposed to one based on mutual suspicion and irresponsible brinkmanship in foreign affairs.

We prayerfully urge you to stand against the powerful forces that are attempting to drive the present administration into the very policies of military adventure and expediency that were so firmly rejected by the electorate earlier this month. Vietnam represents a gaping hole in the reservoir of human decency and consideration you built a year ago. We urge you to mend this hole by statesmanlike means that could bring about a cease-fire, withdrawal of foreign troops and neutralization of the area. We believe this could only enhance your great moral leadership.

Sincerely,

GLENN E. SMILEY,
Acting Executive Secretary for the Staff of the Fellowship of Reconciliation, Nyack, N.Y.

PORTLAND, OREG.,
July 29, 1964.

Senator ERNEST GRUENING,
Senate Office Building,
Washington, D.C.

DEAR SENATOR GRUENING: How many more American youths are to be sacrificed in a war with no chance of victory, a war with little support and much opposition from the people being "defended," a war that for U.S. soldiers hasn't even a name?

The people of southeast Asia have an indelible resentment of Western involvement in their affairs, a resentment acquired over decades of foreign rule. No military campaign lacking genuine support of the people has the slightest chance of success, regardless of how many dollars are siphoned from the rank-and-file American taxpayer to finance it. This has been amply demonstrated, of course, by the bankruptcy and collapse of French military involvement in Indochina.

If for no other reason, the cynical pronouncement made July 28 by Premier Khanh that he will send U.S. arms and men where he sees fit, in defiance of administration policy, should force us to withhold this extravagant assistance.

What "national interest" can possibly be served by continuing to invest potentially creative lives and vast amounts of money in a government which cannot rally the support of the population it purports to rule? The investment would be more to the point here at home, where many millions still lack the decent material conditions prerequisite to true freedom.

Very sincerely yours,

JOHN P. VAN HYNING.

MINNEAPOLIS, MINN.,
August 11, 1964.

Senator ERNEST GRUENING,
Senate Office Building,
Washington, D.C.

DEAR SENATOR GRUENING: We agree wholeheartedly with your stand on the war in Vietnam. We urge the withdrawal of all U.S. military personnel and military aid from Vietnam. We support the suggestion that that United States initiate and participate in a reconvened Geneva Conference at which such a peaceful political solution might be reached.

The values from which you work are humanistic and rational in contrast to those of your colleagues who assume that democracy may best be saved and communism defeated by nondemocratic means. Your nonconformist stand in Senate debate is greatly appreciated.

Sincerely,

ANTON H. TURRITTIN,
JANE SAWYER TURRITTIN.

NEW YORK, N.Y.,
August 11, 1964.

Hon. ERNEST GRUENING,
Senate of the United States,
Washington, D.C.

DEAR SENATOR GRUENING: I am writing to express my extreme concern over the situation in Vietnam and the position which our Government has taken and continues to take with regard to it. In addition, I want to say that I appreciate your position particularly on the vote taken in the Senate Friday in which you did not support the President's military action.

I urge you to continue to press for our withdrawal from Vietnam. Time has become of the essence.

Sincerely yours,

DEBORAH A. JACKSON.

AUGUST 7, 1963.

Senator ERNEST GRUENING,
Senate Office Building,
Washington, D.C.:

Congratulations your patriotic stand for peace in southeast Asia.

W. C. KELLEY.

BRONX, N.Y.,
August 8, 1964.

Senator ERNEST GRUENING,
U.S. Senate,
Washington, D.C.

DEAR SENATOR GRUENING: I commend you for your vote in the Congress yesterday and can only wish you were of a majority voting against the resolution, but then again, when has there ever been a majority voting, or doing anything, on the side of the angels?

Respectfully yours,

HARRY GRANT.

BRONX, N.Y.,
August 7, 1964.

DEAR SENATOR: Though you will in all likelihood be much maligned for your extraordinarily courageous position in voting against support for the Vietnam war, I wish to express my humble and heartfelt support for your actions of recent months.

You are a great man.

T. RICHARDS.

P.S.—I sincerely hope that you will someday run for national office so that nonresidents of Alaska can support you.

PITTSFIELD, MASS.,
August 5, 1964.

DEAR SENATOR GRUENING: I am writing to support your position on the U.S. involvement in Vietnam. I agree wholeheartedly that the United States has no proper concern in that area and cannot win a war where there is so little support for the policies and regimes among the people themselves.

This country is becoming more and more deeply involved in a war that could lead to gigantic proportions and the United States has not sought negotiations but has resorted to military action unilaterally. I'm sick at heart about the entire immoral involvement.

I hope you will be able to continue your intelligent opposition to the trend toward war. So many people agree with you.

Very truly yours,

Mrs. ALBERT ROWE.

AUGUST 8, 1964.

Hon. ERNEST GRUENING,
Senate Office Building,
Washington, D.C.:

We applaud your courageous stand and integrity in opposing the President's recent action in Vietnam. We hope you will continue to show continued courage in the face of powerful majority who seem eager to escalate present crisis into a world war.

RUTH and EDWARD ROSELAND.

EVANSVILLE, IND.

Hon. ERNEST GRUENING,
Senate Office Building,
Washington, D.C.

DEAR SENATOR GRUENING: I heartily commend you on your stand regarding the folly of supporting the war in South Vietnam. Missionaries and church publications report facts similar to those you have stated in the CONGRESSIONAL RECORD.

May your efforts to keep the peace of the world be blessed.

Sincerely yours,

Mrs. L. E. STAHL.

WHEATON, ILL.,
August 19, 1964.

Hon. ERNEST GRUENING,
Senate Office Building,
Washington, D.C.

MY DEAR SENATOR: May I voice my approval of your position with reference to the war in South Vietnam. Sure we must seek some settlement, with the help of everybody and the United Nations, and get the United States troops out of southeast Asia.

As I see it, there is no hope of stopping communism, taking the long time view, by military methods. The longer the war continues the greater will be the danger of some kind of totalitarianism taking over all of southeast Asia (not right away of course) because war, disorder and lack of internal harmony prepares the soil for some kind of extreme "ism".

After a long time of ignorance, I have come to see that the Vietnam war is a civil war mostly in the southern part of South Vietnam, aided on the one side by the United

States and on the other by North Vietnam. The problem is that so many people in South Vietnam are not loyal to their government, I mean that this creates a serious problem for the United States of America.

I saw a report of your speech at the dinner meeting sponsored by the Chicago Committee for a Sane Nuclear Policy, on June 25, 1964, as reported in the Sun-Times.

Cordially,

FRED E. JOHNSON.

P.S.—I see extreme lack of wisdom in the idea of extending the war outside of South Vietnam. F.E.J.

WASHINGTON, D.C.,
August 8, 1964.

Senator ERNEST GRUENING,
Senator from Alaska,
Senate Office Building.

DEAR SENATOR: I wish to thank you sincerely for voicing your opposition to our policy regarding Vietnam. I can see no valid reason for our interference in the affairs of southeast Asia.

President Johnson speaks of a limited war. Facts show that when war begins there is no knowing when and how it will end.

Please continue your outcry. We need you.

ARLINE D. HAYS.

BEATRICE, NEBR.,
August 10, 1964.

Hon. ERNEST GRUENING,
Senate Office Building,
Washington, D.C.

DEAR SENATOR GRUENING: It is encouraging for the average citizen to know there are men in the U.S. Senate who believe that government should have a moral responsibility, and are willing to exercise that belief.

I wish to commend you on the stand you took against the President's Far East resolution which could plunge the whole world into total war.

Sincerely,

CHARLES SUTTON.

STANFORD, CALIF.,
August 10, 1964.

Senator ERNEST GRUENING,
Congress of the United States,
Washington, D.C.

DEAR SIR: We wish to express our deep appreciation to you for your vote against the resolution authorizing President Johnson to take all steps necessary to "defend southeast Asia."

Although it may be the case, as asserted in section 2 of the resolution, that maintenance of international peace and security in southeast Asia is vital to the national interests of the United States and to world peace, it is not clear to us that U.S. military intervention is the best—or any—way to secure such peace.

We regret and fear the situation in southeast Asia. We are obviously not experts on U.S. foreign policy; but given the information available to us, we feel that it is a tragic error to risk an already tenuous peace by active participation in the civil war of another country.

It is our hope that your constituents will return you to the Congress that your pleas for sanity in foreign policy may continue to be heard.

Sincerely,

DONALD L. and MERRILL PROVENCE.

HAMPTON, VA.,
January 7, 1965.

DEAR SIR: Thank you for having the courage to state your views on Vietnam.

Most of the American people are completely in the dark about what's going on there and why.

My son is 22 years old and will be there as a helicopter pilot after only 5 months training. If the situation is that urgent, can't these young men and boys be given more training and all possible aid?

I don't want him to give his life in a place where the people don't seem to care one way or another, and the Americans are afraid to call it war and our boys are called advisers.

Now is the time to stop all this fence sitting and facesaving (too much of that has already been done at the cost of thousands of lives).

I'm sure you will hold your own in the upcoming full-scale debate on the situation in Vietnam.

Thank you.

Sincerely,

J. DENNIS.

STATE COLLEGE, PA.,
August 10, 1964.

Senator GRUENING,
Senate Office Building,
Washington, D.C.

DEAR SENATOR GRUENING: Congratulations on your recent statements concerning our actions in Vietnam. It is heartening to have one or two voices speaking out in an election year saying we are wrong and pointing out that sticking to a mistake is no virtue.

Sincerely,

Mrs. ARI HOOGENBOOM.

EUGENE, OREG.,
November 28, 1964.

DEAR SENATOR GRUENING: This is to reaffirm my earlier support of your brave stand on Vietnam.

I should like to urge Congress and the President to think the unthinkable and help promote a peaceful solution of this problem at the conference table.

Thank you for all you have done.

Sincerely,

DOROTHY LEEPER.

AUGUST 6, 1964.

DEAR SENATOR GRUENING: I want to express my concern over the current crisis in Vietnam. Your previous remarks calling attention to the dangers in the situation there are supported and appreciated.

In a crisis situation, it is difficult to sound critical opinion, but at least questions and caution can be expressed. I know that you are aware of the questions to be raised.

I may well be that now is the time for the suggestion of a creative alternative. Could not a factfinding mission under the U.N. be proposed leading to a proposal for negotiation to create a policekeeping force for the area. Perhaps it is true that the Russians have suggested this, but what did we expect. Could it not be true that such a proposal would be in the interests of all sides. Certainly we have no interest, and nothing to gain by continuing the present course, unchanged.

Thank you for your concern and good luck.

Sincerely yours,

LOUIS F. BRAKEMAN,
Assistant Professor of Government,
Denison University.

CHAPEL HILL, N.C.,
August 8, 1964.

DEAR SENATOR GRUENING: I am glad to see you oppose our bristling military display against North Vietnam and would be glad to be placed on your mailing list. I recall meeting you here years ago.

Sincerely yours,

PHILLIPS RUSSELL.

EAST LANSING, MICH.,
December 17, 1964.

Senator ERNEST GRUENING,
Senate Office Building,
Washington, D.C.

DEAR SENATOR GRUENING: Concerning the situation in Vietnam, we feel that:

1. an immediate cease-fire in all lands contested by the regimes of Indochina;

2. withdrawal—either staged or immediate of all troops not native to these regions;

3. convening of the Fourteen Nation Conference to neutralize all of southeast Asia;

4. the United States then to abide by the 1954 Geneva Agreement to plan free elections in both North and South Vietnam is a pattern we would like to see followed. We are grateful for the good work you are doing for the cause of peace.

Very sincerely,

EARLE D. HARRISON.

LYNN, MASS.,
August 6, 1964.

DEAR SENATOR GRUENING: I admired your stand on South Vietnam and hope you continue to use your influence to help change our present policy. I feel a war there is a wrong war in the wrong place at the wrong time.

Thank you.

SOPHIE W. GASS.

BROOKLYN, N.Y.,
August 10, 1964.

DEAR SENATOR GRUENING: May I express my gratitude to you for your courageous vote against the surrender of Congress to executive power in the most basic area, that is, war and peace. It seems to me that our country's best hope lies in the rational thinking you have expressed. May I have a copy of your full statement on the subject of Vietnam and an advance declaration of war.

Sincerely yours,

SOL GORELICK.

ACTON, MASS.,
August 11, 1964.

Senator ERNEST GRUENING,
Senate Office Building,
Washington, D.C.

DEAR SENATOR GRUENING: May I congratulate you on your vote against the joint resolution supporting further military action in southeast Asia.

I urge you to continue to voice disapproval of the use of armed force in settlement of this conflict.

Sincerely yours,

(Mrs. J. H.) JANE WESTOVER.

BEL AIR, MD.,
August 7, 1964.

Senator ERNEST GRUENING,
Senate Office Building,
Washington, D.C:

Heartfelt thanks and strong support for your wise courageous decision regarding Vietnam.

ADELAIDE NOYES.

CHICAGO, ILL.

Senator GRUENING,
Senate Office Building,
Washington, D.C.

HONORABLE SIR: I wish you to know that I am in full accord with your position on Vietnam.

Let's get out of there now.

Sincerely yours,

HARRY GOOD.

CHICAGO, ILL.

Hon. ERNEST GRUENING,
Senate Office Building,
Washington, D.C.

DEAR SENATOR GRUENING: We wish to encourage you to continue your courageous stand regarding the Vietnam situation. The truth needs telling, and we admire your courage for informing the American people on the terrible dangers that are involved.

Our local papers have not published your speeches. Would you please send me copies of any that are available.

Please keep up this important work.

Sincerely yours,

Mr. and Mrs. S. L. STRINEL.

DELAND, FLA.,
December 23, 1964.

Senator ERNEST GRUENING,
Senate Office Building,
Washington, D.C.

DEAR SENATOR: I understand that you have said earlier this year, "The time has come to reverse our policy of undertaking to defend such areas as South Vietnam" * * *. Also, "A return of troops to our own shores should begin * * *."

I hope you are still of this same opinion.

What can we all do to give President Johnson a sense of strong support among U.S. citizens for a complete change of policy in South Vietnam?

That very unjust war must stop somehow.

Sincerely,

VIVIAN DAVENPORT.

HAMDEN, CONN.,
August 8, 1964.

Senator ERNEST GRUENING,
U.S. Senate, Washington, D.C.

DEAR SENATOR GRUENING: May we express our distinct approval of your logical, sane, and courageous stand on the Vietnam situation, particularly with respect to what seems to us the ill conceived and somewhat hysterical move on the part of the administration.

We believe that the United Nations should have been called into the case immediately rather than ex post facto.

Very sincerely,

Mr. and Mrs. RICHARD F. MEZZOTERO.

MENLO PARK, CALIF.,
August 9, 1964.

DEAR SENATOR ERNEST GRUENING: We appreciate your courageous vote against military participation in Vietnam.

We agree that the United States should get out.

Cordially yours,

Miss ELSIE R. RENNE.

COLLEGE PARK, MD.

DEAR SENATOR GRUENING: Your vote against southeast Asia resolution was a vote for freedom and democracy. The United States has no right to aggression in southeast Asia. We should withdraw all troops and all aid to the Dictator Khanh.

For peace,

ALLEN SOLGANICK.

CHICAGO, ILL.,
August 7, 1964.

DEAR SENATOR GRUENING: I wish to congratulate you on your courageous vote on the southeast Asia problem. Be assured that there are many who support your unpopular position. I hope that you will continue to voice a thoughtful dissident opinion.

Sincerely,

LEIGH E. ROSENBLUM, M.D.

RIDGEWOOD, N.J.,
August 1, 1964.

DEAR SENATOR GRUENING: I would like to take this opportunity to thank you for all that you have done for the State of Alaska and for the United States. You are truly a great patriot and a great American. At this time, when the free world is confronted with communism, we, the people of the United States, need truly great and strong leaders to represent us. I believe that you are such a leader. You are truly an inspiration to free men the world over, for it is men like yourself who make the world a better place in which to live.

Very sincerely,

JOHN S. SCHMOLZE, Jr.

PHILADELPHIA, PA.,
September 17, 1964.

Hon. ERNEST GRUENING,
Senate Office Building,
Washington, D.C.

DEAR SENATOR GRUENING: May I hail you on the good sense, courage, and humanity which you demonstrated in your stand against the present policy of Vietnam (Fact Magazine).

I support your position 100 percent and have written to my Congressmen and to President Johnson urging them to pull us out of Vietnam.

Very truly yours,

Mrs. PENNY ARONSON.

WOODMERE, N.Y.,
August 7, 1964.

DEAR MR. GRUENING: Thank you for your stand against escalating or continuing the war in Vietnam. We have indeed no business there that can justify the sacrifice of American lives. Nor, in fact, that can condone the death and travail that we are bringing upon the people of Vietnam.

Moreover, I am sure that anything worthwhile that is to be gained there could be secured better by means other than war and that the war we are waging is only driving the desperate peasants into the forces arrayed against us and greatly lessening any influence we could have in that area of the world.

I am grateful to have some voices such as yours raised in the cause of sanity and decency.

Sincerely yours,

CHARLES T. JACKSON.

LOS ANGELES, CALIF.,
August 8, 1964.

DEAR SENATOR GRUENING: I would like to express my deep admiration for your courage in taking a stand against what many people believe to be a preliminary step in the preparation for an extended land war in Asia. It is due to your courage, dedication to freedom and democracy, and tenacity in searching out facts that the realities of southeast Asia are coming to light. Your job is and will be a lonely one with little consolation from those quarters that should be most thankful. Nevertheless, I know you realize that you are performing an essential and crucial function that in the long run will not go unappreciated.

Fifteen years of the cold war have reduced our flexibility to respond to new situations. Too many people look at the world as a struggle between the forces of good and evil with unchanging truths and grand alternatives. This picture is not accurate, especially in southeast Asia and unless we begin to face this fact, we are in for serious trouble which can only culminate in defeat for all.

With profound gratitude,

ROBERT FRIEDMAN.

SAN FRANCISCO, CALIF.,
August 11, 1964.

DEAR SENATOR GRUENING: I strongly support your statement that "the road to peace in southeast Asia lies through the conference table."

I urge that the 14-nation Geneva Conference be reconvened to implement a United Nations settlement.

We need more complete information (and accurate) about our involvement in Vietnam and full public discussion and congressional debate.

VIRGINIA JACKSON.

FAIRBANKS, ALASKA,
August 8, 1964.

Senator GRUENING,
Washington, D.C.

Your debate and vote on southeast Asian joint resolution is commendable.

LARRY BRAYTON, *Bulletin News.*

EVANSVILLE, IND.

DEAR SENATOR GRUENING: Many people appreciate your endeavor to warn our Government of the folly of engaging in war in Vietnam. We cannot risk a world war for such a cause. Should the Chinese Communists take over it would certainly be a liability to them.

May you continue to receive guidance in the important work you are doing.

Sincerely yours,

Mr. and Mrs. GEORGE HESSENAUER.

DETROIT, MICH.,
August 8, 1964.

Hon. ERNEST GRUENING,
U.S. Senate,
Washington, D.C.

SIR: Your opposition to yesterday's congressional resolution of Vietnam was the last ray of light before a long age of darkness.

Yours very truly,

RICHARD SCHICK, M.A.,
School of Advanced International Studies of the Johns Hopkins University.

BRONX, N.Y.
January 9, 1965.

Hon. Senator ERNEST GRUENING of Alaska:

My friends and I applaud your stand in opposing our country's policy in Vietnam.

We urge you to continue your efforts until our men are withdrawn and peace is restored.

Respectfully,

Mrs. RHODA GANZER.

GERMANTOWN, OHIO,
September 19, 1964.

DEAR SIR: We recently heard about your stand concerning the crisis of Vietnam. We wish to commend a person with courage to stand for what he believes when the majority is against him. May you continue to stand for the right.

Mrs. DORIS COOLEY.

ST. PAUL, MINN.,
November 24, 1964.

DEAR SENATOR: Again I voice my heartfelt thanks to you for your firm stand against our getting more deeply involved in South Vietnam. I agree with you completely.

I feel we should negotiate peace and help set up democratic elections throughout that troubled country now.

It is obvious that the majority detest their present government so why should we sacrifice American lives to keep it in power?

JAMES F. MCEVOY.

PAWLING, N.Y.,
August 24, 1964.

Senator ERNEST GRUENING,
Washington, D.C.

DEAR SENATOR: In view of your declared opposition to the administration's policy in southeast Asia, with which I fully agree, I enclose herewith a copy of a letter I wrote the other day to the New York Times on the subject.

The Times did not see fit to publish this letter, pleading the familiar excuse of the "pressure of space," etc., which is hogwash, of course, as they have published much longer letters of mine in the past. This reminds me of a letter I read in the Times by Norman Thomas on June 23, wherein he refers to a bitter attack in the Senate on the administration's policy, by Senator MORSE, but did not see it reported in the Times.

In my letter I make a point of the factor of destiny which I feel should play an important part in our calculations regarding the future. The significance to be attached to my letter, as I look at it, lies in the fact that even though we were to gain our objective in southeast Asia, whatever that may be, and however it is to be determined, the odds, over the years, will remain the same: South Vietnam is unlikely to be any stronger militarily, nor is its political position likely to be any more stable, while there will still be a North Vietnam, and more important, a China with a population of three-quarters of a billion people, sooner or later armed with atomic weapons, making Judge Edgerton's

comment tragically pertinent. It is the future probabilities, it seems to me, about which we must think, not the present.

Respectfully yours,

EMERSON C. IVES.

PAWLING, N.Y.,
August 9, 1964.

To the EDITOR OF THE NEW YORK TIMES:

I wholly agree with and commend the letter of Judge Henry W. Edgerton respecting our Vietnam policy appearing in today's Sunday Times.

I would particularly call attention to his comment that "When, if not before, Communist China has atomic weapons, it will no more tolerate American military action in southeast Asia than we would tolerate Russian military action in Cuba."

I would like to reiterate a comment I made in a recent letter to the Times to underscore his and Senators GRUENING'S and MORSE'S assertions "that we have no business in southeast Asia."

"What we and our Government officials seem unable to comprehend is the fact that these millions of people are permanent inhabitants of Asia, and that what we do there can be put of a temporary nature, and cannot alter the ultimate destiny that inevitably must rest in the hands of the people living in that part of the world."

Destiny is not a matter of the few years we may choose to concern ourselves in the affairs of southeast Asia, it is a matter that involves decades in time, and it is short-sighted and futile for us to think we can change the ultimate interrelationships of nations that inevitably must be resolved by the hundreds of millions of people permanently living contiguous to one another, and that thousands of miles from our shores on the opposite side of the world.

EMERSON C. IVES.

EXHIBIT 5

[From the Washington (D.C.) Post, Sept. 3, 1964]

CAPITOL PUNISHMENT: LODGE IN ORBIT

(By Art Buchwald)

Probably the man who has the toughest job in the world at the moment is Henry Cabot Lodge, who has been traveling around the world at the request of President Johnson, explaining our Vietnam policies to heads of state. It's a lonely job and a perilous one.

Although we haven't attended any of the briefings, we can just imagine what is going on as Ambassador Lodge is presenting his case, let us say, to the King of Denmark.

"Now, sir, let me say at the outset that the United States has the situation in Vietnam well in hand. Under the firm leadership of Gen. Nguyen Khanh many new reforms have been instituted."

As Ambassador Lodge is speaking, a courier from the American Embassy rushes in and gives him a telegram. The Ambassador reads it.

"Well, as I was saying, General Khanh has been dividing the country, and the United States feels he can no longer control the various factions. It is our belief that the best solution to the problem would be to support a general who has the confidence of the people."

The phone rings and the King hands it to Ambassador Lodge.

"Yes, I see, sir. Right, sir. I understand. Of course. Thank you."

He hangs up the phone and continues:

"You see, Your Majesty, our experts believe the best solution to the problem would be to have a three-man military junta govern until we can have elections. We feel General Khanh has been a handicap and we intend to support General Minh, whom General Khanh had disposed of several months ago with our help. Our strategy is to send the South Vietnamese Army out into the field to fight the Vietcong on their own terms."

An aide whispers something in Ambassador Lodge's ear. He nods and says, "Because of the rioting in Saigon our strategy has been flexible and we are now urging the South Vietnamese forces to return to Saigon to prevent the breakdown of law and order. We feel this can best be done with General Minh in command of the ———."

Another messenger from the American Embassy dashes in and hands Lodge a cable.

"Therefore, in line with what our people have worked out, we are happy to announce that Dr. Nguyen Xuan Oanh is now in charge of the Saigon government. Dr. Oanh is a Harvard-educated economist and gets along very well with Ambassador Taylor. General Khanh is now in Dalat resting up from a physical and mental breakdown."

The phone rings again and Ambassador Lodge answers it. "Thank you very much. That's very interesting.

"I want you to understand, Your Majesty, we have not ruled out General Khanh's contribution to our effort in Vietnam. We have decided that in spite of everything he still holds the title of Premier and we have every intention at this time of supporting his government."

The Ambassador's secretary hands him another paper.

"As you have probably read, the main problem in Vietnam is the friction between the Catholics and the Buddhists. Realizing this, the Americans have a plan to prevent rioting between the two factions."

The secretary hands him another paper.

"But we feel at the same time that some rioting would have a good effect and therefore we've authorized the riots now going on throughout the country.

"Our main objective, of course, is to win the war, but we realize that this cannot be done until there is a stable government in Vietnam. We feel we have such a government with Dr. Oanh and * * *."

The phone rings again and Ambassador Lodge answers it wearily. "Yes, sir. Whom did you say? Mme. Nhu? Thank you.

He turns back to the King. "Well, where was I?"

FRAMINGHAM, MASS.,
August 3, 1964.

DEAR SENATOR GRUENING: I want to congratulate you on your courageous stand regarding our escalating military involvement in Vietnam. Thousands of U.S. citizens are solidly behind you, and applaud your opposition to the present immoral policy in southeast Asia.

Sincerely,

MARGARET WELCH.

[From the Washington (D.C.) Post, Jan. 14, 1965]

CAPITOL PUNISHMENT: CRACK TROOPS OF NONOMURA

(By Art Buchwald)

As you probably remember, the country of South Nonomura has been fighting the Communist guerrillas for 4 years. Thanks to American military aid and American advisers. South Nonomura now has one of the best equipped armies in the world, and when it comes to hardware the South Nonomuran soldier lacks nothing. Newsreels of the crack South Nonomuran army show them flying off into the jungle in American helicopters, armed to the teeth. You get a feeling of pride that a group of peasants like the South Nonomurans can be whipped into a first-class fighting outfit.

Unfortunately, despite all the aid, the South Nonomurans haven't been doing very well against the North Nonomuran guerrillas who are armed with nothing more than fishing rods and World War II rifles. Why, everyone asks, can't the South Nonomuran army contain the guerrillas?

One of our correspondents just came back after an interview with a crack South Nonomuran officer and showed us his notes. The interview shed some light on the problem.

Correspondent: Captain, how is the war going?

Captain. War going great. Tell Americans we like K-rations very much, but Q-rations lousy. We need more cigarettes and beer. Morale very low without beer.

Correspondent. Why hasn't your army been able to contain the guerrillas?

Captain. Our army trained by Americans to fight enemy in open. Lousy Communists hide in jungle.

Correspondent. Why don't you go into the jungle and get them?

Captain. You crazy or something? You can get bitten by snakes in the jungle. Besides, your uniform gets dirty. We have to keep uniforms nice and clean for coup d'etat.

Correspondent. That's true.

Captain. And don't forget, you have to walk in jungle, Since Americans came, my men won't go anywhere unless it's by truck or helicopter. Walking is for lousy Communists.

Correspondent. There have been many instances where you have had the Communists surrounded and they've disappeared. How do you explain this?

Captain. Very simple. As soon as we hear about lousy Communist attack, we send crack soldiers there to fight them. But crack soldiers must be supported by many men. We must have hot food, showers, officers' club, noncommissioned officers' club, PX, chaplain, movies, and comfortable living quarters. By the time my crack outfit is ready to fight, lousy Communists have escaped into jungle.

Correspondent. Wouldn't it be better if you fought the war without all these things?

Captain. We crack outfit. Thanks to American training and know-how we not going to fight dirty war like dirty Communists.

Correspondent. But you're not getting anywhere.

Captain. That's what you think. In another year I make colonel. Then I overthrow the Government. You see me then, I give you good interview.

Correspondent. But, Captain, isn't there some way of turning the tide against the guerrillas?

Captain. It's too late. My crack troops have taste of American way of life. We are so busy keeping them supplied, we don't have much time to fight lousy Communists. All they talk about these days is GI bill of rights.

Correspondent. Is there anything you need that would help speed up the war?

Captain. Yes, send us more Japs.

Correspondent. Japs?

Captain. You know, Jap transistor radios.

[From the Washington (D.C.) Daily News, Jan. 14, 1965]

AID FOR VIETS

BUENOS AIRES, January 14.—Argentina will send a medical team, medicine, sanitary equipment and food to South Vietnam, usually reliable sources said yesterday. The foodstuffs will consist mainly of tinned meats. The decision to make the shipments was understood to have been in response to an appeal by the United States.

VIETNAM "HAWKS" AND "DOVES"

(By Bernard B. Fall)

"In Vietnam today * * * we have the equivalent of about 4.8 divisions' worth of majors and captains, about 3.5 divisions' worth of lieutenants, and about 3 divisions' worth of master sergeants * * *. They * * * come out of our formally conceived deterrent forces."

That important statement was made last November by Gen. Creighton W. Abrams, Jr., Vice Chief of Staff, to the Association of the U.S. Army. When shorn of professional jargon it gives a vivid picture of the enormous cadre drain caused by the Vietnam war. Of a worldwide total of 16 U.S. Army divisions, between three and four operate without their combat leaders or, more likely, a great many more units experience serious cadre shortages.

As the Vietcong has hardly any Russian advisers and few if any Chinese advisers, the nasty little war in the mountains and swamps of South Vietnam represents a unilateral net drain to the United States in what every army lacks most—highly qualified junior leaders. In that sense as in many others the American commitment begins to resemble the French Indochina War. The French lost 1,300 lieutenants in Indochina; to date, the United States has suffered over 1,500 wounded and over 300 dead in South Vietnam, most of them junior combat leaders. What the drain would become if the war should be broadened to include North Vietnam or mainland China is anyone's guess, but no one in his senses believes it would be small.

It is in these circumstances that a small but extremely vocal group advocates full-scale American commitment, and contrariwise an ever-widening group, now including for the first time a broad spectrum of middle-of-the-road members of the Senate and House, advocates some sort of negotiated solution to the Vietnam problem. Recently there were rumors that "contacts" had been made with the Chinese in Warsaw to explore possible solutions of the Vietnamese problem, and that the Chinese had rebuffed those overtures. To the "hawks," the alleged Chinese rebuff was proof that only a military confrontation with China would solve the Vietnamese problem, just as an "eyeball-to-eyeball" confrontation with Russia over Cuba apparently solved the problem of Russian intervention in this hemisphere. To "doves," the mere report of "contact" with the other side about the problem was evidence of the basic moderation of the present policy as well as an implicit promise that further such contacts might well take place.

Many however are confused by it all and see no good way out of the mess at present; they hope that, by merely holding on and accepting the present rates of loss and levels of spending until the politicians and generals in Saigon finally realize that their country is at war, something acceptable can be snatched from the debacle.

The "hawks" seem to concentrate entirely on Red China rather than on North Vietnam or on the Vietcong, and on maximum use of military force to the exclusion of other means. The fact that almost all their premises are partly or wholly erroneous does not seem to bother them.

Once more the Saigon military are trotted out as the only guarantors of South Vietnam from the evils of neutralism, as if the woods were not full today of neutralist military leaders, from Egypt to Laos. In South Vietnam, General Khanh last year purged several of his brother generals on charges of "neutralism," and he himself has made noises sufficiently anti-American to qualify for good-conduct marks on the other side of the fence. It is true as the "hawks" assert that the South Vietnamese Army is the last organized force in the country—that is precisely what makes it important to any would-be neutralizing general. As in the case of the Chinese Nationalist generals who surrendered Manchuria, Peiping, or Yunnan to the Communists, such an army, with its shiny American equipment, would make an impressive wedding gift or bargaining counter.

The other major unreality is to regard the North Vietnamese and Vietcong as helpless Chinese puppets depending on Peiping for their everyday survival. We are being told about the obsolescence of the Chinese Air Force and the smallness of the Chinese forces in south China, but not that the North Vietnamese People's Army present strength is about twice that of the Japanese forces which captured all of mainland southeast Asia in 1941–42. The South Vietnamese situation on the ground is bad enough without adding the weight of four or five of those divisions which defeated the flower of the French forces at Dienbienphu.

The final unreality is to make believe that the war in South Vietnam is being lost by the American press. That nonsense is trotted out with suggestions of further tightening the already ludicruously tight censorship; not in Vietnam, but here. There has been no map published showing an actual military operation on a scale where it becomes intelligible. The South Vietnamese Army releases detailed reports on the Communist units it faces, which make of the enemy the respectable military force it has become. Here in the United States the authorities prefer to stick to "gooks anonymous." It is not the press which sank a helicopter carrier in the port of Saigon, allowed a major airbase to remain virtually unprotected, allowed a bomb to be smuggled into a key officers' billet, and bungled a whole Vietnamese marine battalion into a rescue operation for four dead American soldiers who, in all decency, could have remained buried in Vietnamese soil until it was certain that they would not be used as bait in a gigantic trap.

On the other side of the spectrum, little can be gained by believing that North Vietnam would seriously consider giving up all the political and military advantages which it has secured at a heavy price, for the sake of joining some sort of regional TVA. Americans with a nostalgia for Point 4, and Frenchmen who can see a role for France in a reconstituted, neutralist Indochina Federation, share that belief, which may be just as illusory as the "hawk" idea of treating the Vietnam crisis as "Cuba II." An Indochina Common Market, a TVA on the Mekong—well and good, but only as frosting on the cake, after some sort of political-military accommodation has been found. Can one be?

Pressures that may not seem ominous to 700 million Chinese—whether they involve a small "escalation" such as introducing saboteurs, an actual landing of an American expeditionary force, or a threat of some measure in between—may well appear thoroughly menacing to 18 million North Vietnamese, who know the shambles that 3 years of Sino-American fighting made out of North Korea. North Vietnam already faces in Laos (through the hardly vieled bombardment of Communist bases and supply lines), and along its own shores, mounting evidence of American strength. The possibilities of a diplomatic confrontation at the conference table exist in Vietnam today as they existed 14 years ago at Panmunjom in Korea, and it would be as unrealistic to underestimate America's leverage on Hanoi as it would be to overestimate Peiping's leverage on the guerrillas of South Vietnam.

FORBIDDEN THOUGHTS

It may well be that President Johnson will have no choice but to follow policies of peace abroad and welfare at home. The policies of globalism, as Walter Lippmann calls it, are a disastrous failure, in contrast to American success at home. By globalism Lippmann means intervention all over the world in regions where we have no primary vital interest, but where the policies of the past (going back to Harry Truman, Dean Acheson and John Foster Dulles) call for an attack on communism in whatever form it shows itself. As a corollary, we must ally ourselves with counterrevolution everywhere. The result is defeat and frustration. Despite the vast power of the United States, indeed, because of that power, we have overextended ourselves, and all over Africa and Asia we are defied and insulted both by our enemies and the governments whose freedom we are supposedly defending. Nasser, Nguyen Khanh, the Philippine masses, the African delegates in the United Nations and a host of others seem to hate us as much as the Communists do.

In this lugubrious situation, it is worth going back over a few of the harbingers that have appeared in the Nation over the past year. In the April 27 issue, Barrows Dunham, writing about the imperfections of the human mind that lead to unthinkable thoughts, suggested that they arise "not because the mind is too narrow or too distant from phenomena, but because some social body acts to prevent criticism of its purposes and policies. Thus unthinkable thoughts are, in fact, forbidden thoughts, that is to say, forbidden by some organization able to punish thinkers."

The policy of the Nation has always been to refuse to be proscribed in this fashion, and to knock down, as far as lies within its power, the delusions which the powers that be systematically disseminate in order further to addle the brains of their victims. A sample of the latter is the domino theory which for years has buttressed suicidal U.S. policies in southeast Asia. In the August 24 Nation, John Gange took a look at this fiction of "inevitable, irresistible and sequential massive defeat" that was supposedly the consequence of the fall of the first domino. This theory of course fits perfectly into the scheme of globalism or unlimited military intervention in civil wars. In Christmas week, Secretary Rusk ducked a press question as to whether the United States still subscribed to the domino theory. Probably he has his own doubts by now.

Another sacred tenet of American policy is the rice bowl theory—that Communist China is bent on expansion to the south in search of food. Warren Unna writes in the Washington Post that this argument is knocked down by "the fact that even that lush rice bowl would make only a marginal difference for China's vast needs." The Chinese leaders are quite sane, and they have computers. They know that the only solution for their population-food problem is birth control and more efficient agriculture.

On April 6, the Nation ran an article by Senator FRANK CHURCH, the lead sentence of which read: "American foreign policy tends to maintain fixed positions long after these have ceased to serve our best interests." Senator CHURCH pointed particularly to the 52,000 American troops still stationed in South Korea, and apparently there for all time. This forbidden thought was followed, 9 months later, by another, when the Senator gave an interview to the progressive Catholic magazine, Ramparts, calling for a new American policy in southeast Asia and consideration of a negotiated peace, with safeguards against a Communist takeover. Three weeks after the appearance of the story, the New York Times front-paged it. Did the Times want to suggest that there are American Catholics who do not follow Cardinal Spellman on Vietnam?

It seems possible. Once only Senators MORSE and GRUENING were in opposition, now they are joined by FULBRIGHT, MCGOVERN, NELSON, PELL, BARTLETT, and CHURCH, and who knows how many others who have not yet spoken out? Perhaps President Johnson is beginning to think forbidden thoughts himself. He will be difficult to punish.

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

Mr. GRUENING. I yield.

Mr. CHURCH. Mr. President, as the distinguished Senator from Alaska knows, I, too, entertain serious doubts about our American policy in southeast Asia.

I commend the Senator especially for having referred in the course of his remarks to the nature of the American commitment to Saigon. As I understand—indeed, as it has always been reported to the American people under three different administrations—that commitment has been to give assistance in the form of military instruction, equipment, ammunition, and materiel, as well as economic aid, to the Government in Saigon, to be used in its effort to put down the Vietcong insurrection.

No one can say that we have not fulfilled that commitment. Indeed, so much equipment, materiel, food, and so many advisers have been sent to Saigon that the whole peninsula is in some danger of sinking under the weight of it.

Never, however, have we committed ourselves to converting the Vietnamese war into an American war. Never have we said that if, despite all of the assistance and support we have given to Saigon, it still is unable to cope with the uprising against it, we will then undertake to move in with American forces and transform the struggle into an American war.

Mr. GRUENING. That is true.

Mr. CHURCH. Mr. President, I could not feature any war that would be more foolish or futile than a war involving the full commitment of white, Western troops against Asian troops and the Asian mainland.

I commend the Senator for his address this afternoon. I believe it is important that we continue to stress the true nature of the American commitment, so that there will be no confusion over what we have obligated ourselves to do in Vietnam.

I have said, and I say again, that commitments solemnly made must be kept, whether made wisely or unwisely. But, there never, at any time, has been any commitment on the part of the United States to undertake to fight the war in South Vietnam. It is the kind of war that can only be won by the South Vietnamese themselves.

I commend the Senator for his address. I am sorry that I was not here at the time the distinguished Senator from South Dakota [Mr. McGOVERN] spoke on the subject of Vietnam. I want the Senator from South Dakota to know that he, too, is rendering a very important service in registering his independent views.

The Senate has a responsibility in the field of foreign affairs. We have suffered from too much conformity of thought on the matter of Vietnam. A dissent, constructively expressed, indeed, a full-fledged debate on the subject of Vietnam, is long overdue. At the very least, such a debate would give the American people a better idea of the alternatives available to us. It would give the President more elbowroom, should he need it, within which to deal with this difficult situation in southeast Asia.

Mr. GRUENING. Mr. President, I thank the distinguished Senator from Idaho for his very helpful and constructive contribution.

Does the Senator not fear that the very policy which he considers unthinkable and unwarranted; namely, a gradual takeover of the Armed Forces of the United States, is not actually taking place? In the first place, we know that many of our so-called advisers have been and are actually in combat. Within the last 48 hours, we have heard of strikes by American combat planes at installations outside of Vietnam.

In effect, this would seem to be a policy which could easily degenerate or escalate into total military participation. Therefore, I think the Senator's suggestion is excellent, that we keep our eyes fixed on these original pledges. I think that that is extremely important. Nevertheless, although we may keep our eyes upon it, it may be happening while we look. I feel very much that it is happening now.

As I stated in my remarks, the pledge to which the President alluded in the state of the Union message certainly does not preclude our taking this matter to the conference table. If we can stop the war, if we can have a cease-fire, if we can prevent a Communist military takeover by going to the peace table, I believe we would be fulfilling our pledge, and serving our own interests and those of mankind far better than by the mistaken policy which I deeply feel we are now pursuing.

Mr. CHURCH. Mr. President, I feel that there is much truth in what the Senator has said. I heard only this morning a news report out of Saigon that American and South Vietnamese planes have joined in attacks upon North Vietnam.

I was very much alarmed at this news. I am happy to say that the Secretary of State assured us this morning that there was no truth whatever in the report, and that American planes have not engaged in any attack upon the territory of North Vietnam, except, of course, in the one case where we retaliated against the torpedo attacks upon our destroyers in the Gulf of Tonkin. Nevertheless, as the Senator has pointed out, there is always the danger of our becoming more and more involved, and, step by step, finding ourselves drawn into a war which is not ours to fight.

Mr. GRUENING. There are subtle involvements. One of the brave and courageous fighters in the uniform of the United States—although we are not supposed to be fighting there—has received the Medal of Honor—all to his credit—but that is an indication that our military are actively fighting. Likewise legislation is being introduced to treat veterans of the war in Vietnam as we treated the GI's of World War I and World War II. These are indications that we are edging into the tragic situation upon which the senior Senator from Idaho says we must keep our eyes at all times, and not permit it to occur.

I welcome his support. I agree with him that there should be a full-fledged debate on this question, because in the Senate we have a responsibility in the field of foreign relations. Every alternative to the present tragic situation should be explored on the floor of the Senate.

THE PRESIDENT'S FOREIGN AID PROGRAM

Mr. CLARK. Mr. President, the Senate can find much cause for gratification in the President's message concerning the foreign aid program.

Our foreign assistance programs began with the passage of the Greek-Turkish aid bill in 1947. Our effort is 18 years old. There are signs that the program is coming of age.

We have accomplished much, and we have learned much in the accomplishment.

At the time of the Marshall plan we were engaged in an effort which required innovation and experimentation. Inevitably some of our best laid plans went awry.

We have, of course, not achieved the millenium. But we have achieved more than many thought possible after World War II. We have reached many of our goals; more are in sight.

Seventeen countries have moved from the need for outside aid to self-support; our economic aid programs have been ended in 15 European countries, Japan, and Lebanon.

In 14 more countries in Asia, Latin America, and Africa, the transition to economic self-support is underway. The need for U.S. foreign aid there is drawing to a close. These include Greece and Taiwan, where economic aid will end this year.

With our help, Taiwan has been expanding its gross national product at an average rate of 7 percent per year. Industrial production has gone up 12 percent annually. From a needy developing nation 15 years ago, it has grown into a net exporter, and a bastion of strength in the Pacific.

Encouraging signs of maturity and progress can be found in Latin America. We can now point to a third of a million houses which will be built by the end of fiscal year 1965, 36,400 classrooms, almost 12,000,000 schoolbooks, 300,000 farmers who will have received credit loans, 2,120 water systems constructed, and 734 hospitals and mobile health centers in operation.

These U.S. programs alone will, by then, have directly touched the lives of some 24 million people. The efforts of our partner nations in the alliance will multiply these figures many times.

This is progress. But even this tangible progress is less important than the willingness of the people of Latin America to move. The success of the alliance depends upon the people of Latin America. We are seeing a gradual but important shift in attitude, a willingness to discuss the heavy burdens of the commitment to develop that Latin America has assumed for itself and a willingness to enter into the self-help efforts required to achieve the alliance goals.

There are other reasons for encouragement. Events in Venezuela, Brazil, and Chile indicate that Castroism is not accepted as an answer to the problems of this hemisphere. Cuban interference has been significantly reduced by the sharp reaction of the hemisphere to the Cuban effort.

There are also encouraging signs of improvements in the management, of our foreign aid program. Where we once were using a shotgun, we are now more and more employing a rifle. This program would give some kind of assistance to some 70 countries. Nearly 90 percent of all our economic assistance would be directed to 25 of 70 countries receiving some kind of assistance.

In terms of the budget, we are presented with a rockbottom request. It is the smallest in the history of the foreign aid program. The sum requested is less than the amount appropriated to run the State of California for 1 year. It is less than six-tenths of 1 percent of the gross national product.

We are making progress in coordinating our aid with the efforts of other nations and multilaterial agencies. Eleven other free world countries now conduct aid programs of their own. The transition from AID economic help to more conventional resources of finance such as Export-Import Bank lending, World Bank lending, and private investment, is now underway in 14 countries where AID conducts programs.

Private enterprise will continue to have incentives for investment abroad and opportunity to expand trade and improve international standards of living.

There has been steady improvement in the efficiency of the administration of the aid program. We have developed a set of techniques for increasing economic progress in a variety of political and economic environments. The people working in AID are realists, not theorists. Their test of the aid program is—will it be effective?

The long list of countries where progress toward self-support is evident does not include countries like Vietnam where survival and stability must still be secured before development can begin. It does not include the newly independent nations of Africa where the first steps toward development are just being taken.

A WORD ON EXISTING MAJOR PROBLEMS

The problem of population growth remains a matter of grave concern. Also, it has been found easier to increase industrial output than farm production, and in countries where most people still earn their living from the land, this presents a challenge that cannot be ignored. There remain major problems in the world trade area. None of these problems will be easy to solve.

But we have demonstrated that we have both the ability and determination to help in the accelerated development of the free world, and we have given substance to the dreams of more than a billion people for a better life in freedom.

I believe it should be encouraged, not discouraged.

I believe the foreign aid program has come of age.

I believe we should enact the President's program, as proposed.

I ask unanimous consent to have printed in the RECORD at this point a table showing the fiscal year 1966 request as compared with the fiscal year 1965 request and appropriations.

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

Mutual defense and development programs

FISCAL YEAR 1966 REQUEST COMPARED WITH FISCAL YEAR 1965 REQUEST AND FISCAL YEAR 1965 APPROPRIATIONS

[In thousands of dollars]

Category	President's request for fiscal year 1965	Congressional appropriation, fiscal year 1965	President's request for fiscal year 1966
Economic assistance:			
Development loans	922,200	773,728	780,250
Technical cooperation	224,600	204,600	210,000
Alliance for Progress:			
Development loans	465,000	425,000	495,125
Technical cooperation	85,000	84,700	85,000
Supporting assistance	405,000	401,000	369,200
Contingency fund	150,000	99,200	50,000
International organizations and programs	134,400	134,272	155,455
American schools and hospitals abroad	18,000	16,800	7,000
Survey of investment opportunities	2,100	1,600	
Administrative expenses, AID	52,500	51,200	55,240
Administrative and other expenses, State	2,900	2,900	3,100
Total economic assistance	2,461,700	2,195,000	2,210,370
Military assistance	1,055,000	1,055,000	1,170,000
Total, mutual defense and development program	3,516,700	3,250,000	3,380,370

MUTUAL DEFENSE AND DEVELOPMENT PROGRAMS

Budget requests fiscal years 1948–66 [1]

[In millions of dollars]

Fiscal year	Economic assistance	Military assistance	Total
1948–49	[2] 7,370.0		7,370.0
1950	4,280.0	1,400.0	5,680.0
1951	2,950.0	5,222.5	8,172.5
1952	2,197.0	6,303.0	8,500.0
1953	2,475.0	5,425.0	7,900.0
1954	1,543.2	3,931.5	5,474.7
1955	1,798.1	1,650.0	3,448.1
1956	1,812.8	1,717.2	3,530.0
1957	1,860.0	3,000.0	4,860.0
1958	1,964.4	1,900.0	3,864.4
1959	2,142.1	1,800.0	3,942.1
1960	2,330.0	1,600.0	3,930.0
1961	2,875.0	2,000.0	4,875.0
1962	2,883.5	1,885.0	4,768.5
1963	3,461.3	1,500.0	4,961.3
1964	3,120.3	1,405.0	4,525.3
1965	[3] 2,461.7	[3] 1,055.0	[3] 3,516.7
1966	2,210.4	1,170.0	3,380.4

[1] Including supplementals and amendments initiated by the executive branch.
[2] Covers last quarter of fiscal year 1948 and full fiscal year 1949.
[3] Includes amended request for Vietnam.

EXECUTIVE SESSION

Mr. CHURCH. Mr. President, I move that the Senate proceed to the consideration of executive business.

The motion was agreed to; and the Senate proceeded to consider executive business.

The PRESIDING OFFICER (Mr. HARTKE in the chair). If there be no reports of committees, the clerk will state the nominations on the Executive Calendar.

DEPARTMENT OF THE INTERIOR

The legislative clerk read the nomination of John A. Carver, Jr., of Idaho, to be Under Secretary of the Interior.

Mr. CHURCH. Mr. President, I am more than proud to endorse John A. Carver, Jr., to be Under Secretary of Interior. He has been a remarkably diligent and adept public servant, and his many talents have demonstrated themselves in abundance since he came to Washington as my administrative assistant in 1957.

Before that he was a very successful lawyer in Boise, Idaho, and a person whose friendship I came to cherish. That friendship has been kept in repair. As my administrative assistant Mr. Carver quickly demonstrated that he had the intuition to locate the "jugular vein" of a difficult problem; that he could organize an office staff and inspire it to work efficiently and hard; and perhaps most of all, that he was dedicated to the public welfare, and evaluated legislative and administrative functions within that framework.

With his advent to an assistant secretaryship at Interior in 1961, Mr. Carver began the supervision of the work of half a dozen top Government agencies, and I firmly believe these have advanced considerably in their effectiveness under his leadership and administration. Mr. Carver kept an "open door" policy in his office, and people who came to see him and discuss their problems found a willing listener, and an official ready to move adroitly and effectively against redtape.

Mr. Carver also took to the road, not only to inform the public of Interior functions and programs, but to acquaint himself at the grassroots level with the problems of the rancher, the Indian on the reservation, the lumberman, the mine operator, and all others whose livelihood had a dependency on the Federal lands under his jurisdiction. I believe that he has made the agencies

under his guidance more responsive to the public interest, more pliable in meeting the needs of today, and more alert to the requirements of the future.

Mr. President, I think we have in John A. Carver, Jr., that rare public servant who combines high honor, fine intelligence, and great capability for the administration of the laws we make here in the Congress. I recommend him without reservation for the undersecretaryship of the Interior.

Mr. President, following John Carver's appearance before the Interior and Insular Affairs Committee, the committee, in a most unusual procedure, endorsed his nomination in a rising vote, that the members of the committee had without going into executive session, which is testimony to the confidence in this proven and able appointee.

I ask unanimous consent to have printed in the RECORD extracts from editorials in western newspapers praising the nomination of Mr. Carver for this new position.

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

[From the Lewiston (Idaho) Morning Tribune, Dec. 30, 1964]

A Boise attorney before his latest move to Washington, D.C., Carver is thoroughly familiar with the intricacies of Federal Government. He began as a messenger for a Senate committee in 1936. He served in various civilian and military assignments for the National Government before he joined the staff of Gov. Robert E. Smylie, then Idaho's attorney general, in 1947. He practiced law at Boise from 1948 to 1957, then returned to Washington as administrative assistant to Senator FRANK CHURCH. There he was recognized as one of the ablest administrative assistants in the Senate, and Udall quickly selected him for a key Interior Department role after Udall's appointment as Secretary.

As Assistant Secretary in Charge of Public Lands, Carver has encountered some of the most complicated and controversial problems in domestic government. He has not evaded these problems, nor has he compromised the administration's basic principles of land management. Yet he has won not merely the respect but the outspoken admiration of most of the industries which largely depend upon the use of public lands. And he has accomplished this without alienating the liberals, whose ideas of public land management frequently clash with those who depend upon public land use for their income.

The secret of this remarkable record seems to be that Carver understands his field thoroughly and has the intelligence and courage to seek bold new solutions for vexing, old problems.

Lumbermen, mine operators, and cattlemen, for example, tend to froth at complex, detailed restrictions and regulations which they regard as obsolete and punitive. Confronted with such criticism, the average bureaucrat is likely to dismiss the objectors as greedy interests seeking to despoil the public lands. The bureaucrat is inclined to "go by the book" in judging complaints, fearful that concessions might undermine fundamental principles of conservation and mindful that "the book" is a maze of legislation and regulations which confounds even the experts in individual agencies.

Carver has probed into a multitude of such problems seeking not merely to understand the accumulated rules but also to determine how the underlying philosophy behind the rules can be better served by changes and adaptations. Where a regulation serves no purpose except to frustrate land users and custodians alike he has sought to eliminate it. Where the laws have created an administrative jungle, he has worked closely with Congress, the administration, and user interests to modernize them. He is only one of many, of course, who is pushing for a thorough revision of the Nation's public land laws to create a more workable pattern based upon the principles of conservation and multiple use. However, his efforts in this direction have been particularly effective because he often speaks clearly and candidly for the administration about such questions—to Congress, to the users, and to his subordinates in Government.

The result has been that the same Interior Department administration which has given the greatest emphasis in recent history to the preservation and protection of key public lands also has led the way to more sensible use of other public lands by commercial interests. Udall primarily has emphasized conservation and protection of scenic, historic, and wilderness areas, though he also thoroughly understands the West's dependence upon a public land economy. Carver has emphasized the other side of the coin—the wise and prudent use of public lands with a minimum of crippling regulations.

This is not to suggest that Udall and his assistant have been pursuing opposite goals. This is not the case at all. Udall may come to rank as the greatest conservationist in Government in several decades, but this does not mean that he wants to "lockup" all public lands for future generations. Carver has established an enviable reputation among user interests as a man who knows their problems and will help to solve them—but this does not mean that he wants to log off the national parks or eliminate wilderness areas. The public lands of America are infinitely varied. Their proper use is a tremendously complex matter. Udall and his new No. 1 assistant are simply concentrating on separate aspects of the same vast problem, and together they are achieving memorable results.

B.J.

[From the Grand Junction (Colo.) Sentinel, Dec. 6, 1964]

We sincerely hope that Assistant Interior Secretary John A. Carver will receive the appointment as Under Secretary of the Interior. If he does, it will be the biggest break the West has had for a long, long time.

John Carver is the best qualified of the men in the Department to take over the position. He is, as many local people will remember, the Interior representative who visited Grand Junction for the dedication of the new center at Colorado Monument.

This is not the only spot he has visited. Few of the Under Secretaries of the Department take so much interest in the areas they control. He is one of the few to take numerous field trips to learn what actually goes on in the field and to become acquainted with the problems in various sections of the country. He does it quietly and without fanfare, but thoroughly and intelligently.

Carver's appointment could be a major break for development in much of the West and particularly for the development of the oil shale industry.

Carver is a westerner and a practical operator. This is what is badly needed in a top position of the Department of the Interior.

[From the Twin Falls (Idaho) Times-News, Dec. 2, 1964]

He has been in demand as a speaker around the Nation and some users of the public domain have declared that Mr. Carver has found the delicate balance necessary when dealing with private range use while still keeping the Nation's general welfare in mind. No one has accused him of capricious, arbitrary action that is so common when dealing with the ordinary type of bureaucrat.

[From the Boise (Idaho) Statesman, Dec. 29, 1964]

He demonstrated a great capacity in performing administrative duties of Government, no matter how complex they may be. He seldom takes a fling into orbit, settling on cloud 9 for a too lofty view. He keeps his feet on the ground, can talk the language of the cattleman, the sheepherder, the lumberjack, the wilderness advocate, the park vendor, the Indian chief.

His willingness to listen in a rough and tumble debate marks him as a keen genius expressing the desire to understand and assist—not dominated by unreasonable bureaucratic directive.

Mr. Carver will preside well in his new position. There is never doubt as to the sincerity in purpose which this 46-year-old former Boisean evokes.

[From the Pocatello (Idaho) Intermountain, Dec. 10, 1964]

Mr. Carver has proven capabilities as an administrator, and a lifelong acquaintance with the public land economy of this region. We wish him well in his new post, and we expect a lot from him—the sort of thing that may yet force an admission from a public lands-use organization that progress has been made.

Thus far Mr. Carver's official concern for the public's stake in its own public domain, which is primary, has not caused him to forget that virtually every resident of the inland West feels some direct effect, whether economic or esthetic, from any significant policy change in the Interior Department. As that young sheepman said, things could be a lot worse.

P.S.

[From the Pocatello (Idaho) State Journal, Dec. 28, 1964]

Carver is an advocate of new approaches to public land management, and as such is interested in the activities of the Public Land Law Review Commission created by the last Congress. Carver was at one time considered for chairman of that body. He believes an intensive review of the public lands is long overdue.

The new No. 2 man in the Department is generally well versed and interested in areas that touch close to home. Carver's special interests and talents mesh with the special interests and problems of Idaho and Western States like Idaho.

But there is more good news to the appointment than having the right man in the right place. Carver is also an extremely competent administrator.

He first showed his talent for government and administration as chief assistant to Idaho Senator FRANK CHURCH, serving in that position from 1957 to 1961. He was known as a demanding man to work for, expecting and getting the most out of the Senator's staff. His reputation has been similar as assistant secretary since 1961. In fact, his willingness to put in long hours on the job partly explains his appointment by a man who also believes in extra effort and extra hours.

Carver is a man known for succeeding in his assignments. His position will give him

more of a chance to demonstrate his ability. He is still a young man, and Idahoans and the Nation are bound to hear a lot more of John Carver in the years to come.

[From the Boise (Idaho) Statesman, Nov. 29, 1964]

He has shown attentiveness to the needs of the many users of Federal domain, has not ruled strictly on a basis of Washington planners, but often took to the grassroots to gain firsthand knowledge of pressing problems. From his vantage point in the country, discussing the issues with the miner, the stockman, the sheepherder, the Indian, outdoor enthusiast and conservationist, Mr. Carver made decisions compatible with both Federal policy and provincial needs.

He has worked well with Members of Congress, particularly those in the West. He appears to want to be in concert with their constituents in issuing policy which does not interrupt the economy of a given area.

He recognizes the requests of conservationists, understands the demands of wildlifers, the hunter, the fisherman. But he has shown the capacity to fit the needs of all users into a Federal policy. At the same time, he is not cheating the public, but guarding treasured resources of Idaho and other Western States from foolish exploitation and rapid deterioration.

Next year the new Public Land Law Review Commission will begin a study of archaic statutes now on the Federal books. Actually, Mr. Carver has been reported by some sources to be in line for the chairmanship of the important body, composed of lawmakers, administration officials, and laymen.

But his taking office as Under Secretary of the Interior should not preclude him from serving as chairman of the Public Land Law Review Commission, if the members of this organization favor him for that post.

[From the Denver (Colo.) Post, Jan. 3, 1965]

The promotion of John A. Carver, Jr., to the job of Under Secretary of the Department of Interior is good news for the Rocky Mountain region. As Stewart Udall's assistant, Carver will be able to bring his solid western background to bear on the problems of the West.

A native of Idaho, a graduate of Brigham Young University and a former staff member in the office of Senator FRANK CHURCH, Democrat, of Idaho. Carver has had 2 years as Under Secretary of Interior in charge of public lands. He has handled the job with tact and has gained the confidence of resource-minded westerners.

Coloradans, particularly, are interested in Interior policy. If and how the State's oil shale is developed depends to a great extent on policies of the Interior Department. Carver has shown interest in this subject and has become expert in its details. For this reason alone we would be glad for Carver's advancement. In general, however, his familiarity with all the West's problems is what makes his promotion welcome.

[From the Spokesman-Review, Dec. 30, 1964]

President Johnson's selection of John A. Carver, Jr., for the position of Under Secretary of the Interior should be acceptable throughout the Western States, where the activities of this Department of the Federal Government are important to the economy of the area.

Mr. Carver's experience as an Assistant Secretary in the Department for almost 4 years has shown him to be a sincere and knowledgeable custodian of the responsibilities assigned to that office. For the last few months the position of Under Secretary has been vacant, and the recent appointment has been overdue.

Political considerations are, of course, a major factor in a job such as this one. The Carver appointment must be approved by the U.S. Senate, but there should be little difficulty on that score.

Mr. Carver has displayed an understandable and energetic attitude toward the problems of the West. While his ideology must necessarily reflect the convictions of his superiors in the Federal Government, his concern for various points of view in various controversial matters has marked him as a reasonable administrator.

Mr. GRUENING. Mr. President, will the Senator from Idaho yield?

Mr. CHURCH. I yield.

Mr. GRUENING. I commend the senior Senator from Idaho for his magnificent support of this very fine appointment. Seldom have I heard a more eloquent or effective presentation on behalf of a candidate for high office than the one he delivered before the Interior and Insular Affairs Committee last Tuesday in behalf of John Carver's nomination to be Under Secretary of the Interior. A nomination which I was happy to support enthusiastically, as were the other members of the committee. I feel he will be an excellent Under Secretary; that he has a good career in store, and that in the years ahead the American people will be the beneficiaries of his dedicated ability and service.

DEPARTMENT OF COMMERCE

Mr. MAGNUSON. Mr. President, on the Executive Calendar is the nomination of John T. Connor, of New Jersey, to be Secretary of Commerce.

The PRESIDING OFFICER. The nomination will be stated.

The legislative clerk read the nomination of John T. Connor, of New Jersey, to be Secretary of Commerce.

Mr. MAGNUSON. Mr. President, the Senate Committee on Commerce held a hearing on this nomination on Tuesday, at which practically all the members of the committee were present. The nominee was questioned at great length regarding many of the facets of the responsibilities of Secretary of Commerce, other facets of his prior career, as well as a possible conflict of interest because of financial holdings of the nominee.

After lengthy questioning, the committee was satisfied, first, that John Connor would make a good Secretary of Commerce; and that his views were such that he was particularly well fitted for the post. The question of conflict of interest was cleared up by a legal opinion from the legislative counsel and questions from members of the committee. The nominee himself assured, and I think convinced, the committee, that there would be no question of it if he were confirmed by the Senate.

Mr. Connor has had wide experience. Briefly, let me state that he has resigned as president of Merck & Co., one of the large drug and commercial concerns of the United States. He has been a director of the General Motors Corp., and the General Foods Corp. He has had considerable experience in special fields in the Government, having served some years ago as chief assistant to the late James Forrestal, who was Secretary of the Navy. He was chosen by President Kennedy to be one of the incorporators of the original Communications Satellite Corp. So he was no stranger to the committee, because we had examined him in that particular field as recently as 1963 and asked him at that time questions regarding his interests.

We have had placed in the hearing record a comprehensive trust agreement he has worked out with the Morgan Guaranty & Trust Co., so far as his and his family's holdings are concerned. He is a man of considerable alertness and experience, as one can readily appreciate from the important posts he has held over the years. I think we are going to be fortunate to have him run this very important Department. The Department itself runs the gauntlet of many fields. Both business and labor—and there were many communications from both groups—endorse the appointment, saying that Mr. Connor can serve well in this capacity.

The PRESIDING OFFICER. The question is, Will the Senate advise and consent to this nomination?

The nomination was confirmed.

DEPARTMENT OF STATE—DIPLOMATIC AND FOREIGN SERVICE

The legislative clerk proceeded to read sundry nominations in the Department of State.

Mr. MAGNUSON. Mr. President, I ask unanimous consent that the nominations for the Department of State and Diplomatic and Foreign Service be considered en bloc.

The PRESIDING OFFICER (Mr. MCGOVERN in the chair). Without objection, the nominations for the Department of State and Diplomatic and Foreign Service will be considered en bloc; and, without objection, they are confirmed.

Without objection, the President will be notified of the nominations today confirmed.

LEGISLATIVE SESSION

Mr. MAGNUSON. Mr. President, I move that the Senate resume the consideration of legislative business.

The motion was agreed to, and the Senate resumed the consideration of legislative business.

ADJOURNMENT UNTIL TUESDAY

Mr. HARTKE. Mr. President, in accordance with the previous order, I now move that the Senate adjourn until Tuesday next at 12 o'clock.

The motion was agreed to; and (at 3 o'clock and 48 minutes p.m.) the Senate

adjourned, under the previous order, until Tuesday, January 19, 1965, at 12 o'clock meridian.

NOMINATIONS

Executive nominations received January 15, 1965:

IN THE ARMY OF THE UNITED STATES

The following-named officer to be placed on the retired list in grade indicated under the provisions of title 10, United States Code, section 3962:

To be general

Hugh Pate Harris, [redacted] Army of the United States (major general, U.S. Army).

CONFIRMATIONS

Executive nominations confirmed by the Senate January 15, 1965:

DEPARTMENT OF INTERIOR

John A. Carver, Jr., of Idaho, to be Under Secretary of the Interior.

DEPARTMENT OF COMMERCE

John T. Connor, of New Jersey, to be Secretary of Commerce.

DEPARTMENT OF STATE

Ben H. Brown, Jr., of South Carolina, a Foreign Service officer of class 1, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to Liberia.

William A. Crawford, of the District of Columbia, a Foreign Service officer of class 1, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to Rumania.

Ralph A. Dungan, of Pennsylvania, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to Chile.

William H. Sullivan, of Rhode Island, a Foreign Service officer of class 1, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the Kingdom of Laos.

DIPLOMATIC AND FOREIGN SERVICE

The following-named persons, who were appointed during the last recess of the Senate, to the offices indicated:

Now Foreign Service officers of class 2 and secretaries in the diplomatic service:

Antonio Certosimo, of Arizona, to be consul general of the United States of America.

Philip H. Chadbourn, Jr., of California, to be consul general of the United States of America.

William B. Connett, Jr., of New Jersey, to be consul general of the United States of America.

Livingston D. Watrous, of Massachusetts, to be consul general of the United States of America.

Now Foreign Service officers of class 3 and secretaries in the diplomatic service:

Frank C. Carlucci, of Pennsylvania, to be consul general of the United States of America.

Charles Gilbert, of Florida, to be consul general of the United States of America.

John L. Hagan, of the District of Columbia, to be consul general of the United States of America.

John P. Condon, of Oklahoma, to be Foreign Service officer of class 3, consul, and secretary in the diplomatic service of the United States of America.

Herbert G. Ihrig, Jr., of Washington, to be Foreign Service officer of class 3, consul, and secretary in the diplomatic service of the United States of America.

Lee S. Bigelow, of Texas, to be Foreign Service officer of class 7, vice consul of career, and secretary in diplomatic service of the United States of America.

Henry Clay Black II, of Illinois, to be Foreign Service officer of class 7, vice consul of career, and secretary in diplomatic service of the United States of America.

Edmund T. DeJarnette, Jr., of Virginia, to be Foreign Service officer of class 7, vice consul of career, and secretary in diplomatic service of the United States of America.

Denis Lamb, of New York, to be Foreign Service officer of class 7, vice consul of career, and secretary in diplomatic service of the United States of America.

George H. Lane, of Illinois, to be Foreign Service officer of class 7, vice consul of career, and secretary in diplomatic service of the United States of America.

Michael J. Mercurio, of Ohio, to be Foreign Service officer of class 7, vice consul of career, and secretary in diplomatic service of the United States of America.

Ned E. Morris, of Tennessee, to be Foreign Service officer of class 7, vice consul of career, and secretary in diplomatic service of the United States of America.

Geoffrey Ogden, of California, to be Foreign Service officer of class 7, vice consul of career, and secretary in diplomatic service of the United States of America.

Alan D. Romberg, of New York, to be Foreign Service officer of class 7, vice consul of career, and secretary in diplomatic service of the United States of America.

Charles B. Salmon, Jr., of New York, to be Foreign Service officer of class 7, vice consul of career, and secretary in diplomatic service of the United States of America.

David S. Wilson, of California, to be Foreign Service officer of class 7, vice consul of career, and secretary in diplomatic service of the United States of America.

Edward James Alexander, of Colorado, to be Foreign Service officer of class 8, vice consul of career, and secretary in the diplomatic service of the United States of America.

George T. Basil, of New York, to be Foreign Service officer of class 8, vice consul of career, and secretary in the diplomatic service of the United States of America.

David E. Brown, of Pennsylvania, to be Foreign Service officer of class 8, vice consul of career, and secretary in the diplomatic service of the United States of America.

Miss Patricia L. Guyer, of California, to be Foreign Service officer of class 8, vice consul of career, and secretary in the diplomatic service of the United States of America.

Richard J. Harrington, of California, to be Foreign Service officer of class 8, vice consul of career, and secretary in the diplomatic service of the United States of America.

John J. Hurley, Jr., of Massachusetts, to be Foreign Service officer of class 8, vice consul of career, and secretary in the diplomatic service of the United States of America.

Frank P. Kelly, of New Jersey, to be Foreign Service officer of class 8, vice consul of career, and secretary in the diplomatic service of the United States of America.

John H. Kelly, of Virginia, to be Foreign Service officer of class 8, vice consul of career, and secretary in the diplomatic service of the United States of America.

Thomas J. O'Flaherty, of New York, to be Foreign Service officer of class 8, vice consul of career, and secretary in the diplomatic service of the United States of America.

Roger E. Sack, of New York, to be Foreign Service officer of class 8, vice consul of career, and secretary in the diplomatic service of the United States of America.

Miss Eleanor Wallace Savage, of California, to be Foreign Service officer of class 8, vice consul of career, and secretary in the diplomatic service of the United States of America.

Robert D. Simon, of New York, to be Foreign Service officer of class 8, vice consul of career, and secretary in the diplomatic service of the United States of America.

Miss Elizabeth R. Thurston, of Indiana, to be Foreign Service officer of class 8, vice consul of career, and secretary in the diplomatic service of the United States of America.

William D. Wade, of Massachusetts, to be Foreign Service officer of class 8, vice consul of career, and secretary in the diplomatic service of the United States of America.

Foreign Service Reserve officers

Fentress Gardner, of Virginia, to be consul of the United States of America.

Anthony J. Gentile, of Ohio, to be consul of the United States of America.

Daniel M. Kennedy, of Massachusetts, to be consul of the United States of America.

S. Richard Rand, of Florida, to be consul of the United States of America.

Edward L. Robinson, of Illinois, to be consul of the United States of America.

Robert A. Rockweiler, of Wisconsin, to be consul of the United States of America.

Jerry J. Allinson, of New York, to be vice consul of the United States of America.

Walter C. d'Andrade, of Massachusetts, to be vice consul of the United States of America.

Vernon J. Goertz, Jr., of Virginia, to be vice consul of the United States of America.

Michael A. Kristula, of California, to be vice consul of the United States of America.

Edward H. Schulick, of New Jersey, to be vice consul of the United States of America.

William H. Brubeck, of Virginia, to be secretary in the diplomatic service of the United States of America

Philip Cherry, of Pennsylvania, to be secretary in the diplomatic service of the United States of America.

Edwin P. Earnest, of Maryland, to be secretary in the diplomatic service of the United States of America.

John C. Erskine, of Maryland, to be secretary in the diplomatic service of the United States of America.

Fred C. Fischer, of Virginia, to be secretary in the diplomatic service of the United States of America.

John F. Gilhooly, of Connecticut, to be secretary in the diplomatic service of the United States of America.

John G. Gloster, of Maryland, to be secretary in the diplomatic service of the United States of America.

John Heilman, of Pennsylvania, to be secretary in the diplomatic service of the United States of America.

William C. Ide, of Virginia, to be secretary in the diplomatic service of the United States of America.

Kenneth L. Mayall, of Washington, to be secretary in the diplomatic service of the United States of America.

Adger E. Player, of Colorado, to be secretary in the diplomatic service of the United States of America

Charles L. Stermer, of Illinois, to be secretary in the diplomatic service of the United States of America.

Donald H. Winters, of Ohio, to be secretary in the diplomatic service of the United States of America.

Foreign Service Staff officers:

Miss Mary Willis McKenzie, of Virginia, to be consul of the United States of America.

Miss Eleanor R. Paulson, of Washington, to be consul of the United States of America

Victor D. Russillo, of Rhode Island, to be consul of the United States of America.

Miss Ruth E. Wagner, of the District of Columbia, to be consul of the United States of America.